

**TÜRK EKONOMİ BANKASI
ANONİM ŞİRKETİ AND ITS
FINANCIAL SUBSIDIARIES**

**CONSOLIDATED FINANCIAL
STATEMENTS AND NOTES
FOR THE PERIOD
ENDED SEPTEMBER 30, 2006**

*Translated into English from the
Original Turkish Report*

To the Board of Directors of
Türk Ekonomi Bankası A.Ş.
Istanbul

TÜRK EKONOMİ BANKASI A.Ş. AND ITS FINANCIAL SUBSIDIARIES
INDEPENDENT ACCOUNTANTS' LIMITED REVIEW REPORT
FOR THE PERIOD JANUARY 1 – SEPTEMBER 30, 2006

1. We have performed a limited scope review of the accompanying consolidated balance sheet of Türk Ekonomi Bankası A.Ş. (“The Bank”) and its subsidiaries (together the “Group”) as at September 30, 2006 and the related consolidated statements of income, changes in shareholders’ equity and cash flows for the period then ended. These financial statements are the responsibility of the Bank’s management. As independent accountants our responsibility is to issue a report based on the limited scope review performed on these financial statements. The financial statements of the Group for the year ended December 31, 2005 have been audited by other auditors whose report, dated February 9, 2006, expressed an unqualified opinion.
2. We conducted our review in accordance with the accounting rules and policies, and the accounting and auditing standards, set out as per the Banking Act No: 5411 and the provisional Article 1 of this Banking Act. Those standards require that we plan and perform the review to obtain limited assurance as to whether the financial statements are free of material misstatement. Since a review is principally limited to reviewing financial statements by applying analytical procedures, inquiring as to the integrity of the financial statements and making inquiries of management to obtain information, it is substantially less in scope than an audit and therefore provides a lesser assurance. We have not performed a full scope audit and accordingly we do not express an audit opinion.
3. Based on our limited scope review, we are not aware of any material modifications that should be made to the accompanying consolidated financial position, the results of its operations and its cash flows of the Group for the period ended September 30, 2006 for them to be in conformity with the prevailing accounting principles and standards set out as per the Article no. 37 and 38 of the Banking Act No: 5411 and the provisional Article 1 of this Banking Act.
4. Additional paragraph for English translation:

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

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

Member of **DELOITTE TOUCHE TOHMATSU**

Hasan Kılıç
Partner

Istanbul, October 30, 2006

THE CONSOLIDATED FINANCIAL REPORT OF TÜRK EKONOMİ BANKASI A.Ş. FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2006

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The Reporting Package designed by the Banking Regulation and Supervision Agency in line with "Regulation on Accounting Practice numbered 17, Financial Statements to be announced to the Public and the Accompanying Policies and Disclosures" consists of the sections listed below:

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF PARENT BANK
- EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATION ON FINANCIAL STRUCTURE OF THE GROUP WHICH IS UNDER CONSOLIDATION
- EXPLANATORY DISCLOSURES AND FOOTNOTES ON CONSOLIDATED INTERIM FINANCIAL STATEMENTS
- OTHER EXPLANATORY DISCLOSURES AND FOOTNOTES
- INDEPENDENT AUDITORS' REVIEW REPORT

The subsidiaries, financial statements of which are consolidated within the framework of the reporting package are as follows:

Subsidiaries

1. The Economy Bank N.V.
2. Stichting Custody Services TEB
3. Kronenburg Vastgoed B.V.
4. TEB Yatırım Menkul Değerler A.Ş.
5. TEB Finansal Kiralama A.Ş.
6. TEB Factoring A.Ş.
7. TEB Portföy Yönetimi A.Ş.

The consolidated interim financial statements and the explanatory footnotes and disclosures, unless otherwise indicated, are prepared in **thousands of New Turkish Lira**, have been independently reviewed and presented below in accordance with the Regulation on Accounting Practice, related communiqués and the Banks' records.

October 30, 2006

Yavuz Canevi	Alain Pierre André Bailly	İsmail Yanık	Varol Civil	E. Sevinç Özşen	B. Ilgaz Doğan
Head of Board of Directors	Head of Audit Committee	Vice Chairman of the Audit Committee	General Manager	Assistant General Manager Responsible of Financial Reporting	Manager Responsible of Financial Reporting

Information related to responsible personnel for the questions that can be raised about financial statements:

Name-Surname/ Title: Güzin Üstün / Investor Relations Director

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TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM
JANUARY 1 TO SEPTEMBER 30, 2006

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

SECTION ONE

GENERAL INFORMATION

I- The Parent Bank's Incorporation Date, Beginning Statue, Changes in the Existing Statue

Türk Ekonomi Bankası Anonim Şirketi ("the bank"), which had been a local bank incorporated in Kocaeli in 1927 under the name of Kocaeli Halk Bankası T.A.Ş., was acquired by the Çolakoğlu Group in 1982. Its name was changed as Türk Ekonomi Bankası A.Ş. and its headquarters moved to Istanbul.

II- Explanations Regarding the Parent Bank's Shareholding Structure, Shareholders Holding Directly or Indirectly, Collectively or Individually, the Managing and Controlling Power and Changes in Current Year, if any and Explanations on the Controlling Group of the Bank

As of September 30, 2006 and December 31, 2005, the shareholders and their respective percentages of ownership are summarized as follows:

Name of shareholders	Current Period		Previous Period	
	Paid in capital	%	Paid in capital	%
TEB Mali Yatırımlar A.Ş.	64,454	84.25	48,699	84.25
Publicly Traded	11,956	15.63	8,766	15.17
Other Shareholders	90	0.12	335	0.58
	76,500	100.00	57,800	100.00

Based on the resolution of the Board of Directors no. 3840/28 on March 31, 2006, the Parent Bank has increased its paid in capital of TRY 57,800 within the registered capital ceiling of TRY 100,000 by TRY 18,700, to TRY 76,500. TRY 18,700 that constitutes the capital increase has been decided to be used as pre-emptive rights to the shareholders and the non-used preemptive rights to be traded on the Stock Exchange, and the whole amount to be paid in cash. The increase of TRY 18,700 was registered with Istanbul Trade Registry Office on September 20, 2006 and capital increase procedures were completed.

As of September 30, 2006 Parent Bank's paid-in-capital consists of 76,500 million shares at the historical value of TRY 0.001 nominal each.

In accordance with the notification made on February 10, 2005 by TEB Mali Yatırımlar A.Ş., the ultimate shareholder of the Group, it was announced that TEB Mali Yatırımlar A.Ş. has transferred shares representing 50% of its capital to BNP Paribas on February 10, 2005, based on the share purchase agreement signed with BNP Paribas on November 22, 2004.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM
JANUARY 1 TO SEPTEMBER 30, 2006

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

III- Explanations Regarding the Chairman of Board of Directors and Members of Board of Directors, Audit Committee, General Manager and Assistants and Their Shares in the Parent Bank

<u>Title</u>	<u>Name</u>
Chairman of Board of Directors	: Yavuz Canevi
Members of Board of Directors	: Dr.Akın Akbaygil Alain Pierre André Bailly (Head of Audit Committee) İsmail Yanık (Vice Chairman of Audit Committee) Jean-Jacques Marie Santini Metin Toğay Michel Roger Chevalier Refael Taranto Varol Civil (General Manager)
Chairman of Inspection Committee	: Hakan Tıraşın
General Manager Assistants	: Emine Sevinç Özşen İzzet Cemal Kışmir Levent Çelebioğlu Nilsen Altıntaş Nuri Tuncalı Saniye Telci Turgut Boz Turgut Güney Ümit Leblebici Ünsal Aysun
Auditors	: Ayşe Aşardağ Cihat Madanoğlu

Shares of the Bank owned by the above stated Chairman and Members of Board of Directors, General Manager and Assistants are negligible.

IV- The Parent Bank's Service Activities and Operating Areas

The Parent Bank's operating areas include, retail, commercial and corporate banking, fund management operations and project financing. Besides the daily banking operations, Bank is handling insurance agency functions by its branches under the name of TEB Yatırım Menkul Değerler A.Ş and TEB Sigorta A.Ş. as of September 30, 2006, Bank has 144 local branches and 1 foreign branch (December 31, 2005 - 112 local branches, 1 foreign branch).

V- Other Explanations

Commercial name of the Bank	: Türk Ekonomi Bankası Anonim Şirketi (the Bank)
Address of the head office	: Meclis-i Mebusan Caddesi No: 35 Fındıklı 34427 - İSTANBUL
Telephone number	: (0212) 251 21 21
Facsimile number	: (0212) 249 65 68
Web page	: www.teb.com.tr
E-mail address	: investorrelations@teb.com.tr
Reporting period	: January 1 – September 30, 2006
Reporting monetary unit	: Thousands of New Turkish Lira

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM
JANUARY 1 TO SEPTEMBER 30, 2006

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

VI- Explanations on the Interim Consolidated Financial Statements

- a) There are no transactions realized in the interim period that display a seasonal or a periodical nature.
- b) There are no non-recurring transactions or fundamental accounting errors.
- c) There are no items that affect assets, liabilities, equity, net income and cash flows, and that falls outside the scope of the ordinary operations in terms of their nature, amounts and constitution.
- d) Prior period interim consolidated financial statements, do not contain any changes with respect to the estimated values related with the current period. There are no items in the prior period financial statements that are recorded with their estimated value.
- e) There are no convertible bonds or any other debt securities issued during the current period.
- f) In the General Assembly meeting of the Parent Bank, dated March 23, 2006, it was decided to distribute the profit on the financial statements dated December 31, 2005. The amounts that will be distributed to the shareholders who are subject to and not subject to withholding tax are TRY 0.3242670 and TRY 0.2918403 (Nominal full TRY) respectively. Total dividends amounting to TRY 18,742 were paid to the shareholders commencing on April 6, 2006.
- g) There are no subsequent events that occurred after the preparation date of the interim consolidated financial statements which have a material impact on the interim consolidated financial statements.
- h) There are no transactions that may result in a structural change for the Parent Bank such as restructuring, mergers and acquisitions, or discontinued operations.
- i) There are no subsequent changes in the commitments and contingencies of the Bank that have arisen after the year-end balance sheet date.

SECTION TWO

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

- I. Consolidated Balance Sheet
- II. Consolidated Statement of Off Balance Sheet Contingencies and Commitments
- III. Consolidated Statement of Income
- IV. Consolidated Statement of Changes in Shareholders' Equity
- V. Consolidated Statement of Cash Flows

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEET AS OF
SEPTEMBER 30, 2006

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

I- CONSOLIDATED BALANCE SHEET - ASSETS

	Note Ref. (Section 5)	Reviewed Current Period 30.09.2006			Audited Prior Period 31.12.2005		
		TRY	FC	Total	TRY	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK OF TURKEY		195,023	933,244	1,128,267	118,087	235,431	353,518
1.1 Cash		34,329	4	34,333	25,856	11	25,867
1.2 Foreign currency		-	96,047	96,047	-	60,028	60,028
1.3 Balances with the Central Bank of Turkey	I-1	160,157	832,191	992,348	92,213	173,945	266,158
1.4 Other		537	5,002	5,539	18	1,447	1,465
II. TRADING SECURITIES (Net)		11,878	8,401	20,279	97,693	12,760	110,453
2.1 Public sector debt securities	I-2	11,701	7,607	19,308	97,693	12,162	109,855
2.1.1 Government bonds	I-2	10,608	7,586	18,194	88,042	12,161	100,203
2.1.2 Treasury bills	I-2	1,093	-	1,093	9,651	-	9,651
2.1.3 Other public sector debt securities	I-2	-	21	21	-	1	1
2.2 Share certificates		177	-	177	-	-	-
2.3 Other marketable securities		-	794	794	-	598	598
III. BANKS AND OTHER FINANCIAL INSTITUTIONS		33,157	886,063	919,220	284,480	695,908	980,388
3.1 Due from banks		33,157	886,063	919,220	284,480	695,908	980,388
3.1.1 Domestic banks		33,157	125,379	158,536	81,033	47,101	128,134
3.1.2 Foreign banks		-	760,684	760,684	203,447	648,807	852,254
3.1.3 Branches and head office abroad		-	-	-	-	-	-
3.2 Other financial institutions		-	-	-	-	-	-
IV. MONEY MARKET PLACEMENTS		91,535	-	91,535	156,533	-	156,533
4.1 Interbank money market placements		90,000	-	90,000	150,000	-	150,000
4.2 Istanbul Stock Exchange money market placements		-	-	-	-	-	-
4.3 Receivables from reverse repurchase agreements		1,535	-	1,535	6,533	-	6,533
V. SECURITIES AVAILABLE FOR SALE (Net)		856,398	282,228	1,138,626	831,323	235,456	1,066,779
5.1 Share certificates	I-3	9	60	69	9	-	9
5.2 Other marketable securities	I-3	856,389	282,168	1,138,557	831,314	235,456	1,066,770
VI. LOANS		2,868,064	2,057,816	4,925,880	1,802,971	1,656,340	3,459,311
6.1 Short term	I-4	1,901,745	1,520,427	3,422,172	1,216,278	1,149,940	2,366,218
6.2 Medium and long term	I-4	957,891	537,389	1,495,280	569,863	506,400	1,076,263
6.3 Loans under follow-up	I-4	35,719	-	35,719	33,679	-	33,679
6.4 Specific provisions (-)	I-4	(27,291)	-	(27,291)	(16,849)	-	(16,849)
VII. FACTORING RECEIVABLES		210,621	85,837	296,458	137,332	30,967	168,299
VIII. SECURITIES HELD TO MATURITY (Net)		1,538	10,151	11,689	2,059	9,584	11,643
8.1 Public sector debt securities	I-5	1,538	10,151	11,689	2,059	9,584	11,643
8.1.1 Government bonds	I-5	-	10,151	10,151	100	9,584	9,684
8.1.2 Treasury bills	I-5	1,538	-	1,538	1,959	-	1,959
8.1.3 Other public sector debt securities	I-5	-	-	-	-	-	-
8.2 Other marketable securities	I-5	-	-	-	-	-	-
IX. UNCONSOLIDATED INVESTMENTS IN ASSOCIATES (Net)		12	-	12	1,535	-	1,535
9.1 Financial associates	I-6	12	-	12	1,535	-	1,535
9.2 Non-Financial associates		-	-	-	-	-	-
X. UNCONSOLIDATED INVESTMENTS IN SUBSIDIARIES (Net)		-	-	-	-	-	-
10.1 Financial subsidiaries	I-7	-	-	-	-	-	-
10.2 Non-Financial subsidiaries		-	-	-	-	-	-
XI. UNCONSOLIDATED OTHER INVESTMENTS (Net)	I-8	-	-	-	-	-	-
XII. FINANCE LEASE RECEIVABLES (Net)		47,728	262,694	310,422	19,564	194,432	213,996
12.1 Gross finance lease receivables	I-9	58,841	294,102	352,943	23,645	218,559	242,204
12.2 Unearned income (-)	I-9	(11,113)	(31,408)	(42,521)	(4,081)	(24,127)	(28,208)
XIII. RESERVE DEPOSITS		-	300,273	300,273	-	211,383	211,383
XIV. SUNDRY DEBTORS		21,479	4,856	26,335	8,350	1,073	9,423
XV. ACCRUED INTEREST AND INCOME RECEIVABLES		101,936	38,897	140,833	49,215	32,448	81,663
15.1 Loans	I-10	62,739	23,184	85,923	14,716	17,707	32,423
15.2 Marketable securities	I-10	6,866	6,628	13,494	26,883	6,089	32,972
15.3 Other	I-10	32,331	9,085	41,416	7,616	8,652	16,268
XVI. PROPERTY AND EQUIPMENT (Net)		67,414	7,606	75,020	55,592	6,600	62,192
16.1 Book value		167,724	9,806	177,530	144,785	8,176	152,961
16.2 Accumulated depreciation (-)		(100,310)	(2,200)	(102,510)	(89,193)	(1,576)	(90,769)
XVII. INTANGIBLE ASSETS (Net)		5,350	193	5,543	5,360	265	5,625
17.1 Goodwill		1,686	-	1,686	1,686	-	1,686
17.2 Other		16,610	1,128	17,738	14,932	957	15,889
17.3 Accumulated amortization (-)		(12,946)	(935)	(13,881)	(11,258)	(692)	(11,950)
XVIII. DEFERRED TAX ASSET	I-11	2,129	-	2,129	7,977	-	7,977
XIX. OTHER ASSETS	I-12	26,988	36,324	63,312	51,267	10,759	62,026
TOTAL ASSETS		4,541,250	4,914,583	9,455,833	3,629,338	3,333,406	6,962,744

The accompanying notes are an integral part of these balance sheets.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEET AS OF
SEPTEMBER 30, 2006

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

I- CONSOLIDATED BALANCE SHEET - LIABILITIES

	Note Ref. (Section 5)	Reviewed Current Period 30.09.2006			Audited Prior Period 31.12.2005		
		TRY	FC	Total	TRY	FC	Total
I. DEPOSITS		1,760,208	4,456,904	6,217,112	1,195,330	3,110,346	4,305,676
1.1 Bank deposits	II-1	46,569	99,539	146,108	78,655	39,720	118,375
1.2 Saving deposits	II-1	1,013,536	-	1,013,536	513,536	-	513,536
1.3 Public sector deposits	II-1	5,852	-	5,852	684	-	684
1.4 Commercial deposits	II-1	650,135	-	650,135	572,269	-	572,269
1.5 Other institutions deposits	II-1	44,116	-	44,116	30,186	-	30,186
1.6 Foreign currency deposits	II-1	-	4,343,624	4,343,624	-	3,069,297	3,069,297
1.7 Precious metals deposit accounts	II-1	-	13,741	13,741	-	1,329	1,329
II. MONEY MARKET BALANCES		675,653	-	675,653	756,614	-	756,614
2.1 Interbank money market borrowings		10,983	-	10,983	-	-	-
2.2 Istanbul Stock Exchange money market borrowings		-	-	-	2,152	-	2,152
2.3 Funds obtained under repurchase agreements	II-2	664,670	-	664,670	754,462	-	754,462
III. FUNDS BORROWED		401,765	930,837	1,332,602	281,436	705,954	987,390
3.1 Funds borrowed from the Central Bank of Turkey		-	-	-	-	-	-
3.2 Other funds borrowed	II-3	401,765	930,837	1,332,602	281,436	705,954	987,390
3.2.1 Domestic banks and institutions	II-3	82,500	113,097	195,597	94,511	79,071	173,582
3.2.2 Foreign banks, institutions and funds	II-3	319,265	817,740	1,137,005	186,925	626,883	813,808
IV. MARKETABLE SECURITIES ISSUED (Net)		-	-	-	-	-	-
4.1 Bills	II-4	-	-	-	-	-	-
4.2 Asset backed securities	II-4	-	-	-	-	-	-
4.3 Bonds	II-4	-	-	-	-	-	-
V. FUNDS	II-5	-	-	-	-	-	-
VI. SUNDRY CREDITORS	II-6	45,483	35,081	80,564	50,702	13,494	64,196
VII. OTHER LIABILITIES	II-7	32,925	4,650	37,575	40,199	4,252	44,451
VIII. TAXES AND OTHER DUTIES PAYABLE		21,244	4,077	25,321	16,004	400	16,404
IX. FACTORING PAYABLES		65,401	46,788	112,189	43,633	17,294	60,927
X. FINANCE LEASE PAYABLES (Net)		-	-	-	-	-	-
10.1 Finance Lease Payables	II-8	-	-	-	-	-	-
10.2 Deferred finance lease expenses (-)	II-8	-	-	-	-	-	-
XI. ACCRUED INTEREST AND EXPENSES PAYABLE		51,048	34,525	85,573	30,947	23,094	54,041
11.1 Deposits	II-9	9,993	13,714	23,707	7,089	7,717	14,806
11.2 Borrowings	II-9	12,085	17,465	29,550	5,858	8,423	14,281
11.3 Repurchase agreements	II-9	639	-	639	630	-	630
11.4 Other	II-9	28,331	3,346	31,677	17,370	6,954	24,324
XII. PROVISIONS		28,462	12,820	41,282	74,626	3,424	78,050
12.1 General loan loss provisions	II-10	15,187	9,628	24,815	18,300	-	18,300
12.2 Reserve for employee termination benefits		2,196	-	2,196	2,945	-	2,945
12.3 Provisions for income taxes		6,895	3,192	10,087	49,510	3,424	52,934
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions	II-10	4,184	-	4,184	3,871	-	3,871
XIII. SUBORDINATED LOANS	II-10	-	267,988	267,988	-	87,217	87,217
XIV. MINORITY INTERESTS		-	-	-	-	-	-
XV. DEFERRED TAX LIABILITY		9	-	9	14	-	14
XVI. SHAREHOLDERS' EQUITY		519,827	60,138	579,965	462,124	45,640	507,764
16.1 Paid-in capital	II-11, 13	76,500	-	76,500	57,800	-	57,800
16.2 Supplementary capital		228,493	445	228,938	260,037	2,062	262,099
16.2.1 Share premium	II-12	1,661	-	1,661	69	-	69
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Marketable securities value increase fund		(25,844)	445	(25,399)	7,292	2,062	9,354
16.2.4 Revaluation fund		-	-	-	-	-	-
16.2.5 Value increase in revaluation fund		-	-	-	-	-	-
16.2.6 Other capital reserves		252,676	-	252,676	252,676	-	252,676
16.2.7 Effect of inflation accounting on share capital		-	-	-	-	-	-
16.3 Profit reserves		125,487	52,585	178,072	49,517	36,109	85,626
16.3.1 Legal reserves		28,756	-	28,756	19,955	-	19,955
16.3.2 Statutory reserves		-	-	-	-	-	-
16.3.3 Extraordinary reserves		96,731	43,635	140,366	29,562	44,742	74,304
16.3.4 Other profit reserves		-	8,950	8,950	-	(8,633)	(8,633)
16.4 Profit or loss		89,347	7,108	96,455	94,770	7,469	102,239
16.4.1 Prior year income/loss		-	-	-	-	-	-
16.4.1.1 Group's share		-	-	-	-	-	-
16.4.1.2 Minority shares		-	-	-	-	-	-
16.4.2 Current year net income/losses		89,347	7,108	96,455	94,770	7,469	102,239
16.4.2.1 Group's share		89,347	7,108	96,455	94,770	7,469	102,239
16.4.2.2 Minority shares		-	-	-	-	-	-
TOTAL LIABILITIES AND EQUITY		3,602,025	5,853,808	9,455,833	2,951,629	4,011,115	6,962,744

The accompanying notes are an integral part of these balance sheets.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF OFF BALANCE SHEET COMMITMENTS
AS OF SEPTEMBER 30, 2006

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

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

	Note Ref. (Section 5)	Reviewed Current Period 30.09.2006			Audited Prior Period 31.12.2005		
		TRY	FC	Total	TRY	FC	Total
A. OFF BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I+II+III)		2,449,135	3,904,232	6,353,367	1,689,993	4,101,427	5,791,420
I. GUARANTEES	IV-2,3	891,072	1,919,302	2,810,374	632,887	1,405,697	2,038,584
1.1 Letters of guarantee		836,766	814,112	1,650,878	611,554	571,714	1,183,268
1.1.1 Guarantees subject to State Tender Law		42,286	134,785	177,071	29,271	48,899	78,170
1.1.2 Guarantees given for foreign trade operations		104,544	53,802	158,346	102,202	34,849	137,051
1.1.3 Other letters of guarantee		689,936	625,526	1,315,462	480,081	487,966	968,047
1.2 Bank acceptances		-	45,665	45,665	23	52,662	52,685
1.2.1 Import acceptances		-	45,665	45,665	23	52,662	52,685
1.2.2 Other bank acceptances		-	-	-	-	-	-
1.3 Letters of credit		85	881,190	881,275	62	696,268	696,330
1.3.1 Documentary letters of credit		85	760,115	760,200	62	662,504	662,566
1.3.2 Other letters of credit		-	121,075	121,075	-	33,764	33,764
1.4 Guaranteed prefinancing		-	-	-	-	-	-
1.5 Endorsements		-	-	-	-	-	-
1.5.1 Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2 Other endorsements		-	-	-	-	-	-
1.6 Securities issue purchase guarantees		-	-	-	-	-	-
1.7 Factoring guarantees		-	-	-	-	-	-
1.8 Other guarantees		50,473	85,866	136,339	20,465	73,981	94,446
1.9 Other suretyships		3,748	92,468	96,216	783	11,072	11,855
II. COMMITMENTS		609,291	174,530	783,821	452,333	270,587	722,920
2.1 Irrevocable commitments		609,291	162,296	771,587	452,333	246,386	698,719
2.1.1 Forward asset purchase commitments		400	161,420	161,820	-	138,188	138,188
2.1.2 Forward deposit purchase and sales commitments		4,000	-	4,000	-	107,344	107,344
2.1.3 Share capital commitment to associates and subsidiaries		-	-	-	-	-	-
2.1.4 Loan granting commitments		161,791	-	161,791	104,337	-	104,337
2.1.5 Securities issue brokerage commitments		-	-	-	-	-	-
2.1.6 Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7 Payment commitment for checks	IV-2	234,469	-	234,469	175,952	-	175,952
2.1.8 Tax and fund liabilities from export commitments		10,682	-	10,682	10,242	-	10,242
2.1.9 Commitments for credit card expenditure limits	IV-2	197,788	876	198,664	161,196	854	162,050
2.1.10 Receivables from short sale commitments		-	-	-	-	-	-
2.1.11 Payables for short sale commitments		-	-	-	-	-	-
2.1.12 Other irrevocable commitments		161	-	161	606	-	606
2.2 Revocable commitments		-	12,234	12,234	-	24,201	24,201
2.2.1 Revocable loan granting commitments		-	-	-	-	-	-
2.2.2 Other revocable commitments		-	12,234	12,234	-	24,201	24,201
III. DERIVATIVE FINANCIAL INSTRUMENTS		948,772	1,810,400	2,759,171	604,773	2,425,143	3,029,916
3.1 Forward foreign currency buy/sell transactions		235,831	645,675	881,506	113,268	1,640,899	1,754,167
3.1.1 Forward foreign currency transactions-buy		106,243	332,311	438,554	21,639	851,968	873,607
3.1.2 Forward foreign currency transactions-sell		129,587	313,364	442,951	91,629	788,931	880,560
3.2 Swap transactions related to f.c. and interest rates		478,302	658,559	1,136,861	249,633	420,844	670,477
3.2.1 Foreign currency swap-buy		3,605	554,144	557,749	-	256,918	256,918
3.2.2 Foreign currency swap-sell		461,765	99,078	560,843	182,013	91,551	273,564
3.2.3 Interest rate swaps-buy		7,909	3,090	10,999	-	69,650	69,650
3.2.4 Interest rate swaps-sell		5,023	2,246	7,269	67,620	2,725	70,345
3.3 Foreign currency, interest rate and securities options		234,639	287,382	522,021	241,711	306,390	548,101
3.3.1 Foreign currency options-buy		113,885	147,414	261,299	121,681	153,071	274,752
3.3.2 Foreign currency options-sell		120,753	139,969	260,722	120,030	153,319	273,349
3.3.3 Interest rate options-buy		-	-	-	-	-	-
3.3.4 Interest rate options-sell		-	-	-	-	-	-
3.3.5 Securities options-buy		-	-	-	-	-	-
3.3.6 Securities options-sell		-	-	-	-	-	-
3.4 Foreign currency futures		-	46,826	46,826	161	28,207	28,368
3.4.1 Foreign currency futures-buy		-	46,826	46,826	161	28,053	28,214
3.4.2 Foreign currency futures-sell		-	-	-	-	154	154
3.5 Interest rate futures		-	-	-	-	-	-
3.5.1 Interest rate futures-buy		-	-	-	-	-	-
3.5.2 Interest rate futures-sell		-	-	-	-	-	-
3.6 Other		-	171,957	171,957	-	28,803	28,803
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		29,868,244	2,012,192	31,880,436	30,374,447	1,349,584	31,724,031
IV. ITEMS HELD IN CUSTODY		27,161,195	631,438	27,792,633	28,859,125	448,286	29,307,411
4.1 Assets under management		4,121,549	-	4,121,549	3,149,606	-	3,149,606
4.2 Investment securities held in custody		20,688,129	167,157	20,855,286	23,855,521	156,779	24,012,300
4.3 Checks received for collection		2,098,496	236,707	2,335,203	1,695,786	146,001	1,841,787
4.4 Commercial notes received for collection		252,948	151,817	404,765	158,116	84,964	243,080
4.5 Other assets received for collection		-	75,757	75,757	23	60,422	60,445
4.6 Assets received for public offering		-	-	-	-	-	-
4.7 Other items under custody		73	-	73	73	120	193
4.8 Custodians		-	-	-	-	-	-
V. PLEDGED ITEMS		2,706,957	1,380,025	4,086,982	1,515,230	901,298	2,416,528
5.1 Marketable securities		291,098	26,196	317,294	307,785	21,613	329,398
5.2 Guarantee notes		4,400	3,309	7,709	4,865	3,635	8,500
5.3 Commodity		19	231,002	231,021	19	105,405	105,424
5.4 Warranty		-	-	-	-	-	-
5.5 Properties		1,720,866	693,136	2,414,002	791,907	510,311	1,302,218
5.6 Other pledged items		690,572	426,382	1,116,954	410,654	260,334	670,988
5.7 Pledged items-depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		92	729	821	92	-	92
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		32,317,379	5,916,424	38,233,803	32,064,440	5,451,011	37,515,451

The accompanying notes are an integral part of these balance sheets.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM
JANUARY 1 TO SEPTEMBER 30, 2006

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

III- CONSOLIDATED STATEMENT OF INCOME

	Note Ref.	Reviewed	Reviewed	Reviewed	Reviewed
		Current Period 01.01-30.09.2006	Prior Period 01.01-30.09.2005	Current Period 01.07-30.09.2006	Prior Period 01.07-30.09.2005
I. INTEREST INCOME	III-1	655,306	419,355	259,108	155,778
1.1 Interest on loans		409,361	243,349	166,754	89,934
1.1.1 Interest on TL loans		318,490	189,998	134,709	69,772
1.1.1.1 Short term loans		230,773	160,515	99,837	55,953
1.1.1.2 Medium and long term loans		87,717	29,483	34,872	13,819
1.1.2 Interest on foreign currency loans		90,215	52,843	31,960	20,041
1.1.2.1 Short term loans		64,508	38,501	23,591	14,348
1.1.2.2 Medium and long term loans		25,707	14,342	8,369	5,693
1.1.3 Interest on loans under follow-up		656	508	85	121
1.1.4 Premiums received from Resource Utilization Support Fund		-	-	-	-
1.2 Interest received from reserve deposits		13,932	6,098	5,709	2,324
1.3 Interest received from banks		49,413	46,072	20,065	16,305
1.3.1 The Central Bank of Turkey		1,879	2,909	716	607
1.3.2 Domestic banks		10,004	14,603	2,858	4,561
1.3.3 Foreign banks		37,530	28,560	16,491	11,137
1.3.4 Branches and head office abroad		-	-	-	-
1.4 Interest received from money market placements		25,860	10,474	5,150	4,048
1.5 Interest received from marketable securities portfolio		113,700	84,335	43,773	32,684
1.5.1 Trading securities		7,001	14,363	1,218	7,232
1.5.2 Available-for-sale securities		106,065	58,099	42,341	21,589
1.5.3 Held to maturity securities		634	11,873	214	3,863
1.6 Other interest income		43,040	29,027	17,657	10,483
II. INTEREST EXPENSES	III-2	412,404	220,247	167,270	82,828
2.1 Interest on deposits		281,289	146,785	110,777	53,354
2.1.1 Bank deposits		8,304	7,839	3,324	2,425
2.1.2 Saving deposits		110,446	51,530	45,084	18,509
2.1.3 Public sector deposits		52	-	8	-
2.1.4 Commercial deposits		88,302	34,391	32,055	19,093
2.1.5 Other institutions deposits		5,468	2,387	1,279	937
2.1.6 Foreign currency deposits		68,689	50,638	29,010	12,390
2.1.7 Precious metals vault accounts		28	-	17	-
2.2 Interest on money market borrowings		52,263	31,878	23,697	12,043
2.3 Interest on funds borrowed		78,755	41,222	32,699	17,421
2.3.1 The Central Bank of Turkey		-	-	-	-
2.3.2 Domestic banks		10,663	7,611	3,611	2,641
2.3.3 Foreign banks		61,452	29,115	26,798	12,466
2.3.4 Branches and head office abroad		-	-	-	-
2.3.5 Other financial institutions		6,640	4,496	2,290	2,314
2.4 Interest on securities issued		-	-	-	-
2.5 Other interest expense		97	362	97	10
III. NET INTEREST INCOME (I - II)		242,902	199,108	91,838	72,950
IV. NET FEES AND COMMISSIONS INCOME		78,851	46,227	22,938	12,389
4.1 Fees and commissions received		96,199	63,507	29,662	18,740
4.1.1 Cash loans		12,739	7,193	4,836	2,760
4.1.2 Non-cash loans		21,145	14,009	7,877	5,456
4.1.3 Other		62,315	42,305	16,949	10,524
4.2 Fees and commissions paid		(17,348)	(17,280)	(6,724)	(6,351)
4.2.1 Cash loans		(1,220)	(3,841)	(474)	(728)
4.2.2 Non-cash loans		(79)	(51)	(28)	(1)
4.2.3 Other		(16,049)	(13,388)	(6,222)	(5,622)
V. DIVIDEND INCOME		5	5	-	-
5.1 Trading securities		-	-	-	-
5.2 Available-for-sale securities		5	5	-	-
VI. NET TRADING INCOME/LOSS		(29,948)	38,009	34,796	12,533
6.1 Profit/losses on trading transactions (Net)		48,079	52,045	(18,960)	21,475
6.1.1 Profit on trading transactions		204,557	119,012	22,366	47,412
6.1.1.1 Profit on derivative financial instruments		163,222	81,459	6,819	31,615
6.1.1.2 Other		41,335	37,553	15,547	15,797
6.1.2 Losses on trading transactions (-)		(156,478)	(66,967)	(41,326)	(25,937)
6.1.2.1 Losses on derivative financial instruments		(139,603)	(54,875)	(37,331)	(21,196)
6.1.2.2 Other		(16,875)	(12,092)	(3,995)	(4,741)
6.2 Foreign exchange gains/losses (Net)		(78,027)	(14,036)	53,756	(8,942)
6.2.1 Foreign exchange gains		881,316	315,010	401,679	121,389
6.2.2 Foreign exchange losses (-)		(959,343)	(329,046)	(347,923)	(130,331)
VII. OTHER OPERATING INCOME	III-3	82,058	8,310	(12,119)	2,687
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)		373,868	291,659	137,453	100,559
IX. PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)	III-4	21,413	22,993	8,433	5,276
X. OTHER OPERATING EXPENSES (-)		230,159	152,591	86,576	52,050
XI. NET OPERATING INCOME (VIII-IX-X)		122,296	116,075	42,444	43,233
XII. PROFIT/LOSS FROM ASSOCIATES AND SUBSIDIARIES	III-5	-	129	71	82
XIII. NET MONETARY GAIN/(LOSS)		-	-	-	-
XIV. INCOME BEFORE TAXES		122,296	116,204	42,515	43,315
XV. PROVISION FOR TAXES ON INCOME (-)	III-6	27,445	36,953	9,599	12,901
15.1 Provision for current income taxes		11,371	40,597	5,620	13,099
15.2 Provision for deferred taxes		16,074	(3,644)	3,979	(198)
XVI. NET OPERATING INCOME/EXPENSE AFTER TAXES		94,851	79,251	32,916	30,414
XVII. EXTRAORDINARY INCOME/EXPENSE AFTER TAXES		1,604	-	-	-
17.1 Extraordinary net income/expense before taxes		1,604	-	-	-
17.1.1 Extraordinary income		1,604	-	-	-
17.1.2 Extraordinary expense (-)		-	-	-	-
17.2 Provision for taxes on extraordinary income		-	-	-	-
XVIII. PROFIT/LOSS ON UNCONSOLIDATED INVESTMENTS		-	-	-	-
XIX. NET PROFIT/LOSS FOR THE PERIOD (XVI+XVII+XVIII)	III-7	96,455	79,251	32,916	30,414
19.1 Group's profit/loss		96,455	79,251	32,916	30,414
19.2 Minority Rights Profit/Loss		-	-	-	-
Earnings/Losses per share (Full amount)		0.001261	0.000686	0.000429	0.000263

The accompanying notes are an integral part of these statements.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD FROM
JANUARY 1 TO SEPTEMBER 30, 2006

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

IV- CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Paid-in Capital	Effect of inflation Accounting on Capital and Capital Other Reserves	Share premium	Share certificate cancellation profits	Legal Reserves	Statutory Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Income/(Loss)	Prior Period Net Income/(Loss)	Revaluation Fund	Value Increase Fund Revaluation Fund	Marketable Securities Value Increase Fund	Total Equity
Prior Period – 01.01.-30.09.2005														
I Balances at the end of prior period	57,800	252,676	69	-	52,483	-	(1,523)	(3,250)	-	53,496	-	-	3,995	415,746
II Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III New balance (I+II)	57,800	252,676	69	-	52,483	-	(1,523)	(3,250)	-	53,496	-	-	3,995	415,746
IV Net Profit or Loss	-	-	-	-	-	-	-	-	79,251	-	-	-	-	79,251
V Profit Distribution	-	-	-	-	12,253	-	31,829	-	-	(53,496)	-	-	-	(9,414)
5.1 Dividends distributed	-	-	-	-	-	-	-	-	-	(9,414)	-	-	-	(9,414)
5.2 Transfers to reserves	-	-	-	-	12,253	-	31,829	-	-	(44,082)	-	-	-	-
5.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI Increase in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1 Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2 Revaluation Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.3 Revaluation Increase Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.4 Marketable Securities Value Increase Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.5 Inflation adjustment to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.6 Issuance of share certificates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.7 Foreign exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.8 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII Convertible bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII Others	-	-	-	-	-	-	(783)	(4,748)	-	-	-	-	782	(4,749)
Closing Balances	57,800	252,676	69	-	64,736	-	29,523	(7,998)	79,251	-	-	-	4,777	480,834
Current Period – 01.01.-30.09.2006														
I Balances at the end of prior period	57,800	252,676	69	-	19,955	-	74,304	(8,633)	-	102,239	-	-	9,354	507,764
Increases in the period:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II Investments securities available for sale	-	-	-	-	-	-	-	-	-	-	-	-	(34,753)	(34,753)
2.1 Net fair value gains/losses	-	-	-	-	-	-	-	-	-	-	-	-	(34,753)	(34,753)
III Cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.1 Net fair value gains/losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred Amounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV Investments securities available for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1 Transferred to net income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V Cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5.1 Transferred to net income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5.2 Transferred to assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI Net Profit or Loss	-	-	-	-	-	-	-	-	96,455	-	-	-	-	96,455
VII Profit Distribution	-	-	-	-	8,801	-	66,062	8,633	-	(102,239)	-	-	-	(18,743)
7.1 Dividends distributed	-	-	-	-	-	-	-	-	-	(18,743)	-	-	-	(18,743)
7.2 Transfers to reserves	-	-	-	-	8,801	-	66,062	8,633	-	(83,496)	-	-	-	-
7.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII Increase in capital	18,700	-	1,592	-	-	-	-	-	-	-	-	-	-	20,292
8.1 Cash	18,700	-	-	-	-	-	-	-	-	-	-	-	-	18,700
8.2 Revaluation Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.3 Revaluation Increase Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.4 Marketable Securities Value Increase Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.5 Issuance of share certificates	-	-	1,592	-	-	-	-	-	-	-	-	-	-	1,592
8.6 Adjustment to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.7 Foreign exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.8 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX Convertible bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X Others	-	-	-	-	-	-	-	8,950	-	-	-	-	-	8,950
Closing Balances	76,500	252,676	1,661	-	28,756	-	140,366	8,950	96,455	-	-	-	(25,399)	579,965

The accompanying notes are an integral part of these statements.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
CONSOLIDATED CASH FLOWS STATEMENT FOR THE PERIOD FROM
JANUARY 1 TO SEPTEMBER 30, 2006

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

V. CONSOLIDATED STATEMENT OF CASH FLOWS

	Note Ref. Section 5	Reviewed Current Period 30.09.2006	Reviewed Prior Period 30.09.2005
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities		(53,218)	102,846
1.1.1 Interest received		618,410	408,518
1.1.2 Interest paid		(388,225)	(214,679)
1.1.3 Dividend received		5	5
1.1.4 Fees and commissions received		104,785	63,507
1.1.5 Other income		98,061	61,793
1.1.6 Collections from previously written off loans and other receivables		7,056	4,874
1.1.7 Payments to personnel and service suppliers		(121,730)	(89,457)
1.1.8 Taxes paid		(52,934)	(38,849)
1.1.9 Others		(318,646)	(92,866)
1.2 Changes in operating assets and liabilities		393,051	(306,388)
1.2.1 Net (increase) decrease in trading securities		90,174	(12,967)
1.2.2 Net (increase) decrease in due from banks and other financial institutions		129,287	(2,055)
1.2.3 Net (increase) decrease in loans		(1,483,124)	(1,081,745)
1.2.4 Net (increase) decrease in other assets		(584,496)	(106,477)
1.2.5 Net increase (decrease) in bank deposits		(53,228)	17,058
1.2.6 Net increase (decrease) in other deposits		1,883,703	794,014
1.2.7 Net increase (decrease) in funds borrowed		345,212	57,517
1.2.8 Net increase (decrease) in matured payables		-	-
1.2.9 Net increase (decrease) in other liabilities		65,523	28,267
I. Net cash provided from banking operations		339,833	(203,542)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided from investing activities		94,434	(106,195)
2.1 Cash paid for purchase of investments, associates and subsidiaries		-	(2,842)
2.2 Cash obtained from sale of investments, associates and subsidiaries		215,519	-
2.3 Fixed assets purchases		(37,820)	(14,493)
2.4 Fixed assets sales		(11,372)	373
2.5 Cash paid for purchase of securities available for sale		(1,004,038)	(900,479)
2.6 Cash obtained from sale of securities available for sale		932,191	820,165
2.7 Cash paid for purchase of investment securities		(46)	(13,823)
2.8 Cash obtained from sale of investment securities		-	4,904
2.9 Extraordinary items		-	-
2.10 Others		-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash provided from financing activities		191,270	57,784
3.1 Cash obtained from funds borrowed and securities issued		180,771	67,198
3.2 Cash used for repayment of funds borrowed and securities issued		-	-
3.3 Capital increase		29,241	-
3.4 Dividends paid		(18,742)	(9,414)
3.5 Payments for finance leases		-	-
3.6 Extraordinary items		-	-
3.7 Others		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents		148,259	6,140
V. Net increase / (decrease) in cash and cash equivalents		773,796	(245,813)
VI. Cash and cash equivalents at beginning of the period	V-I	1,355,152	1,765,570
VII. Cash and cash equivalents at end of the period	V-I	2,128,948	1,519,757

The accompanying notes are an integral part of these statements.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM
JANUARY 1 TO SEPTEMBER 30, 2006

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

SECTION THREE

ACCOUNTING PRINCIPLES

I- Basis of Presentation

Parent Bank and its subsidiaries that are subject to consolidation will be denominated as “Group”. The Group prepares its financial statements in accordance with the “Accounting Application Regulations” (AAR) based on “Accounting and Recording System”, Articles 37 and 38, and the provisional Article 1, of the Banking Law 5411 and related communiqués and related explanations and further communiqués that add or cause a change on the content of the relevant communiqués.

Preparation of Financial Statements at the Current Purchasing Power Parity

The indicators which are explained in Banking Regulation and Supervision Agency’s (BRSA) April 21, 2005 dated and 1623 numbered resolution and April 28, 2005 dated circular and 5th Article of Number 14 Decree of Regulation on Accounting Practice – “Preparation of Financial Statements in Hyperinflationary Periods” are no longer valid and banks’ obligation to prepare their financial statements according to those regulations is no longer in effect. Thus, no inflation accounting has not been used since January 1, 2005 and prior year figures for comparison are expressed at December 31, 2004’s purchasing power parity.

Other Basis of Valuation

Basis of valuation used for assets and liabilities in the preparation of consolidated financial statements are explained in the accounting principles for the related assets and liabilities.

II- Information about the Parent Bank and the Subsidiaries subject to Consolidation:

Türk Ekonomi Bankası Anonim Şirketi and its financial institutions, The Economy Bank N.V. (Economy Bank), Stichting Custody Services TEB (Stichting), Kronenburg Vastgoed B.V. (Kronenburg), TEB Yatırım Menkul Değerler A.Ş. (TEB Yatırım), TEB Finansal Kiralama A.Ş. (TEB Leasing), TEB Factoring A.Ş. (TEB Factoring) and TEB Portföy Yönetimi A.Ş. (TEB Portföy) are included in the accompanying consolidated financial statements on a line by line basis. The accompanying consolidated financial statements are prepared in accordance with AAR Communiqué No:15 “Accounting Standard on Consolidated Financial Statements, Subsidiaries, Joint Ventures and Associates”.

Certain adjustments were made on the financial statements of the subsidiaries, which were prepared in accordance with the principles and rules regarding preparation and reporting of financial statements as defined in the Turkish Commercial Code and/or Financial Leasing Law and communiqués of the Capital Markets Board, in order to present their financial statements in accordance with AAR.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM
JANUARY 1 TO SEPTEMBER 30, 2006

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

II- Information about the Parent Bank and the Subsidiaries subject to Consolidation (cont'd)

Explanations on Consolidation Method and Scope

The commercial names of the institutions included in consolidation and the locations of the head offices of these institutions:

<u>Commercial Name</u>	<u>Head Office</u>
Economy Bank	Netherlands
Stitching	Netherlands
Kronenburg	Netherlands
TEB Yatırım	Turkey
TEB Leasing	Turkey
TEB Factoring	Turkey
TEB Portföy	Turkey

Line by line consolidation method is used for all of the financial institutions included in the consolidation.

When there are differences between the accounting policies of the subsidiaries and the Parent Bank, the financial statements are adjusted in accordance with the AAR principles, considering the materiality. The financial statements of the subsidiaries are prepared as of September 30, 2006 and December 31, 2005.

The transactions and balances between the parent company and the consolidated entities are eliminated.

Associates and subsidiaries that were acquired during the period are explained in notes 6 and 7 of Section V, Part 1.

Explanations on Foreign Currency Transactions

Gains or losses arising from foreign currency transactions are reflected to the income statement as they are realized during the year. Foreign currency assets and liabilities at each period-end are translated into Turkish lira at the period-end foreign exchange buying rates announced by the Parent Bank and the resulting foreign exchange gains or losses are recorded in the income statement as foreign exchange gain or loss. The USD exchange rate used for translating foreign currency transactions into New Turkish Lira and reflecting these to consolidated financial statements as of September 30, 2006, is TRY 1.4971 (December 31, 2005 - TRY 1.3418 (in full TRY)).

There are no capitalized foreign exchange differences.

The information regarding the principles of foreign currency risk management are stated in Section Four, Note III.

There are no debt securities issued. Foreign exchange gains and losses arising from translating monetary financial assets are reflected to "Foreign Exchange Gains / (Losses) in the income statement.

The foreign currency net investment in consolidated foreign subsidiaries to be consolidated are translated into New Turkish Lira using the exchange rate prevailing at the balance sheet date for their assets and liabilities and 9 months average exchange rate for their income statement items. The currency translation gain derived from the translation of shareholders' equity items amounting to TRY 8,950 (December 31, 2005- TRY 8,633 currency translation loss) has been reflected in "Other Profit Reserves" under shareholders' equity.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM
JANUARY 1 TO SEPTEMBER 30, 2006

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

III- Explanations on Forward, Option Contracts and Derivative Instruments

In the absence of forward foreign currency market rates and reliable forward rate estimations in a volatile market, values of foreign currency forward and swap transactions are determined by comparing the Parent Bank's period end foreign exchange rates with the forward rates discounted to the balance sheet date. The resulting gain or loss is reflected to the income statement. In determination of the fair values of interest rate swaps, discounted values calculated using the fixed and floating interest rates between the transaction date and repricing date are used. Fair value of option transactions are determined by comparing the option rates discounted to balance sheet date with the period end foreign exchange rates of the The Parent Bank and the resulting gain or loss is reflected to the income statement taken into account of exercisability of the option. Premiums, received and paid for the option transactions, are calculated on an accrual basis using effective interest rate method. The Parent Bank also enters into future agreements. Future transactions are valued daily by the primary market prices and related gains or losses are reflected to the income statement.

There are no embedded derivatives separated from the host contract or that are designated as hedging instruments.

IV- Offsetting of Financial Assets and Liabilities

Financial assets and liabilities are offset when the Group has a legally enforceable right and sanction regarding netting off, and when the Group has the intention of collecting or paying the net amount of related assets and liabilities or when the Group has the right to offset the assets and liabilities simultaneously.

V- Interest Income and Expenses

Interest income and expenses are recognized in the income statement for all interest bearing instruments on an accrual basis using the effective interest method. In accordance with the related regulation, realized and unrealized interest accruals of the non-performing loans are cancelled and interest income related to these loans are recorded as interest income only when collected.

VI- Fees and Commission Income and Expenses

Fees for various banking services are recorded as income when collected and prepaid commission income is recorded as income by using effective interest rate in the related period.

Fees and commissions for funds borrowed paid to other financial institutions, which are a part of the transaction costs, are recorded as prepaid expenses and accordingly expensed on a monthly basis.

The dividend income is reflected to the financial statements when the profit distribution is realized by the associates and the subsidiaries.

VII- Securities Held for Trading

Trading securities are securities which were either acquired for generating a profit from short-term fluctuations in price or dealer's margin, or are securities included in a portfolio with a pattern of short-term profit taking.

Trading securities are initially recognized at cost. Transaction costs of the related securities are included in the initial cost. The positive difference between the cost and fair value of such securities is accounted for as interest and income accrual, and the negative difference is accounted for as "Provision for Decrease in Value of Marketable Securities".

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM
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Amounts expressed in thousands of New Turkish Lira (TRY) unless otherwise stated.

VIII- Sales and Repurchase Agreements and Lending of Securities

The sales and purchase of government securities under repurchase agreements made with the customers are recorded in balance sheet accounts in accordance with the Uniform Chart of Accounts. Accordingly, in the financial statements the government bonds and treasury bills sold to customers under repurchase agreements are classified under securities held for trading, available for sale and held to maturity depending on the portfolio they are originally included in, and are valued according to the valuation principles of the related portfolios of the Group. Funds obtained from repurchase agreements are classified as a separate sub account under money markets borrowings account in the liabilities. The interest expense accruals are calculated using the effective interest method for the funds obtained under repurchase agreements and are reflected to the interest and other expense accruals account in the balance sheet.

The above-mentioned transactions are short-term and consist of domestic public sector debt securities.

The income and expenses generated from above mentioned transactions are reflected to the “Interest Income on Marketable Securities” and “Interest on Money Market Borrowings” accounts in the income statements.

Securities purchased with resale commitments (reverse repo) are separately disclosed under ‘Money Market Placements’ and are remeasured at amortized cost by using effective interest rate and related gain is reflected under other income accruals in the accompanying financial statements.

As of September 30, 2006, the Group does not have any marketable securities lending (December 31, 2005 – None).

IX- Securities Held to Maturity, Securities Available for Sale and Bank Originated Loans and Receivables

Securities held to maturity include securities with fixed or determinable payments and fixed maturity where there is an intention of holding till maturity and the relevant conditions for fulfillment of such intention, including the funding ability. This portfolio excludes bank originated loans and receivables.

Securities available for sale include all securities other than bank originated loans and receivables, securities held to maturity and securities held for trading.

The marketable securities are initially recognized at cost including the transaction costs.

After the initial recognition, available for sale securities are measured at fair values and the unrealized gain/loss originating from the difference between the amortized cost and the fair value is recorded in “Securities Value Increase Fund” under the equity. Fair values of debt securities that are traded in an active market are determined based on current market prices. In the absence of prices formed in an active market fair values of these securities are determined using Official Gazette prices or other valuation methods stated in the articles of the AAR’s Communiqué No:1, “Accounting Standards of Financial Instruments.”

Loans and receivables originated are those generated by lending money and exclude those that are held with the intention of trading or selling in near future.

Held to maturity securities are measured at amortized cost by using effective interest rate less impairment losses, if any.

The interests received from securities held to maturity are recorded as interest income.

There are no dividends related with any marketable securities that are held to maturity.

There are no financial assets that were previously classified as securities held to maturity but cannot be currently classified as held to maturity for the next two years due to the breaching of “tainting” rules.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
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JANUARY 1 TO SEPTEMBER 30, 2006

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

IX- Securities Held to Maturity, Securities Available for Sale and Bank Originated Loans and Receivables (cont'd)

The Group classifies their securities according to the above-mentioned portfolios at the acquisition date of the related security.

The sale and purchase transactions of the securities held to maturity are recorded on a settlement date basis.

X- Unconsolidated Participations and Subsidiaries

New Turkish Lira investment in associate in which the Group's effective shareholding is below 50% but in which the Group has controlling power is accounted for under the equity method in the accompanying financials, as the effect is not material. The investment in associate in which the Group's effective shareholding is below 50% but in which the Group has no controlling power is accounted for at cost.

As of September 30, 2006, there are no unconsolidated participations and subsidiaries in which the Group's effective shareholding is below 50% but the Group has controlling power.

XI- Bank Originated Loans and Receivables and Provisions for Loan Impairment

The Group initially records originated loans and receivables at cost. In subsequent periods, in accordance with the AAR Communiqué No: 1, loans are entered into accounts at amortized cost by using effective interest rate method.

Cash loans are recorded in accordance with the regulations stated in the Communiqué on the Uniform Chart of Accounts and Its Explanations by the Parent Bank. According to the changes in the Uniform Chart of Accounts and Prospects dated November 2, 2005, the foreign exchange difference income of the foreign currency indexed loans that are classified under interest income are shown under other operating income and the foreign exchange difference expense classified under provision for loans and other receivables are shown under other operating expenses.

Provision is set for the loans that may be doubtful and the amount is expensed at the current period. The provisioning criteria for the non-performing loans are determined by the Parent Bank's management for compensating the probable losses of the current loan portfolio, by means of evaluating the portfolio for its quality and risk factors and by means of considering the economical conditions, other facts and related regulations.

Specific reserves are computed and provided for Group III, IV and V loans in accordance with the Banking Law No.4389 as amended by Law Number 4672 and the Banking Law No. 5411, Article 3, Sub Article 11 and Article 11, Sub Article 12 published on the Official Gazette No. 24448 dated June 30, 2001 on "Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves" amended by Communiqués published on the Official Gazette No:34657 date January 31, 2002. These provisions are reflected in the income statement under "Provision and Impairment Expenses - Special Provision Expense". The collections made regarding these loans are first deducted from the principal amount of the loan and the remaining collections are deducted from interest receivables.

The collections made related to loans for which provision is made in the current period are deducted from the "Provision for Loans and Other Receivables" account in the income statement. The collections made related to loans written off or for which provisioned was made in prior years are recorded to "Collections Related to the Prior Period Expenses" under "Other Operating Income" account and related interest income is credited under the "Interest Received from Non-performing Loans" account.

Releases of loan provisions are credited in the "Provision and Impairment Expenses - Special Provision Expense" account.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM
JANUARY 1 TO SEPTEMBER 30, 2006

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

XI- Bank Originated Loans and Receivables and Provisions for Loan Impairment (cont'd)

Other than the specific provisions, the Parent Bank sets general loan reserve for its loans and other receivables, within the framework of the above regulations. The general loan reserve is 0.5 % for the cash loans and other receivables and 0.1% for non-cash loans. The Economy Bank NV which is operating abroad, is subject to the legislation of the country that it is established.

XII- Goodwill and Other Intangible Fixed Assets

The positive difference of TRY 1,686 (December 31, 2005 - TRY 1,686), between the acquisition cost and share in equity of acquired subsidiaries is reflected under the intangible fixed assets as goodwill in the accompanying consolidated financial statements.

The intangible assets are reflected at their restated costs until December 31, 2004 in accordance with inflation accounting and amortised with straight-line method. Until December 31 2004, the cost of assets subject to amortisation is restated after deducting the exchange differences, capitalized financial expenses and revaluation increases, if any, from the cost of the assets, after December 31, 2004 the acquisition cost and any other cost incurred so as to make a fixed asset ready for use are reflected, less reserve for impairment, if any, and depreciated by straight line method.

Other intangible assets of the Parent Bank mainly comprise of software. The requirements of the Turkish Tax Procedural Code are taken into consideration in determining the useful lives and no other specific criteria are used. The useful lives of these assets acquired prior to 2004 are determined as 5 years and for the year 2004 and forthcoming years, as 3 years. Software widely used in the Parent Bank is mainly developed within the bank by the Bank's personnel, and the expenses regarding these are not capitalized. Software is purchased only in emergency cases and for special projects.

There are no anticipated changes in the accounting estimates about the depreciation rate and method and residual values that would have a significant impact in the current and future periods.

XIII- Tangible Fixed Assets

Buildings are reflected at their restated costs until December 31, 2004; after December 31, 2004 the acquisition cost and any other cost incurred so as to prepare the fixed asset ready for use are reflected, less reserve for impairment, if any. The straight-line depreciation method is used for buildings and useful life is considered as 50 years.

Other tangible fixed assets are reflected at their restated costs until December 31, 2004 after December 31, 2004 the acquisition cost and any other cost incurred so as to prepare the fixed asset ready for use are reflected, less reserve for impairment, if any, and depreciated by straight-line method. Depreciation of assets held less than one year as of the balance sheet date is accounted for proportionately. The leasehold improvements are depreciated in accordance with the lease period by straight-line method. The depreciation method that is used in the current period has not been modified. The annual rates used, which approximate rates based on the estimated economic useful lives of the related assets, are as follows:

	%
Buildings	2
Motor Vehicles	20
Furniture, fixtures and office equipment and others	5 - 50
Leasehold improvements	Lease period

Gains or losses resulting from disposals of the tangible fixed assets are reflected to the income statement as the difference between the net proceeds and net book value.

Maintenance costs of the tangible fixed assets are capitalized if they extend the economic useful life of the related asset. Other maintenance costs are expensed. There are no pledges, mortgages or other restrictions on the tangible fixed assets.

There are no purchase commitments related to the tangible fixed assets.

There are no anticipated changes in the accounting estimates, which could have a significant impact in the current and future periods.

Parent Bank employs independent appraisers in determining the current fair values of the real estates at year ends.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM
JANUARY 1 TO SEPTEMBER 30, 2006

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

XIV- Leasing Transactions

Tangible fixed assets acquired by financial leases are accounted in accordance with AAR, Article 7 of the Communiqué No: 4, "Accounting Standard for Leasing Transactions." In accordance with the above-mentioned article, the leasing transactions, which consist of only foreign currency liabilities, are translated to New Turkish Lira with the exchange rates effective at the transaction dates and they are recorded both as an asset and a liability. The foreign currency liabilities are translated to New Turkish Lira with the period end exchange rates. The increases/decreases resulting from the differences in the foreign exchange rates are recorded as expense/income in the relevant period. The financing cost resulting from leasing, is distributed through the agreement period to form a fixed interest rate.

In addition to the interest expense, the Group records depreciation expense for the leased assets in each period. The depreciation rate is determined in accordance with Communiqué No. 2 "Accounting Standard for Tangible Fixed Assets" and the depreciation rate used is 20% for the leased assets obtained before July 31, 2003 and %5-%50 for leased assets obtained after July 31, 2003 which is in line with Turkish Tax Legislation.

The gross lease receivables including interest and principal amounts regarding the Group's financial leasing activities conducted by TEB Leasing as "Lessor" are stated under the receivables from the financial leasing activities. The difference between the total of rent payments and the cost of the related fixed assets are reflected to the "unearned income" account. The interest income is calculated and recorded to create a constant rate of return over the lessor's net investment on the leased item.

Operating lease payments related to the operational activities are recognized as expense in equal amounts in the periods in which they are incurred.

XV- Provisions and Contingent Liabilities

The provisions and contingent liabilities are determined in accordance with AAR, Communiqué No: 8, except for the general and specific provisions set for the loans and other receivables. Provisions are recognized for present obligations as a result of past events at the estimated amounts.

XVI- Liabilities Regarding Employee Benefits

In accordance with the prevailing laws in Turkey, the Parent Bank and its subsidiaries operating in Turkey are required to make lump-sum termination indemnities including retirement and notice payments to each employee whose employment is terminated due to retirement or for reasons other than resignation or misconduct. The retirement pay is calculated by legally determined ceiling of retirement pay and the notice pay is determined by legally determined relevant notice period. In accordance with AAR, Communiqué No:10, the Parent Bank sets provision for retirement and notice pay liabilities by taking the actual payment rates for the previous 5 years into consideration.

The Group has employees contracted for unknown periods, however for certain positions employees are contracted for pre-determined periods.

As of September 30, 2006 and December 31, 2005 the arithmetical average of the actual payments realized for the previous five years are 4.50% and 8.35% respectively and this forms the base of the provision amount that is set for the retirement and notice pay liabilities for the Parent Bank. The Parent Bank's consolidated subsidiaries provided reserve for retirement pay for the eligible personnel as of September 30, 2006 and December 31, 2005, at estimated amounts.

For the employees of the Group that are the members of Tebliler Foundation, the Parent Bank and subsidiaries do not have any other liability to this foundation other than paying 20% of the first monthly contribution fee of the employee only for one time.

There are no liabilities that require additional provisions related to other employee benefits.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM
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XVII- Taxation

Corporate Tax

According to the Article 31 of the Corporate Tax Law No. 5520, accepted in the general assembly meeting of Grand National Assembly of Turkey (TBMM) on June 13, 2006 and announced by the Official Gazette dated June 21, 2006, the corporate tax rate has been decreased from 30% to 20%, effective from January 1, 2006.

The tax legislation requires advance tax of 20% (2005- 30%) to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset against the final tax liability for the year.

Tax returns are required to be filed between the first and twentyfifth day of the fourth month following the balance sheet date and paid in one installment until the end of the related month.

Tax provision related with items that are credited or charged directly to equity are charged or credited to equity. As at September 30, 2006, TRY 6,349 (December 31, 2005: TRY 789) of current tax liability, relating to items classified under equity is charged to "Marketable Securities Value Increase Fund".

According to the Corporate Tax Law, tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. Tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

The Tax Procedural Code does not allow the corporate and income tax to be calculated on a consolidated basis. Accordingly, the current and deferred taxes in the accompanying financial statements are calculated separately for each entity.

Effective tax rate of foreign subsidiaries is 29.6%.

Deferred Tax Liability / Asset

As of June 30, 2004 and prior periods, the Group calculated and reflected deferred tax asset or liability on timing differences which will result in taxable or deductible amounts in determining taxable profit of future periods.

As of September 30, 2006 and December 31, 2005, in accordance with Communiqué Number 18 of AAR published on August 12, 2004 and effective from July 1, 2004 and the circular of BRSA numbered BDDK.DZM.2/13/1-a-3 dated December 8, 2004, the Group calculated deferred tax asset on all deductible temporary differences except for general loan reserves, if sufficient taxable profit in future periods to recover such amounts is probable; as well as deferred tax liability on all taxable temporary differences. The net deferred tax assets and liabilities of the Bank and its subsidiaries are presented on the financial statements separately. However, deferred tax amounts are not netted off in the consolidation.

The net deferred tax asset is included in other assets and the net deferred tax liability is reflected under other liabilities on the balance sheet. TRY 16,074 (September 30, 2005: TRY 3,644 deferred tax benefit) of deferred tax provision credit is stated under the tax provision in the income statement. TRY 6,349 (December 31, 2005: TRY 789) of deferred tax asset resulting from differences related to items that are credited or charged directly to equity is netted with these accounts.

Furthermore, as per the above mentioned circular of BRSA, deferred tax benefit balance resulting from netting off of deferred tax assets and liabilities should not be subjected to dividend distribution and capital increase.

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XVIII-Additional Explanations on Borrowings

There are no debt securities issued by the Parent Bank.

The Group has not issued convertible bonds.

XIX- Paid-in Capital and Share Certificates

The Parent Bank does not have any costs related to share issue.

XX- Acceptances

Acceptances are realized simultaneously with the payment dates of the customers and they are presented as probable liabilities and commitments in off-balance sheet accounts.

XXI- Government Incentives

There are no government incentives utilized by the Group.

XXII- Securities at Custody

Securities held by the Group at custody on behalf of customers are not included in the balance sheet since they are not assets of the Group.

XXIII- Other Matters

Explanation for convenience translation to English:

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

There are no other matters required to be disclosed.

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SECTION FOUR

INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE OF THE GROUP

I- Explanations and Footnotes Related to the Consolidated Capital Adequacy Standard Ratio

The method used for risk measurement in determining capital adequacy standard ratio: Capital Adequacy Standard Ratio is calculated in accordance with the Communiqué on "Measurement and Assessment of Capital Adequacy of Banks ", which was published on January 31, 2002 in the Official Gazette numbered 24657. As of September 30, 2006, the Parent Bank's consolidated capital adequacy ratio, which is prepared in a consolidated basis and calculated according to the Communiqué on "Measurement and Assessment of Capital Adequacy of Banks", is 14.13% (December 31, 2005: 13.76%).

In the computation of capital adequacy standard ratio, information prepared in accordance with statutory accounting requirements are used. Additionally, the market risk amount is calculated in accordance with the communiqué on the "Internal Control and Risk Management Systems of the Banks" and is taken into consideration in the capital adequacy standard ratio calculation.

The values deducted from the capital in the shareholders' equity computation are not considered while calculating risk-weighted assets, non-cash loans and contingent liabilities. Assets subject to depreciation and amortization among risk-weighted assets are included in the calculations over their net book values after deducting the relative depreciations and provisions.

While calculating the basis of non-cash loans subject to credit risk, the net receivable amount from the counter parties found by means of deducting the provision amount set in accordance with the "Communiqué on Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves" is multiplied by the rates presented at the Clause 1, Article 21 of the "Communiqué on Regulations on the Establishment and Operations of Banks", and included in the related risk group and accordingly risk weighted.

Receivables from counter parties generated from derivative foreign currency and interest rate transactions are included in the related risk group at the loan conversion rates stated in Clause 2, Article 21 of the "Communiqué on Regulations on the Establishment and Operations of Banks" and weighted for a second time by the weight of the related risk group.

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I- Explanations and Footnotes Related to the Consolidated Capital Adequacy Standard Ratio (cont'd)

Information related to the capital adequacy ratio:

	Consolidated				Parent Bank			
	Risk Weight				Risk Weight			
	0%	20%	50%	100%	0%	20%	50%	100%
Risk Weighted Assets, Liabilities and Non Cash								
Loans								
Balance Sheet items (Net)	1,834,434	950,721	1,151,546	4,186,093	1,715,041	306,375	841,124	3,149,973
Cash	131,221	658	-	-	131,201	658	-	-
Due from banks	992,348	919,064	-	155	992,348	274,718	-	155
Interbank money market placements	90,000	-	-	-	90,000	-	-	-
Receivables from reverse repo transactions	1,535	-	-	-	-	-	-	-
Reserve deposits	300,273	-	-	-	300,273	-	-	-
Special finance houses	-	-	-	-	-	-	-	-
Loans	302,629	30,999	831,541	4,048,741	189,368	30,999	831,541	3,085,020
Loans under follow-up (Net)	-	-	-	8,428	-	-	-	8,428
Subsidiaries, associates and investments held to maturity	-	-	-	-	-	-	-	-
Sundry debtors	-	-	-	26,335	-	-	-	7,783
Marketable securities held to maturity (Net)	-	-	-	-	-	-	-	-
Advances for assets acquired by financial leasing	-	-	-	-	-	-	-	-
Financial lease receivables	-	-	310,422	-	-	-	-	-
Leased assets (Net)	-	-	9,583	-	-	-	9,583	-
Fixed assets (Net)	-	-	-	45,966	-	-	-	36,325
Other assets	16,428	-	-	56,468	11,851	-	-	12,262
Off balance sheet items	81,067	1,116,884	650,892	276,642	73,651	1,005,914	619,189	268,508
Guarantees and suretyships	60,622	1,056,596	212,539	180,456	55,041	947,755	185,157	178,868
Commitments	12,234	-	435,069	-	12,234	-	434,032	-
Other off balance sheet items	-	-	-	-	-	-	-	-
Transactions related with derivative financial instruments	-	55,967	-	8,934	-	55,967	-	-
Interest and income accruals	8,211	2,192	3,284	87,252	6,376	2,192	-	82,016
Non risk weighted accounts	-	2,129	-	-	-	-	-	7,624
	-	-	-	-	-	-	-	-
Total Assets Subject to Risk	1,915,501	2,067,605	1,802,438	4,462,735	1,788,692	1,312,289	1,460,313	3,418,481
Total Risk Weighted Assets	-	413,521	901,219	4,462,735	-	262,458	730,157	3,418,481

Summary information related to the capital adequacy ratio:

	Consolidated		Parent Bank	
	Current Period	Prior Period	Current Period	Prior Period
Total Risk Weighted Assets (*)	5,777,475	4,118,386	4,411,096	3,196,838
Amount Subject to Market Risk	137,850	145,788	125,500	142,000
Shareholders' Equity	835,726	586,808	633,445	411,722
Shareholders' Equity / (TRWA + ASMR) *100	14.13	13.76	13.96	12.33

TRWA: Total Risk Weighted Assets

ASMR: Amount Subject to Market Risk

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I- Explanations and Footnotes Related to the Consolidated Capital Adequacy Standard Ratio (cont'd)

Information related to the components of shareholders' equity:

	Consolidated		Parent Bank	
	Current Period	Prior Period	Current Period	Prior Period
CORE CAPITAL				
Paid-in Capital	76,500	57,800	76,500	57,800
Nominal capital	76,500	57,800	76,500	57,800
Capital commitments (-)	-	-	-	-
Other Equity Reserves	252,676	252,676	252,676	252,676
Share Premium and Cancellation Profits	1,661	69	1,592	-
Legal Reserves	37,706	11,322	14,950	9,253
First legal reserve (Turkish Commercial Code 466/1)	17,241	15,243	9,414	5,479
Second legal reserve (Turkish Commercial Code 466/2)	11,515	4,712	5,536	3,774
Other legal reserve per special legislation	8,950	(8,633)	-	-
Statutory Reserves	-	-	-	-
Extraordinary reserves	140,366	74,304	115,496	61,218
Reserves allocated by the General Assembly	140,366	74,304	115,496	61,218
Retained earnings	-	-	-	-
Accumulated losses	-	-	-	-
Foreign currency share capital exchange differences	-	-	-	-
Minority Interests	-	-	-	-
Profit	96,455	102,239	87,396	78,717
Current period profit	96,455	102,239	87,396	78,717
Prior years' profit	-	-	-	-
Loss (-)	-	-	-	-
Current period loss	-	-	-	-
Prior years' losses	-	-	-	-
Total Core Capital	605,364	498,410	548,610	459,664
SUPPLEMENTARY CAPITAL				
Revaluation Fund	-	-	-	-
Furniture, fixture and vehicles	-	-	-	-
Buildings	-	-	-	-
Profit on sale of associates, subsidiaries and buildings to be transferred to share capital	-	-	-	-
Revaluation fund of leasehold improvement	-	-	-	-
Increase in the Value of Revaluation Fund	-	-	-	-
Foreign Exchange Differences	-	-	-	-
General Loan Loss Reserves	24,815	18,300	24,815	18,300
Provisions for Possible Losses	-	-	-	-
Subordinated Loans	259,357	83,997	259,357	83,997
Marketable Securities and Investment Securities Value Increase Fund	(25,399)	9,354	(25,207)	9,147
Associates and subsidiaries	-	-	-	-
Available for sale securities	(25,399)	9,354	(25,207)	9,147
Increase in the value of marketable securities subject to structured positions	-	-	-	-
Total Supplementary Capital	258,773	111,651	258,965	111,444
TIER III CAPITAL				
CAPITAL	864,137	610,061	807,575	571,108
DEDUCTIONS FROM THE CAPITAL	28,411	23,253	174,130	159,386
Investments in unconsolidated financial companies whose main activities are money and capital markets, insurance and that operate with licenses provided in accordance with special laws and economic interests related to the financial partnerships that apply Equity Capital Method but, assets and liabilities of which have not been consolidated	12	1,535	147,846	139,230
Leasehold improvements	19,471	15,480	19,171	15,287
Start-up costs	-	-	-	-
Prepaid expenses	7,722	5,032	7,113	4,869
The negative difference between the market values and the carrying amounts for unconsolidated associates, subsidiaries, other investments and fixed assets	-	-	-	-
Subordinated loans given to other banks which operate in Turkey	-	-	-	-
Consolidation Goodwill (Net)	1,206	1,206	-	-
Capitalized expenses	-	-	-	-
Total Shareholder's Equity	835,726	586,808	633,445	411,722

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II- Explanations and Footnotes Related to Consolidated Market Risk

The Group has established market risk management operations and taken the necessary precautions in order to hedge market risk within its financial risk management purposes, in accordance with the Communiqué on “Measurement and Assessment of Capital Adequacy of Banks”.

The Board of Directors determines the limits for the basic risk that the Group is exposed to. Those limits are revised periodically in line with the market forces and strategies of the Group. Additionally, the Board of Directors of the Bank has ensured that the risk management division and senior management has taken necessary precautions to describe, evaluate, control and manage risks faced by the Group.

The interest rate and exchange rate risks of the financial positions taken by the Bank related to balance sheet and off-balance sheet accounts are measured and while calculating the capital adequacy, the amount subject to VAR, as summarised below, is taken into consideration by the standard method. Beside standart method, VAR calculated by internal model is supported by scenario analysis and stress tests. VAR is daily calculated by three different methods which are historic simulation, Monte Carlo simulation and parametric method. These results are also daily reported to management.

Market risk is calculating by not only with standart method but also calculating with internal method.(VAR). The results found are supported with scenario analysis and stress tests.

	Consolidated	Parent Bank
Capital requirement to be Employed For Interest Rate Risk – Standard Method	9,937	9,802
Capital Requirement to be Employed For General Market Risk	9,937	9,802
Capital Requirement to be Employed For Specific Risk	-	-
Capital Requirement to be Employed For Options Subject To Interest Rate Risk	-	-
Capital Requirement to be Employed For Common Stock Position Risk – Standard Method	18	-
Capital Requirement to be Employed For General Market Risk	14	-
Capital Requirement to be Employed For Specific Risk	4	-
Capital Requirement to be Employed For Options Subject To Common Stock Position Risk	-	-
Capital Requirement to be Employed For Currency Risk – Standard Method	1,073	238
Capital Requirement	1,003	168
Capital Requirement to be Employed For Options Subject To Currency Risk	70	70
Total Value-At-Risk (VAR)-Internal Model	-	-
Total Capital Requirement to be Employed For Market Risk	11,028	10,040
Amount Subject to Market Risk	137,850	125,500

III- Explanations and Footnotes Related to Consolidated Foreign Currency Risk

Foreign currency risk indicates the probabilities of loss that banks are subject to due to the exchange rate movements in the market. While calculating the share capital requirement subject to foreign exchange risk, all foreign currency assets, liabilities and forward transactions of the Group are taken into consideration and value at risk is calculated by using the standard method.

The Board of Directors of the Parent Bank sets limits for the positions, which are followed up daily. Also any possible changes in the values of the foreign currency transactions in the Parent Bank’s positions are monitored.

As an element of the Group’s risk management strategies, foreign currency liabilities are hedged against exchange rate risk by derivative instruments.

The Treasury Department of the Parent Bank is responsible for the management of Turkish Lira or foreign currency price, liquidity and affordability risks that could occur in the domestic and international markets within the limits set by the Parent Bank Board of Directors. The monitoring of risk and risk related transactions occurring in the money markets is performed daily and reported to the Bank’s Asset-Liability Committee on a weekly basis.

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III- Explanations and Footnotes Related to Consolidated Foreign Currency Risk (cont'd)

As of September 30, 2006, the Group's net long position is TRY 67,852 (December 31, 2005 - TRY 3,998 net short) resulting from short position amounting to TRY 415,075 (December 31, 2005 - TRY 298,220 short) on the balance sheet and long position amounting to TRY 482,927 (December 31, 2005 - TRY 294,222 long) from off-balance sheet position.

The announced current foreign exchange buying rates of the Parent Bank as of September 30, 2006 and the previous five working days, in full TRY, are as follows:

	25.09.2006	26.09.2006	27.09.2006	28.09.2006	29.09.2006	30.09.2006
USD	1.5020	1.5168	1.4872	1.4919	1.4971	1.4971
CHF	1.2133	1.2197	1.1929	1.1957	1.1923	1.1923
GBP	1.8574	2.8755	2.8112	2.8027	2.7965	2.7965
JPY	1.2872	1.3003	1.2663	1.2662	1.2664	1.2664
EUR	1.9193	1.9284	1.8876	1.8971	1.8964	1.8964

The simple arithmetical average of the major current foreign exchange buying rates of the Parent Bank for the thirty days before September 30, 2006, is as follows:

	Monthly Average FX rates
USD	1.4776
CHF	1.1857
GBP	2.7855
JPY	1.2596
EUR	1.8816

Information on the foreign currency risk of the Group:

Current Period	EUR	USD	YEN	OTHER FC	TOTAL
Assets					
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased, precious materials) and balances with the Central Bank of Turkey	329,743	893,147	44	10,583	1,233,517
Due from other banks and financial institutions	172,664	691,561	487	21,351	886,063
Trading securities	162	7,445	-	794	8,401
Money market placements	-	-	-	-	-
Investment securities available-for-sale	508	281,720	-	-	282,228
Loans (**)	1,002,901	1,385,851	11,426	112,220	2,512,398
Investments in associates and subsidiaries	-	-	-	-	-
Investment securities held-to-maturity	-	10,151	-	-	10,151
Property and equipment	7,606	-	-	-	7,606
Goodwill	-	-	-	-	-
Other assets (***)	281,760	125,224	47	19,618	426,649
Total Assets	1,795,344	3,395,098	12,004	164,566	5,367,013
Liabilities					
Bank deposits	34,358	37,740	111	27,330	99,539
Foreign currency deposits (*)	877,555	3,409,112	1,843	68,855	4,357,365
Money market borrowings	-	-	-	-	-
Funds provided from other financial institutions	823,602	342,466	-	32,757	1,198,825
Marketable securities issued	-	-	-	-	-
Sundry creditors	28,655	4,488	1,886	52	35,081
Other liabilities (***)	52,301	31,884	-	7,093	91,278
Total liabilities	1,816,471	3,825,690	3,840	136,087	5,782,088
Net Balance Sheet Position	(21,127)	(430,592)	8,164	28,479	(415,075)
Net Off-Balance Sheet Position	92,962	425,846	(9,200)	(26,681)	482,927
Financial derivative assets (****)	267,961	887,566	298	71,171	1,226,996
Financial derivative liabilities (****)	174,999	461,720	9,498	97,852	744,069
Non-cash loans (*****)	692,932	1,162,497	11,239	52,634	1,919,302
Prior Period					
Total Assets	1,039,611	2,525,119	11,829	85,292	3,661,851
Total Liabilities	1,057,160	2,784,621	11,647	106,643	3,960,071
Net Balance Sheet Position	(17,549)	(259,502)	182	(21,351)	(298,220)
Net Off-Balance Sheet Position	59,815	216,285	(3,023)	21,145	294,222
Non-cash loans (*****)	446,262	907,481	8,175	43,779	1,405,697

(*) Gold account deposits amounting to TRY 13,741 (December 31, 2005 - TRY 1,329) are included in the foreign currency deposits.

(**) Foreign currency indexed loans amounting to TRY 454,582 (December 31, 2005 - TRY 334,434) are included in loans.

(***) TRY 444 Prepaid Expenses and TRY 1,078 Accrual Income from Derivative Financial Instruments are deducted from Other Assets, and TRY 1,806 Accrual Expense from Derivative Financial Instruments, TRY 9,628 General Loan Loss Provision and TRY 148 Unearned Revenues are deducted from Other Liabilities.

(****) Asset purchase-sale commitments of TRY 80,336 has been added to derivative financial assets and TRY 80,329 has been added to derivative liabilities.

(*****) There are no effects on the net off-balance sheet position.

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IV- Explanations and Footnotes Related to Consolidated Interest Rate Risk

Interest rate risk shows the probability of loss related to the changes in interest rates depending on the Group's position, and it is managed by the Asset-Liability Committee of the Parent Bank. The interest rate sensitivity of assets, liabilities and off-balance sheet items related to this risk are measured by using the standard method and included in the market risk for capital adequacy.

The first priority of the Parent Bank's risk management is to protect from interest rate volatility. Duration, maturity and all types of sensitivity analysis performed in the Parent Bank within this context is calculated by the risk management and reported to the Asset-Liability Committee.

Simulations on interest income are performed in connection with the forecasted economic indicators used in the budget expectations of the Group. The negative effects of the fluctuations in the market interest rates on the financial position and the cash flows are minimized by revising budget targets.

The Parent Bank management follows the market interest rates daily and revises the interest rates of the Bank whenever necessary.

Since the Group does not permit maturity mismatches or imposes limits on the mismatch, a significant interest rate risk exposure is not expected.

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

	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Non-interest bearing	Total
Current Period							
Assets							
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased, precious materials) and balances with the Central Bank of Turkey	1,132,465	-	-	-	-	296,075	1,428,540
Due from banks and other financial institutions	721,284	9,000	-	3,000	-	185,936	919,220
Trading securities	13,646	224	3,806	819	813	971	20,279
Money market placements	91,535	-	-	-	-	-	91,535
Securities available-for-sale	448	86,505	817,853	62,558	171,193	69	1,138,626
Loans	1,915,157	714,933	742,428	422,214	1,122,720	-	4,917,452
Securities held-to-maturity	-	306	1,538	1,716	8,129	-	11,689
Other assets	83,168	242,017	83,558	69,407	154,747	295,595	928,492
Total Assets	3,957,703	1,052,985	1,649,183	559,714	1,457,602	778,646	9,455,833
Liabilities							
Bank deposits	98,123	4,722	-	-	-	43,263	146,108
Other deposits	5,083,776	713,717	83,966	42,753	894	145,898	6,071,004
Money market borrowings	675,653	-	-	-	-	-	675,653
Sundry creditors	-	-	-	-	-	80,564	80,564
Marketable securities issued	-	-	-	-	-	-	-
Funds provided from other financial institutions	230,861	836,843	375,773	107,715	49,398	-	1,600,590
Other liabilities	11,548	98,164	6,461	1	-	765,740	881,914
Total Liabilities	6,099,961	1,653,446	466,200	150,469	50,292	1,035,465	9,455,833
Balance Sheet Interest Sensitivity Gap	(2,142,258)	(600,461)	1,182,983	409,245	1,407,310	(256,819)	-
Off Balance Sheet Interest Sensitivity Gap	3,729	-	-	-	-	-	3,729
Total Interest Sensitivity Gap	(2,138,529)	(600,461)	1,182,983	409,245	1,407,310	(256,819)	3,729

The other assets line in the non-interest bearing column consists of property and equipments amounting to TRY 75,020, intangible assets amounting to TRY 5,543, TRY 140,833 of accrued interest and income receivables, TRY 12 of unconsolidated affiliates and TRY 2,129 of deferred tax assets and TRY 63,312 other assets and the other liabilities line includes the shareholders' equity of TRY 579,695.

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IV- Explanations and Footnotes Related to Consolidated Interest Rate Risk (cont'd)

	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Non-interest bearing	Total
Prior Period							
Assets							
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased, precious materials) and balances with the Central Bank of Turkey	385,329	-	-	-	-	179,572	564,901
Due from Banks and other financial institutions	821,025	84,936	32,000	16,000	-	26,427	980,388
Trading securities	21,601	18,664	13,651	462	55,477	598	110,453
Money market placements	156,533	-	-	-	-	-	156,533
Securities available-for-sale	33,537	577,672	79,262	64,131	312,168	9	1,066,779
Loans	1,090,200	601,312	594,210	429,916	726,843	-	3,442,481
Securities held-to-maturity	-	100	-	684	10,859	-	11,643
Other assets	116,227	67,112	53,783	56,217	99,081	237,146	629,566
Total Assets	2,624,452	1,349,796	772,906	567,410	1,204,428	443,752	6,962,744
Liabilities							
Bank deposits	103,749	12,722	-	170	-	1,734	118,375
Other deposits	2,820,802	406,682	118,968	32,039	144	808,666	4,187,301
Money market borrowings	756,614	-	-	-	-	-	756,614
Sundry creditors	-	-	-	-	-	64,196	64,196
Marketable securities issued	-	-	-	-	-	-	-
Funds provided from other financial institutions	226,586	196,346	547,451	38,779	65,445	-	1,074,607
Other liabilities	52,540	7,352	3,552	15	-	698,192	761,651
Total Liabilities	3,960,291	623,102	669,971	71,003	65,589	1,572,788	6,962,744
Balance Sheet Interest Sensitivity Gap	(1,335,839)	726,694	102,935	496,407	1,138,839	(1,129,036)	-
Off Balance Sheet Interest Sensitivity Gap	(695)	-	-	-	-	-	(695)
Total Interest Sensitivity Gap	(1,336,534)	726,694	102,935	496,407	1,138,839	(1,129,036)	(695)

Other assets line at the non-interest bearing column includes TRY 62,192 of tangible fixed assets, TRY 5,625 of intangible fixed assets, TRY 81,663 of accrued interest and income receivables, TRY 1,535 of unconsolidated affiliates and TRY 70,003 of deferred tax assets and other assets, and the other liabilities line includes the shareholders' equity of TRY 507,764.

Average interest rates applied to monetary financial instruments:

	EURO %	USD %	YEN %	TRY %
Current Period				
Assets				
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased, precious materials) and balances with the Central Bank of Turkey	2.25	2.52	-	-
Due from banks and other financial institutions	2.91	4.95	-	16.90
Trading securities	5.53	8.08	-	16.16
Money market placements	-	-	-	17.50
Securities available-for-sale	-	6.93	-	20.10
Leasing receivables	9.32	10.12	-	21.88
Factoring receivables	5.55	5.72	-	21.44
Loans	5.20	7.43	3.87	22.10
Securities held-to-maturity	-	10.97	-	18.26
Liabilities				
Bank deposits	2.72	4.62	-	17.60
Other deposits	2.96	5.25	-	18.27
Money market borrowings	-	5.24	-	16.86
Sundry creditors	-	-	-	-
Marketable securities issued	-	-	-	-
Funds provided from other financial institutions	4.50	6.90	-	18.34

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IV- Explanations and Footnotes Related to Consolidated Interest Rate Risk (cont'd)

	EURO %	USD %	YEN %	TRY %
Prior Period				
Assets				
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased, precious materials) and balances with the Central Bank of Turkey	1.61	2.05	-	10.65
Due from banks and other financial institutions	2.23	4.03	-	15.96
Trading securities	6.77	8.80	-	16.30
Money market placements	-	-	-	14.87
Securities available-for-sale	-	5.70	-	15.14
Leasing receivables	9.26	10.33	-	22.04
Factoring receivables	6.06	7.16	-	19.84
Loans	5.21	5.95	4.06	19.84
Securities held-to-maturity	-	10.97	-	15.83
Liabilities				
Bank deposits	2.55	4.00	-	17.61
Other deposits	2.47	4.00	-	14.80
Money market borrowings	-	4.59	-	14.61
Sundry creditors	-	-	-	-
Marketable securities issued	-	-	-	-
Funds provided from other financial institutions	4.08	7.55	-	21.33

V- Explanations and Footnotes Related to Consolidated Liquidity Risk

Liquidity risk occurs when there is not sufficient amount of cash or cash inflows to meet the cash outflows completely and on time, resulting from the unstable cash flows.

Liquidity risk may also occur when the market penetration is not adequate, when the open positions cannot be closed quickly at suitable prices and sufficient amounts due to barriers and break-ups at the markets.

The Group's policy is to establish an asset structure that can meet all kinds of liabilities by liquid sources at all times. In this context liquidity problem has not been faced in any period. In order to maintain this, the Boards of Directors of the Group continuously determine standards for the liquidity ratios, and monitors them.

According to the general policies of the Group, the matching of the maturity and interest rate structure of assets, and liabilities is always established within the asset liability management strategies. A positive difference is managed to be established between the yields of TRY and foreign currency assets and liabilities on the balance sheet and their costs. According to this strategy, maturity risk is managed within the limits defined by the Parent Bank's Board of Directors.

When the funding and liquidity sources are considered, the parent Bank covers majority of its liquidity need by deposits, and in addition to this source, it makes use of prefinancing and syndication products to generate additional sources. Generally, the Parent Bank is in a lender position.

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V- Explanations and Footnotes Related to Consolidated Liquidity Risk (cont'd)

Presentation of assets and liabilities according to their remaining maturities :

Current Period	Demand	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Undistributed (*)	Total
Assets								
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased, precious materials) and Balances with the Central Bank of Turkey	296,075	1,132,465	-	-	-	-	-	1,428,540
Due from banks and other financial institutions	185,668	721,552	9,000	-	3,000	-	-	919,220
Trading securities	971	7,570	140	367	819	10,412	-	20,279
Money market placements	-	91,535	-	-	-	-	-	91,535
Securities available-for-sale	69	448	8,136	2,246	62,558	1,065,169	-	1,138,626
Loans	52,284	1,853,057	658,766	723,195	455,936	1,174,214	-	4,917,452
Securities held-to-maturity	-	-	303	-	1,716	9,670	-	11,689
Other assets	8,677	134,588	263,898	94,916	80,902	215,844	129,667	928,492
Total Assets	543,744	3,941,215	940,243	820,724	604,931	2,475,309	129,667	9,455,833
Liabilities								
Bank deposits	43,263	98,123	4,722	-	-	-	-	146,108
Other deposits	977,187	4,236,654	681,340	72,891	62,771	40,161	-	6,071,004
Money market borrowings	-	675,653	-	-	-	-	-	675,653
Funds provided from other financial institutions	-	147,155	593,274	109,036	198,187	552,938	-	1,600,590
Marketable securities issued	-	-	-	-	-	-	-	-
Sundry creditors	51,644	1,723	-	-	-	-	27,197	80,564
Other liabilities	1,479	104,002	113,982	13,816	9,939	19,791	618,905	881,914
Total Liabilities	1,073,573	5,263,310	1,393,318	195,743	270,897	612,890	646,102	9,455,833
Net Liquidity Gap	(529,829)	(1,322,095)	(453,075)	624,981	334,034	1,862,419	(516,435)	-
Prior Period								
Total Assets	292,588	2,555,693	722,251	676,206	719,039	1,884,979	111,988	6,962,744
Total Liabilities	878,975	3,490,323	875,690	239,984	633,850	298,071	545,851	6,962,744
Net Liquidity Gap	(586,387)	(934,630)	(153,439)	436,222	85,189	1,586,908	(433,863)	-

(*) The assets which are necessary to provide banking services and could not be liquidated in a short term, such as property and equipment, investments in subsidiaries and associates, office supply inventory, prepaid expenses and non-performing loans, are classified in this column.

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SECTION FIVE

FOOTNOTES AND EXPLANATIONS ON CONSOLIDATED FINANCIAL STATEMENTS

I. Footnotes and Explanations Related to the Consolidated Assets

1. Information related to the account of the Central Bank of Turkey:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Unrestricted demand deposit	160,157		92,213	-
Unrestricted time deposit	-	832,191	-	173,945
Total	160,157	832,191	92,213	173,945

2. Information about trading portfolio (shown in terms of their net values):

a) Trading securities given as collateral or blocked:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Share Certificates	-	-	-	-
Bonds, Treasury Bills and Similar Investment Securities	508	-	318	-
Other	-	-	-	-
Total	508	-	318	-

b) Trading securities subject to repurchase agreements:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Government Bonds	9,193	-	62,526	-
Treasury Bills	363	-	71	-
Other Debt Securities	-	-	-	-
Bank Bonds and Bank Guaranteed Bonds	-	-	-	-
Asset Backed Securities	-	-	-	-
Other	-	-	-	-
Total	9,556	-	62,597	-

As of September 30, 2006, trading securities which are not given as collateral amount to TRY 10,215 (December 31, 2005 - TRY 47,358).

3. Information on available for sale portfolio:

a) Main types of available for sale securities: Available for sale securities include public sector domestic and foreign debt securities, other securities and share certificates.

b) Information on available for sale portfolio:

	Current Period	Prior Period
Debt Securities	1,165,704	1,070,066
Quoted on a Stock Exchange	977,505	999,168
Not Quoted	188,199	70,898
Share Certificates	69	9
Quoted on a Stock Exchange	-	-
Not Quoted	69	9
Provision for Impairment (-) / Valuation Increase (+)	(27,147)	(3,296)
Total	1,138,626	1,066,779

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I. Footnotes and Explanations Related to the Consolidated Assets (cont'd)

3. Information on available for sale portfolio:(cont'd)

c) Available for sale securities given as collateral or blocked: Available for sale securities given as collateral consist of public sector debt securities, followed with their book values, of TRY 188,437 (December 31, 2005 – TRY 216,931) deposited for regulatory requirements.

d) Information on investment securities available-for-sale given as collateral or blocked :

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Share Certificates	-	-	-	-
Bond, Treasury Bill and Similar Investment Securities	238	188,199	49,437	167,494
Other	-	-	-	-
Total	238	188,199	49,437	167,494

e) Information on investment securities available-for-sale subject to repurchase agreements:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Government bonds	741,800	-	756,798	-
Treasury bills	-	-	17,199	-
Other public sector debt securities	-	-	-	-
Bank bonds and bank guaranteed bonds	-	-	-	-
Asset backed securities	-	-	-	-
Other	-	-	-	-
Total	741,800	-	773,997	-

4. Information on loans:

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

	Current Period		Prior Period	
	Cash Loans	Non-Cash Loans	Cash Loans	Non-Cash Loans
Direct loans Granted to Shareholders	302	14,538	-	16,179
Corporate Shareholders	302	14,538	-	16,179
Real Person Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to Employees	3,532	21	2,915	-
Total	3,834	14,559	2,915	16,179

b) Information on the first and second group loans and other receivables including loans that have been restructured or rescheduled:

	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	Loans and Other Receivables	Restructured or Rescheduled	Loans and Other Receivables	Restructured or Rescheduled
Cash Loans				
Non-Specialized Loans	4,911,114	-	-	6,338
Discount Notes	112,079	-	-	-
Export Loans	952,209	-	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	282,401	-	-	-
Foreign Loans	401,142	-	-	-
Consumer Loans	618,801	-	-	-
Credit Cards	32,178	-	-	-
Precious Metals Loans	75,369	-	-	-
Other	2,436,935	-	-	6,338
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	4,911,114	-	-	6,338

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I- Footnotes And Explanations Related to the Consolidated Assets (cont'd)

4. Information on loans: (cont'd)

- c) Information on consumer loans, individual credit cards, personnel loans and credit cards given to personnel:

	Short Term	Medium and Long Term	Total	Interest Income Accrual
Consumer Loans-TRY	29,587	523,830	553,417	5,128
Real Estate Loans	1,075	253,225	254,300	1,892
Automotive Loans	4,109	166,976	171,085	1,688
General Purpose Loans	16,413	100,365	116,778	1,518
Other	7,990	3,264	11,254	30
Consumer Loans -Indexed to FC	966	46,454	47,420	216
Real Estate Loans	7	24,030	24,037	116
Automotive Loans	541	20,702	21,243	86
General Purpose Loans	418	1,722	2,140	14
Other	-	-	-	-
Consumer Loans-FC	10,919	4,468	15,387	35
Real Estate Loans	-	-	-	-
Automotive Loans	-	-	-	-
General Purpose Loans	-	-	-	-
Other	10,919	4,468	15,387	35
Individual Credit Cards-TRY	27,473	-	27,473	-
With Installments	667	-	667	-
Without Installments	26,806	-	26,806	-
Individual Credit Cards-FC	1,261	-	1,261	-
With Installments	-	-	-	-
Without Installments	1,261	-	1,261	-
Personnel Loans-TRY	870	1,621	2,491	29
Real Estate Loans	-	-	-	-
Automotive Loans	-	11	11	-
General Purpose Loans	728	1,610	2,338	29
Other	142	-	142	-
Personnel Loans- Indexed to FC	-	-	-	-
Real Estate Loans	-	-	-	-
Automotive Loans	-	-	-	-
General Purpose Loans	-	-	-	-
Other	-	-	-	-
Personnel Loans-FC	18	68	86	-
Real Estate Loans	-	-	-	-
Automotive Loans	-	-	-	-
General Purpose Loans	18	68	86	-
Other	-	-	-	-
Personnel Credit Cards-TRY	939	-	939	-
With Installments	76	-	76	-
Without Installments	863	-	863	-
Personnel Credit Cards-FC	17	-	17	-
With Installments	-	-	-	-
Without Installments	17	-	17	-
Total	72,050	576,441	648,491	5,408

- d) Information on commercial loans with installments and corporate credit cards:

	Short Term	Medium and Long Term	Total	Interest Income Accrual
Commercial loans with installment facility-TRY	35,372	250,248	285,620	2,981
Business Loans	47	9,401	9,448	76
Automotive Loans	7,502	121,540	129,042	1,195
General Purpose Loans	27,823	118,548	146,371	1,703
Other	-	759	759	7
Commercial loans with installment facility - Indexed to FC	6,303	121,962	128,265	737
Business Loans	-	1,423	1,423	8
Automotive Loans	1,403	71,819	73,222	303
General Purpose Loans	4,900	47,515	52,415	415
Other	-	1,205	1,205	11
Commercial loans with installment facility -FC	-	-	-	-
Business Loans	-	-	-	-
Automotive Loans	-	-	-	-
General Purpose Loans	-	-	-	-
Other	-	-	-	-
Corporate Credit Cards-TRY	2,248	-	2,248	-
With Installments	-	-	-	-
Without Installments	2,248	-	2,248	-
Corporate Credit Cards-FC	240	-	240	-
With Installments	-	-	-	-
Without Installments	240	-	240	-
Total	44,163	372,210	416,373	3,718

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I- Footnotes And Explanations Related to the Consolidated Assets (cont'd)

4. Information on loans: (cont'd)

e) Domestic and foreign loans:

	Current Period	Prior Period
Domestic Loans	4,516,309	3,199,040
Foreign Loans	401,143	243,441
Total	4,917,452	3,442,481

f) Loans granted to subsidiaries and associates: None.

g) Specific provisions provided against loans:

	Current Period	Prior Period
Specific Provisions		
Loans and Receivables With Limited Collectibility	368	1,950
Loans and Receivables With Doubtful Collectibility	1,897	1,716
Uncollectible Loans and Receivables	25,026	13,183
Total	27,291	16,849

h) Information on loans under follow-up account (Net) :

h.1) Information on loans and other receivables included in loans under follow-up account which are restructured or rescheduled: None.

h.2) Movement of loans under follow-up:

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
Prior Period End Balance	11,866	4,068	17,745
Additions during the period (+)	8,833	141	126
Transfers from Other Categories of Loans Under Follow-up (+)	-	16,057	13,201
Transfers to Other Categories of Loans Under Follow-up (-)	16,057	13,201	4
Collections within the period (-)	2,363	2,545	2,148
Write-offs (-)	-	-	-
Effect of inflation(-)	-	-	-
Current Period End Balance	2,279	4,520	28,920
Specific Provisions (-)	368	1,897	25,026
Net Balances on Balance Sheet	1,911	2,623	3,894

h.3) Information on foreign currency loans and other receivables under follow-up: None.

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I- Footnotes And Explanations Related to the Consolidated Assets (cont'd)

5. Information on Held to Maturity Portfolio (Net):

a) Information on Held to Maturity Portfolio:

	Current Period	Prior Period
Debt Securities	11,689	11,643
Quoted on a Stock Exchange	11,689	11,643
Not Quoted	-	-
Provision for Impairment (-)	-	-
Total	11,689	11,643

b) Movement of Held to Maturity Portfolio:

	Current Period	Prior Period
Beginning Balance	11,643	73,043
Effect of Inflation (-)	-	-
Foreign Currency Differences on Monetary Assets	637	(982)
Purchases During Year	-	12,441
Disposals Through Sales and Redemptions	(591)	(72,859)
Provision for Impairment (-)	-	-
Closing Balances	11,689	11,643

c.1) Information on accounts in which investment securities held to maturity are recorded:

	Current Period				Prior Period			
	Cost		Amortized Cost		Cost		Amortized Cost	
	TRY	FC	TRY	FC	TRY	FC	TRY	FC
Held to Maturity Portfolio								
Given as Collateral or Blocked	-	-	-	-	100	-	101	-
Subject to Repo Transactions	-	-	-	-	-	-	-	-
Held for Structural Position	-	-	-	-	-	-	-	-
Receivables from Securities Lending	-	-	-	-	-	-	-	-
Collaterals on Securities Lending	-	-	-	-	-	-	-	-
Other (*)	1,538	10,151	1,568	10,356	1,959	9,584	2,094	9,614
Closing Balances	1,538	10,151	1,568	10,356	2,059	9,584	2,195	9,614

(*) The unrestricted marketable securities held by the Group.

c.2) There are no public sector debt securities for marketable securities held to maturity given as collateral for regulatory requirements. (December 31, 2005 – TRY 100).

Securities held to maturity given as collateral or blocked:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Bonds	-	-	-	-
Bills and similar investment securities	-	-	100	-
Other	-	-	-	-
Total	-	-	100	-

c.3) Securities held to maturity subject to repurchase agreements given as collateral: None. (December 31, 2005 – None.)

c.4) Securities held to maturity held for structural position: None.

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I- Footnotes And Explanations Related to the Consolidated Assets (cont'd)

6. Information on associates (Net):

a.1) Information on the unconsolidated associates:

Participations	Current Period	Prior Period
Other Financial Associates / Gelişen İşletmeler Piyasası A.Ş.	12	-
Total	12	-

a.2) Gelişen İşletmeler Piyasası A.Ş. commenced its operations as of December 30, 2005.

a.3) Out of group members/shareholders who have the control power with the Parent Company and/or other members of the financial group: None.

a.4) Reasoning of not consolidating the unconsolidated associates and accounting policy of the Bank for participations: None.

b.1) Information on the consolidated associates:

	Current Period	Prior Period
Balance at the Beginning of the Period	1,535	656
Movements During the Period		879
Purchases	-	660
Bonus Shares Obtained	-	-
Dividends from Current Year Income	-	279
Sales (*)	(1,535)	-
Revaluation Decrease	-	-
Provision for Impairment	-	-
Balance at the End of the Period	-	1,535
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

(*) As of August 25, 2006, the Group sold TRY 22,500 nominal value of 100 A type preferred A Group Shares of its shareholding in Varlık Yatırım Ortaklığı A.Ş. to Tan EGELİ, out of the Stock Exchange, with value of 1 share TRY 0.01 which were calculated by the addition of TRY 13.33 unit share value as of the workday before the transfer date. B group shares with nominal value TRY 1,252,500 are sold in the Stock Exchange. The group has no longer any shares of Varlık Yatırım Ortaklığı A.Ş.

b.2) Valuation of investments made to the consolidated associates:

	Current Period	Prior Period
Valuation With Cost	-	-
Valuation With Fair Value	-	-
Valuation With Equity Method	-	1,535
Total	-	1,535

b.3) Sectoral information and the related carrying amounts of associates:

İştirakler	Cari Dönem	Önceki Dönem
Other Financial associates / Varlık Yatırım Ortaklığı A.Ş.	-	1,535
Total	-	1,535

b.4) Associates which are quoted on a stock exchange: None

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I- Footnotes And Explanations Related to the Consolidated Assets (cont'd)

6. Information on associates (Net): (cont'd)

b.5) Information related to associates that are included in consolidation: None

b.6) Information on associates, included in consolidation which are sold in current period: As of August 25, 2006, the Group sold unquoted shares of its shareholding in Varlık Yatırım Ortaklığı A.Ş. with TRY 22,500 nominal value, to Tan Egeli out of the stock exchange, and preferred A Group, 100 of A type share with value of 1 share TRY 0.01 which were calculated by the addition of TRY 13.33 Unit Share Value before the turnover date of the workday. B Group shares with nominal value TRY 1,252,500 are sold in the stock exchange. The Group has no longer any shares of Varlık Yatırım Ortaklığı A.Ş. .

b.7) Associates, included in the consolidation that are purchased in the current period: None.

7. Information on Subsidiaries (Net):

a) Information on the unconsolidated subsidiaries: None.

b) Information on the consolidated subsidiaries:

b.1) Information on the consolidated subsidiaries:

	Current Period	Prior Period
Balance at the Beginning of the Period	151,141	156,783
Movements During the Period	8,661	(5,642)
Purchases (*)		1,636
Bonus shares obtained		-
Share in current year income		-
Sales (**)	(651)	-
Revaluation Increase (***)	9,312	(7,278)
Provision for Impairment		-
Balance at the end of the Period	159,802	151,141
Capital Commitments	-	-
Share Percentage at the end of the Period (%)	-	-

(*) Current year purchases are due to purchase of TEB Portföy A.Ş. shares that belonged to ABN Amro by TEB Yatırım A.Ş.

(**) The Board of Directors of Petek International Holdings B.V. passed a resolution on October 26, 2004 to liquidate the company.

(***) Represents the effects of change in exchange rates of foreign operations.

The figures stated above present the cost of the Group's total investment restated until December 31, 2004 in subsidiaries before consolidation. These figures are eliminated from accompanying consolidated financial statements.

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I- Footnotes And Explanations Related to the Consolidated Assets (cont'd)

7. Information on Subsidiaries (Net): (cont'd)

b.2) Valuation of investments in the consolidated subsidiaries in the unconsolidated financial statements:

Subsidiaries denominated in New Turkish Lira are reflected by restating their costs, from the amounts adjusted until December 31, 2004, with the conversion factors applicable for the relevant dates after deducting the capital increases from internally generated funds like revaluation fund. Subsidiaries denominated in foreign currencies are translated into Turkish Lira by applying the exchange rates prevailing at balance sheet dates. An impairment loss is made when there is a permanent diminution in value of the subsidiaries.

	Current Period	Prior Period
Valuation With Cost	147,846	139,230
Valuation With Fair Value		-
Valuation With Equity Method		-

b.3) Sectoral information on the consolidated subsidiaries and the related carrying amounts:

		Current Period	Prior Period
Banks	/ The Economy Bank N.V.	56,892	47,624
Leasing Companies	/ TEB Finansal Kiralama A.Ş.	40,191	40,191
Factoring Companies	/ TEB Factoring A.Ş.	22,324	22,324
Other Financial Subs	/ TEB Yatırım Men.Değ. A.Ş.	34,770	34,770
	TEB Portföy Yönetimi A.Ş.	5,354	5,354
	Petek International Holdings B.V.		651
	Stichting Custody Services TEB	237	198
	Kronenburg Vastgoed B.V.	34	29
Total		159,802	151,141

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I- Footnotes And Explanations Related to the Consolidated Assets (cont'd)

7. Information on Subsidiaries (Net): (cont'd)

b.4) Consolidated subsidiaries which are quoted on a stock exchange: None.

b.5) Information related to subsidiaries that are included in consolidation:

Description	Address (City / Country)	Group's share percentage- If different voting percentage (%)	Group's risk group share percentage (%)	Method of Consolidation
The Economy Bank N.V.	Netherlands	100.00	100.00	Full
Stichting Custody Services TEB	Netherlands	-	100.00	Full
Kronenburg Vastgoed B.V.	Netherlands	-	100.00	Full
TEB Finansal Kiralama A.Ş.	Istanbul/Turkey	100.00	100.00	Full
TEB Factoring A.Ş.	Istanbul/Turkey	100.00	100.00	Full
TEB Yatırım Menkul Değerler A.Ş.	Istanbul/Turkey	74.94	100.00	Full
TEB Portföy Yönetimi A.Ş.	Istanbul/Turkey	46.77	100.00	Full

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

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit / Loss	Prior Period Profit / Loss (*)	Fair Value
(i)	1,463,092	116,538	7,799	67,779	(536)	7,091	7,442	-
(v)	-	-	-	-	-	-	-	-
(v)	-	-	-	-	-	-	-	-
(ii)	426,529	56,980	52,950	30,710	310	(26,180)	4,110	-
(ii)	235,951	17,079	136	17,941	-	5,090	4,000	-
(iii)	43,370	32,411	1,052	3,347	(146)	6,551	8,376	-
(iv)	10,472	9,799	446	343	361	3,064	5,739	-

(*) Represents December 31, 2005 figures.

- (i) Represents financial figures of foreign currency subsidiaries translated at September 30, 2006 foreign exchange rates for balance sheet; and profit and loss are translated as with the average of 9 months foreign exchange rates.
- (ii) Represents statutory financial figures based on tax procedural law as of September 30, 2006.
- (iii) Represents consolidated financial figures of TEB Yatırım A.Ş. and TEB Portföy A.Ş. based on Capital Markets Board regulations as of June 30, 2006.
- (iv) Represents financial figures based on Capital Markets Board regulations as of June 30, 2006.
- (v) Related information is disclosed in the consolidated financial statements of The Economy Bank N.V.

b.6) Information on the consolidated subsidiaries that were disposed in current period: None.

b.7) Information on the consolidated subsidiaries purchased in current period: None.

8. Information on other investments (Net): There are no unconsolidated jointly controlled subsidiaries.

9. Information on financial lease receivables (Net):

a) Aging of leasing receivables:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	182,397	157,003	132,432	115,385
Between 1-4 years	169,528	152,467	108,884	97,793
Over 4 years	1,018	952	888	818
Total	352,943	310,422	242,204	213,996

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I- Footnotes And Explanations Related to the Consolidated Assets (cont'd)

10. Explanations related to interest and income accruals:

- a) Information about accrued interest and income receivables of loans:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Accrued Interest and Income Receivables				
Interest Accruals – Realised	3,177	11	172	22
Interest Accruals – Unrealised	59,308	23,148	13,790	17,655
Loan Commissions and Other Income Accruals – Realised	-	-	-	-
Loan Commissions and Other Income Accruals –Unrealised	254	25	754	30
Total	62,739	23,184	14,716	17,707

- b) Information on other interest and income accruals:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Other Interest and Income Accruals				
Trading Securities	140	7	389	2
Securities Available for Sale	6,696	6,416	26,358	6,057
Securities Held to Maturity	30	205	136	30
Interest Accruals of Reverse Repo Transactions	2	-	5	-
Interest Accruals of Reserve Deposits	3,818	1,755	1,998	923
Income Accruals of Financial Derivative Instruments	24,712	3,789	377	5,850
Interest and Income Accruals	-	1,819	-	318
Income Accrual of Foreign Exchange Gains	24,712	1,970	377	5,532
Income Accruals from Factoring Income	119	9	118	6
Income Accruals from Leasing Receivables	476	1,535	141	522
Other	3,204	1,997	4,977	1,351
Total	39,197	15,713	34,499	14,741

11. Information on deferred tax assets:

- a) As of September 30, 2006, deferred tax asset computed on the temporary differences is amounting to TRY 2,129 (December 31, 2005 – TRY 7,977). There are no carried forward tax losses or tax exemptions or deductions over which deferred tax asset is computed.
- b) Temporary differences over which deferred tax asset are not computed and recorded in the balance sheet in prior periods: None.
- c) Allowance for deferred tax and deferred tax assets from reversal of allowance: The Group has made an allowance of TRY 41,134 (December 31, 2005 – TRY 61,973) for the deferred tax asset arising from financial lease operations.

12. Information on other assets:

- a) Information on prepaid expenses, taxes and similar items:

	Current Period	Prior Period
Financial Lease Agreements in Progress	25,820	4,755
Prepaid Taxes	12,387	40,889
Advances Given	3,141	2,791
Prepaid Rent	2,211	1,571
Transaction Cost Related to Financial Liabilities	1,715	1,097
Receivables from Fund Participation Certificates	-	4,097
Other	18,038	6,826
Total	63,312	62,026

- b) Other assets which exceed 10% of the balance sheet total (excluding off-balance sheet commitments) and breakdown of these which constitute at least 20% of grand total: None.

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II- Footnotes and Explanations Related to the Consolidated Liabilities

1. a) Information on maturity structure of deposits:

a.1) Current Period:

	7 Day Call				3-6 Month	6 Month-1 Year	1 Year and Over
	Demand	Accounts Up to 1 Month	1-3 Month				
Saving Deposits	91,814	-	508,572	401,993	7,710	3,264	183
Foreign Currency Deposits	671,330	-	1,971,350	1,419,026	131,915	106,328	43,675
Residents in Turkey	569,029	-	1,115,525	1,377,006	116,001	85,596	14,988
Residents Abroad	102,301	-	855,825	42,020	15,914	20,732	28,687
Public Sector Deposits	5,065	-	787	-	-	-	-
Commercial Deposits	185,383	-	411,837	49,915	1,865	1,135	-
Other Institutions Deposits	10,316	-	27,344	6,427	19	10	-
Precious Metals Deposits	13,279	-	-	260	58	144	-
Interbank Deposits	43,263	-	58,376	43,469	0	1,000	0
Central Bank of Turkey	-	-	-	-	-	-	-
Domestic Banks	180	-	13,870	-	-	1,000	-
Foreign Banks	15,172	-	44,506	43,469	-	-	-
Special Finance Houses	27,911	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total	1,020,450	-	2,978,266	1,921,090	141,567	111,881	43,858

a.2) Prior Period:

	7 day Call				3-6 Month	6 Month-1 Year	1 Year and Over
	Demand	Accounts Up to 1 Month	1-3 Month				
Saving Deposits	77,254	-	216,855	201,567	15,045	1,209	1,606
Foreign Currency Deposits	565,572	-	1,075,746	1,041,564	154,121	103,266	129,028
Residents in Turkey	478,022	-	901,715	614,396	133,740	67,495	10,067
Residents Abroad	87,550	-	174,031	427,168	20,381	35,771	118,961
Public Sector Deposits	332	-	200	152	-	-	-
Commercial Deposits	153,542	-	376,762	39,277	1,105	589	994
Other Institutions Deposits	10,637	-	6,790	12,732	17	10	-
Precious Metals Deposits	1,329	-	-	-	-	-	-
Interbank Deposits	16,562	-	52,252	47,052	1,341	1,168	-
Central Bank of Turkey	-	-	-	-	-	-	-
Domestic Banks	70	-	15,102	-	-	168	-
Foreign Banks	10,811	-	37,150	47,052	1,341	1,000	-
Special Finance Houses	5,681	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total	825,228	-	1,728,605	1,342,344	171,629	106,242	131,628

b.1) Information on saving deposits under the guarantee of saving deposit insurance and exceeding the limit of saving deposit insurance:

Saving Deposits	Under the guarantee of saving deposit insurance	Under the guarantee of saving deposit insurance	Exceeding the limit of saving deposit	Exceeding the limit of saving deposit
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	407,636	207,662	525,530	224,120
Foreign Currency Saving Deposits	284,978	243,997	1,322,424	982,966
Other Deposits in the form of Saving Deposits	991	263	5,564	1,033
Foreign Branches' Deposits Under Foreign Authorities' Insurance	-	-	-	-
Off-shore Banking Regions' Deposits Under Foreign Authorities' Insurance	-	-	-	-
Total	693,605	451,922	1,853,518	1,208,119

(*) According to the BRSA's circular no. 1584 dated on February 23, 2005, accruals are included in the saving deposit amounts.

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II- Footnotes and Explanations Related to the Consolidated Liabilities (cont'd)

1. a) Information on maturity structure of deposits: (cont'd)

b.2) Saving deposits which are not under the guarantee of deposit insurance fund:

	Current Period(*)	Prior Period(*)
Foreign Branches' Saving Deposits	9,157	8,730
Off-shore Banking Regions' Saving Deposits	-	-
Total	9,157	8,730

(*) In addition to the amount disclosed above, there are also saving deposits amounting to TRY 293,329 (December 31, 2005 – TRY 263,590) in The Economy Bank N.V., the consolidated subsidiary of the parent Bank incorporated in The Netherlands that are not subject to the guarantee of savings deposit insurance fund.

2. Information on funds provided from repurchase agreement transactions:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
From Domestic Transactions	664,647	-	754,452	-
Financial Institutions and Organizations	655,000	-	745,000	-
Other Institutions and Organizations	2,649	-	1,681	-
Real Persons	6,998	-	7,771	-
From Foreign Transactions	23	-	10	-
Financial Institutions and Organizations	-	-	-	-
Other Institutions and Organizations	-	-	-	-
Real Persons	23	-	10	-
Total	664,670	-	754,462	-

3. a) Information on funds borrowed:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short-term	350,935	653,756	280,971	400,920
Medium and Long-term	50,830	277,081	465	305,034
Total	401,765	930,837	281,436	705,954

b) Additional explanation related to the concentrations of the bank's the major liabilities:

Parent Bank diversifies its funding resources by the customer deposits and by the foreign borrowings. As of September 30, 2006, the Bank has EUR 210,000,000 amount of syndication loan under foreign borrowings with maturity of one year contracted on November 18, 2005.

Parent Bank makes analysis of its customers that provide the maximum amount of funds within the branches and throughout the bank, in consideration of profitability. Bank take short and long term preventive measures to spread on a wider spectrum with respect to branches with customer concentration.

62.85% of the bank deposits and 66.49% of other deposits of the Parent Bank consist of foreign currency deposits.

4. a) Information on debt securities issued: None.

b) The explanation on the maturity structure, interest rate, type of currency of the issued marketable securities: None.

5. Explanation on funds: None.

6. Explanation on sundry creditors:

	Current Period	Prior Period
Total Amount of Cash Collateral Obtained	973	628

The cash collaterals obtained comprise amount blocked for import and export transactions.

7. Other External Resources which exceed 10% of the balance sheet total (excluding off-balance sheet commitments) and breakdown of these which constitute at least 20% of grand total: None.

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II- Footnotes and Explanations Related to the Consolidated Liabilities (cont'd)

8. Information on financial lease payables: None.

9. Information on interest and expense accruals:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Accrued Interest on Deposits	9,993	13,714	7,089	7,717
Accrued Interest on Funds Borrowed	12,085	17,465	5,858	8,423
Accrued Interest on Bonds	-	-	-	-
Accrued Interest on Repurchase Agreements	639	-	630	-
Accrued Interest on Derivative Financial Instruments	25,137	2,428	16,402	6,928
Accrued Interest and Expenses	11,378	102	357	1,524
Foreign Exchange Losses Accrued	13,759	2,326	16,045	5,404
Accrued Interest on Factoring Payables	-	-	-	-
Other Interest and Expense Accruals	3,194	918	968	26
Total	51,048	34,525	30,947	23,094

10. Provisions and subordinated loans:

a) Information on general loan loss provisions:

	Current Period	Prior Period
General Loan Loss Provisions	24,815	18,300
Provisions for First Group Loans and Receivables	19,794	14,043
Provisions for Second Group Loans and Receivables	-	-
Provisions for Non Cash Loans	3,358	2,210
Other	1,663	2,047
Total	24,815	18,300

b) Information on free reserves for possible losses: None.

c) Information on subordinated loans:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
From Domestic Banks	-	-	-	-
From Other Domestic Institutions	-	-	-	-
From Foreign Banks	-	170,676	-	-
From Other Foreign Institutions	-	97,312	-	87,217
Total	-	267,988	-	87,217

In addition to the subordinated loans obtained from IFC amounting to USD 15,000,000 maturing on October 15, 2011 and USD 50,000,000 maturing on July 15, 2015, the Parent Bank has obtained a subordinated loan from BNP Paribas amounting EUR 90,000,000 maturing on July 1, 2016.

d) The foreign exchange losses on the foreign currency indexed loans amounting to TRY 6,113 (December 31, 2005 – TRY 7,416) is netted off from loans in the balance sheet.

11. Information of Shareholders' Equity:

a) Presentation of paid-in capital:

	Current Period	Prior Period
Common Stock	76,500	57,800
Preferred Stock	-	-

b) Paid-in capital amount, explanation as to whether the registered share capital system is applicable to the Group and if so, amount of registered share capital ceiling:

	Paid-in Capital	Ceiling
Registered Capital System	76,500	100,000

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II- Footnotes and Explanations Related to the Consolidated Liabilities (cont'd)

11. Information of Shareholders' Equity (cont'd)

- c) Information on share capital increases and their sources; other information on increased capital shares in current period: None.

Based on the resolution of the Board of Directors no. 3840/28 on March 31, 2006, the Parent Bank has increased its paid in capital of TRY 57,800 within the registered capital ceiling of TRY 100,000 by TRY 18,700, to TRY 76,500. TRY 18,700 that constitutes the capital increase has been decided to be used as pre-emptive rights to the shareholders and the non-used preemptive rights to be registered with the Stock Exchange, and the whole amount to be paid in cash. The increase of TRY 18,700 was registered to Istanbul Trade Registry Office on September 20,2006 and capital increase procedures were completed.

- d) Information on share capital increases from revaluation funds: None.
- e) Capital commitments in the last fiscal year and at the end of the following period, the general purpose of these commitments and projected resources required to meet these commitments: None.
- f) Possible effects of past indicators of the Bank's income, profit and liquidity in the previous periods and uncertainties within these indicators on the equity: None.
- g) Information on preferred shares :

7% of the remaining profit allocated to 60,000 shares with TRY 30 (full TRY) nominal value, after the appropriation of first legal reserves after tax profit and after the first dividend distribution, are distributed among the founder shareholders. According to the February 10, 2005 dated, 3702/11 numbered Board of Directors resolution, 6 of the founder shares are transferred to the Bank's Parent, TEB Mali Yatırımlar.

12. a) Common stock issue premiums, shares and equity instruments:

	Current Period	Prior Period
Number of Shares (Thousand)	76,500,000	115,600,000
Preferred Stock	-	-
Common Stock Issue Premium	1,661	69
Common Stock Cancellation Profit	-	-
Other Equity Instruments	-	-

In the Extraordinary General Assembly Meeting dated May 31, 2006, the shares with nominal value of TRY 0.0005 has been decided to be changed to nominal value of TRY 0.001, based on the amendment in the Turkish Commercial Law No: 5274.

Thus, the total number of shares has been declined and 115,600,000 thousand number of shares each of which are equivalent to TRY 0.0005, has been replaced with 57,800,000 thousand number of shares each of which are equivalent to TRY 0.001. Related with this replacement, rights of the shareholders arising from the shares owned are reserved.

After the capital increase as of September 30, 2006, total number of shares have become 76,500,000 thousand, each of which are equivalent to TRY 0.001.

13. Information on shareholders having more than 10% share:

Name/Commerical Name	Amounts	Share Percentage	Paid-in Capital	Unpaid Portion
TEB Mali Yatırımlar	64,454	%84.25	64,454	-

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III- Footnotes and Explanations Related to the Consolidated Income Statement

There is no fundamental error for any groups or items related to the prior period. There is no change in accounting estimates for the fiscal year.

The breakdown up to 20% of subaccounts of other interest and non-interest income and expense accounts that exceed 10% of the related totals are shown below.

	Current Period	Prior Period
Other Interest Income		
Financial Lease Interest Income	22,866	17,248
Factoring Interest Income	17,942	10,840
Other	2,232	939
Total	43,040	29,027

	Current Period	Prior Period
Other Fees and Commissions Received		
Brokerage Commissions	15,755	13,685
Credit Card Fees and Commissions	9,105	5,564
Import Letters of Credit Commissions	4,805	3,843
Other	32,650	19,213
Total	62,315	42,305

	Current Period	Prior Period
Other Fees and Commission Expense		
Fees and Commissions Paid for the Credit Cards	8,735	5,160
Brokerage Commission Returns	1,321	4,833
Other	5,993	3,395
Total	16,049	13,388

1. a) Information on interest income received from associates and subsidiaries: None.

c) Information on financial lease income:

	Current Period	Prior Period
Financial Lease Income	22,866	17,248

c) Interest received from reverse repurchase agreements:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Interest Received from Reverse Repurchase Agreements	542	-	440	-

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III- Footnotes and Explanations Related to the Consolidated Income Statement (cont'd)

2. a) Information on interest expense to associates and subsidiaries: None.

b) Information on financial lease expenses: None.

c) Distribution of interest expense on deposits based on maturity of deposits:

Account Name	Time Deposits						Total
	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More Than 1 Year	
TRY							
Bank deposits	8	6,174	130	2	8	20	6,342
Saving deposits	3,084	43,582	55,919	1,250	432	53	104,320
Public sector deposits	-	48	4	-	-	-	52
Commercial deposits	682	44,910	11,387	266	58	130	57,433
Other deposits	-	1,596	3,869	2	1	-	5,468
7 days call accounts	-	-	-	-	-	-	-
Precious metal deposits	-	-	-	-	-	-	-
Total	3,774	96,310	71,309	1,520	499	203	173,615
Foreign Currency							
Foreign currency deposits	1,476	38,698	46,706	9,537	2,464	6,803	105,684
Bank deposits	68	1,876	2	-	16	-	1,962
7 days call accounts	-	-	-	-	-	-	-
Precious metal deposits	25	-	1	1	1	-	28
Total	1,569	40,574	46,709	9,538	2,481	6,803	107,674
Grand Total	5,343	136,884	118,018	11,058	2,980	7,006	281,289

d) Interest expense on repurchase agreements:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Interest Expense on Repurchase Agreements	51,516	-	31,691	-

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III- Footnotes and Explanations Related to the Consolidated Income Statement (cont'd)

3. Information on other operating income:

- a) Information on the factors affecting the Group's income including extraordinary items and new developments and the explanation on nature and amount of income earned from extraordinary items:

Based on the uniform chart of account changed by communiqué No 25984 published on Trade Registry Gazette on November 2, 2005; the foreign exchange gain on the "Assets Indexed to Foreign Currency" can be recorded to the "Foreign Exchange Gains on the Principal of the Loans Indexed to Foreign Currency" under the account "Other operating income" instead of "Foreign Exchange Gain". However, if the exchange rates fall under their value at the beginning of the year or under the rate at the opening date of loan, the foreign exchange loss on the mentioned assets is recorded to the "Foreign Exchange Losses on the Principal of the Loans Indexed to Foreign Currency" under the account "Other operating expenses".

As of September 30, 2006; TRY 67,772 foreign exchange gain on assets indexed to foreign currency is presented as 'Other operating incomes' and TRY 6,102 foreign exchange loss is presented as 'Other operating expenses'. If the effects of these amounts are excluded, 'Other operating income' of the Parent bank TRY 14,286, 'Other operating expenses' would be TRY 224,057 and the 'Net Foreign Exchange Loss' excluding Net Derivative Instruments would be TRY 16,357.

As of September 30, 2005; there is TRY 4,547 of foreign exchange gain that results from foreign exchange indexed loans shown in 'Interest on Loans' and foreign exchange loss in the amount of TRY 9,778 is shown as 'Provision for Loans and Other Receivables'.

4. Provision for loans and other receivables:

	Current Period	Prior Period
Specific provisions for loans and other receivables	12,126	4,403
III. Group	378	486
IV. Group	1,884	1,945
V. Group	9,864	1,972
General loan loss provision expenses	6,499	6,421
Provision expenses for possible losses	-	-
Foreign exchange differences on foreign currency losses	-	9,778
Marketable securities impairment losses	2,703	2,384
Trading securities	24	-
Investment securities available for sale	2,679	2,384
Provision for impairment	-	-
Associates	-	-
Subsidiaries	-	-
Joint ventures	-	-
Investment securities held to maturity	-	-
Other	85	7
Total	21,413	22,993

- 5.a) Income and expenses relating to associates and subsidiaries:

	Current Period	Prior Period
Income and loss from subsidiaries (+/-)	-	-
Income and loss from associates (+/-)	-	129
Total	-	129

- b) Income / Loss from associates, which are accounted under equity method: None (September 30, 2005 – 129 YTL).

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III- Footnotes and Explanations Related to the Consolidated Income Statement (cont'd)

- c) The information on the income / loss relating to the transactions within the risk group of the Bank:

The Group Company's Bank has certain operating transactions with its own group companies. These are commercial transactions, which are realized in line with market rates. These are reflected in income statement. The related amounts are presented in Section V, note VI.

6. a) As of September 30, 2006, current tax expense is TRY 11,371 (September 30, 2005 – TRY 40,597) and deferred tax charge is TRY 16,074 (September 30, 2005 – 3,644 TRY deferred tax benefit).
- b) Deferred tax charge on temporary differences is TRY 16,074 (September 30, 2005 – TRY 3,644 deferred tax benefit).
- c) Deferred tax benefit or charge for temporary differences on carried forward tax losses or tax exemptions or deductions: None.

7. The explanations on net income / loss for the period:

The nature and amount of certain income and expense items from ordinary operations is disclosed if the disclosure for nature, amount and repetition rate of such items is required for a complete understanding of the Bank's performance for the period: None

- b) Effect of changes in accounting estimates on income statement for the current and, if any for subsequent periods: None.
- c) Income/loss related to minority shares:

	Current Period	Prior Period
Income and Loss related to Minority Shares	-	-

8. **Nature and amount of changes in accounting estimates, which have material effects on current period or expected to have a material effect on subsequent periods:** None.

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IV- Footnotes and Explanations Related to the Consolidated Off-balance Sheet Contingencies Commitments

1.a) Disclosure to be made separately from other contingent liabilities:

- a.1) The Group's share in contingent liabilities of joint ventures together with other venturer: None.
- a.2) Share of joint ventures in their own contingent liabilities: None.
- a.3) The Group's contingent liabilities resulting from the obligations of other venturers in joint ventures: None.

b) Accounting and presentation of contingent assets and liabilities in the financial statements:

- b.1) Contingent assets are accounted for if probability of realization is almost certain. If probability of realization is high, then it is explained in the footnotes. As of September 30, 2006 there are no contingent assets that needed to be explained.
- b.2) A provision is made for contingent liabilities, if realization is probable and the amount can reliably be determined. If realization is remote or the amount cannot be determined reliably, then it is explained in the footnotes: As of September 30, 2006 there are no contingent liabilities that need to be explained.

2. Information on off-balance sheet commitments:

- a) Nature and amount of irrevocable loan commitments: Credit card spending limit commitments are TRY 198,664 and TRY 162,050, payment commitments for checks are TRY 234,469 and TRY 175,952 as of September 30, 2006 and December 31, 2005 respectively.
- b) Nature and amount of contingent loss and commitments from off-balance sheet items including those described below:

The Group, within the context of banking activities, undertakes certain commitments, consisting of loan commitments, letters of guarantee, acceptance credits and letters of credit.

b.1) Non-cash loans including guarantees, acceptances, financial collaterals and other letters of credit:

As of September 30, 2006 total guarantees and commitments consist of letters of guarantee amounting to TRY 1,650,879 (December 31, 2005 - TRY 1,183,268), acceptances amounting to TRY 45,665 (December 31, 2005 - TRY 52,685) and letters of credit amounting to TRY 881,275 (December 31, 2005 -TRY 696,330).

b.2) Guarantees, surety ships and similar transactions: The Group has other commitments and contingencies amounting TRY 232,555 (December 31, 2005 - TRY 106,301) other than the ones explained in item b.1).

3. a) Non-cash Loans:

	Current Period	Prior Period
Guarantees Given Against Cash Loans	221,278	151,241
With Maturity of 1 Year or Less than 1 Year	55,703	53,901
With Maturity of More than 1 Year	165,575	97,340
Other Non-Cash Loans	2,589,096	1,887,343
Total	2,810,374	2,038,584

3.b) Collateral, mortgage and other restrictions on tangible fixed assets, the amount of capital expenditures related to expenses in construction of tangible fixed assets, intangible fixed asset purchase commitments: None.

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IV- Footnotes and Explanations Related to the Consolidated Off-balance Sheet Contingencies Commitments (cont'd)

4. The information on the Bank's rating by in the international rating introductions:

The results of the ratings performed by Moody's Investor Services and Fitch Ratings are shown below:

Moody's Investor Services: December 2005

Bank Financial Strength	D+
Foreign Currency Deposits	B1

Fitch Ratings: August 2006

Foreign Currency Commitments	
Long Term	BB-
Short Term	B
View	Positive
Turkish Lira Commitments	
Long Term	BB+
Short Term	B
View	Positive
National	AA (tur)
View	Stable
Individual Rating	C/D
Support Points	3

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V. Footnotes and Explanations Related to the Consolidated Statement of Cash Flows

1. Cash and cash equivalents at beginning and end of periods:

The reconciliation of the components of cash and cash equivalents, accounting policies used to determine these components, the effect of any change made in accounting principle in the current period, the recorded amounts of the cash and cash equivalent assets at the balance sheet and the recorded amounts in the cash flows statement:

<u>Beginning of the Period</u>	<u>Current Period</u>	<u>Prior Period</u>
Cash	85,895	80,060
Cash Equivalents	1,269,257	1,685,510
<u>End of the Period</u>	<u>Current Period</u>	<u>Prior Period</u>
Cash	130,380	92,314
Cash Equivalents	1,998,568	1,427,443

Cash includes of cash in TRY and cash in foreign currency, cash equivalents include the balances of the Central Bank of Turkey, banks and interbank funds sold with maturities of less than three months.

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VI- Footnotes and Explanations Related to the Risk Group of the Parent Bank

1. Volume of Parent Bank's risk group transactions, income and expense amounts involved and outstanding loan and deposit balances:

(Prior period balance sheet items are disclosed as of December 31, 2005, income/expense items are disclosed as of September 30, 2005.)

a) Current Period:

Bank's Risk Group (*)	Subsidiaries and associates		Direct and indirect shareholders of the Group		Other entities included in the risk Group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and Other Receivables						
Balance at Beginning of Period	-	-	-	16,179	29,353	78,444
Balance at end of Period	-	-	1,153	14,538	3,944	19,754
Interest and Commission Income	-	-	1,981	2	1,972	240

In addition to balances mentioned above, the Group has foreign bank accounts amounting to TRY 851 with respect to direct and indirect shareholders and TRY 1,323 other entities included in the risk group.

b) Prior Period:

Bank's Risk Group (*)	Subsidiaries and associates		Direct and indirect shareholders of the Group		Other entities included in The risk Group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and Other Receivables						
Balance at Beginning of Period	-	-	31	13,024	547	3,687
Balance at end of Period	-	-	-	16,179	29,353	78,444
Interest and Commission Income	-	-	165	4	279	74

c.1) Information on Bank's Risk Group deposits balances:

Bank's Risk Group (*)	Subsidiaries and associates		Direct and indirect shareholders of the Group		Other entities included in the risk Group	
	Current period	Prior period	Current period	Prior period	Current period	Prior period
Deposits						
Balance at Beginning of Period	-	-	580,396	237,410	715,008	676,675
Balance at end of Period	-	-	471,480	580,396	854,240	715,008
Interest on Deposits	-	-	17,277	9,957	29,153	3,482

c.2) Information on forward and option agreements and other similar agreements made with related parties:

Bank's Risk Group (*)	Subsidiaries and associates		Direct and indirect shareholders of the Group		Other entities included in the risk Group	
	Current period	Prior period	Current period	Prior period	Current period	Prior period
Trading Transactions						
Beginning of Period	-	-	177,256	5,282	2,867	-
End of Period	-	-	196,272	177,256	9,117	2,867
Total Income/Loss	-	-	13,255	(140)	23	182
Hedging Transactions						
Beginning of Period	-	-	-	-	-	-
End of Period	-	-	-	-	-	-
Total Income/Loss	-	-	-	-	-	-

(*) The scope of the related parties is defined in the Article 20-2 of the "Regulation on the Establishment and Operations of Banks".

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VI- Footnotes and Explanations Related to the Risk Group of the Parent Bank (cont'd)

2. Information about the risk group of the Parent Bank

- a) The relations of the Group with the entities controlled by the Group and its related parties, regardless of whether there are any transactions or not:

The Parent Bank enters into banking transactions with group companies in accordance with the Banking Law. These are commercial transactions and realized at market prices.

- b) Besides the structure of relationship, nature of the transaction, amount and ratio to the total volume of transactions, amount of major items and ratio to all items, pricing policies and other factors:

	Amount	% According to the Amounts Reflected in the Financial Statements
Cash Loans	5,097	0.10
Non-cash Loans	34,292	1.22
Deposits	1,325,720	21.32
Forward Transactions and Option Agreements	205,389	7.44
Banks and Other Financial Institutions	2,174	0.24

These transactions are priced in accordance with the general pricing policies of the Parent Bank and are in line with market rates.

- c) Sum of similar items, except for the cases that require separate disclosures to assess impact on financial statements: Explained in item b above.
- d) Investments accounted for under the equity method: None.
- e) Disclosures related to purchase and sale of real estate and other assets, trading of services, agency contracts, leasing contracts, transferring information as a result of research and development, license contracts, financing (loans and cash or real capital supports included), guarantees, and management contracts:

The Group has financial lease agreements with TEB Finansal Kiralama A.Ş. Total leasing obligations related to these agreements amounted to TRY 6,444 are eliminated in the accompanying consolidated financial statements as at September 30, 2006. Additionally; the Group provides agency services for TEB Yatırım Menkul Değerler A.Ş. and TEB Sigorta A.Ş.

Within the limits of the Banking Law, the Group renders cash and non-cash loans to its related parties and the ratio of these to the Group's total cash and non-cash loan portfolio is 0.53%. Details of these loans are explained in the Note VI-1a.

As of September 30, 2006 the Group has no purchases and sale of real estate and other assets, transfer of information as a result of research and development, license and management contracts with the related parties.

VII- Explanations Related to Subsequent Events

- a) Disclosure related to subsequent events and their impact on the financial statements as required by the related standard:

It has been resolved that following the completion of the related proceedings and obtaining of the necessary authorizations from the legal authorities, the subordinated loan amounting to EUR 90,000,000 provided by BNP Paribas to the Parent Bank on June 30, 2006 will be converted into a subordinated loan which is being planned to be borrowed from Economy Luxembourg S.A for a term of 10 years including a 5 year grace period.

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SECTION SIX

OTHER EXPLANATIONS AND FOOTNOTES

I- Other Explanations Related to the Operations of the Bank

There are no other important subject matter, or material explanations and footnotes related to the operations of the Group, that have not been stated in the above sections.

SECTION SEVEN

INDEPENDENT ACCOUNTANTS' LIMITED REVIEW REPORT

I- Explanations on the Independent Accountants' Limited Review Report

The consolidated interim financial statements of the Bank were reviewed by DRT Bağımsız Denetim Serbest Muhasebeci Mali Müşavirlik A.Ş. (Member of Deloitte Touche Tohmatsu) and the review report dated October 30, 2006 is presented preceding the financial statements.

II- Other Footnotes and Explanations Prepared by Independent Accountants' : None.