

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.
CONSOLIDATED BALANCE SHEET

ASSETS	Note Ref.	THOUSAND OF NEW TURKISH LIRA			THOUSAND OF NEW TURKISH LIRA		
		Reviewed			Audited		
		CURRENT PERIOD			PRIOR PERIOD		
		(30 June 2007)			(31 December 2006)		
		TRY	FC	TOTAL	TRY	FC	TOTAL
I. CASH AND BALANCES WITH THE CENTRAL BANK	(1)	1,112	3,084	4,196	222	872	1,094
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (Net)	(2)	69,854	20,919	90,773	43,920	6,945	50,865
2.1 Trading financial assets		68,396	12,783	81,179	43,414	122	43,536
2.1.1 Public sector debt securities		50,401	12,783	63,184	27,515	-	27,515
2.1.2 Share certificates		15,253	-	15,253	14,013	-	14,013
2.1.3 Other marketable securities		2,742	-	2,742	1,886	122	2,008
2.2 Financial assets at fair value through profit and loss		-	-	-	-	-	-
2.2.1 Public sector debt securities		-	-	-	-	-	-
2.2.2 Share certificates		-	-	-	-	-	-
2.2.3 Other marketable securities		-	-	-	-	-	-
2.3 Derivative financial assets held for trading		1,458	8,136	9,594	506	6,823	7,329
III. BANKS AND OTHER FINANCIAL INSTITUTIONS	(3)	76,114	156,299	232,413	22,725	90,292	113,017
IV. MONEY MARKET PLACEMENTS		23,642	-	23,642	28,489	-	28,489
4.1 Interbank money market placements		4,458	-	4,458	15,851	-	15,851
4.2 Istanbul Stock Exchange money market placements		8,460	-	8,460	-	-	-
4.3 Receivables from reverse repurchase agreements		10,724	-	10,724	12,638	-	12,638
V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(4)	1,193,150	353,419	1,546,569	879,798	343,487	1,223,285
5.1 Share certificates		22,769	1,769	24,538	18,206	1,702	19,908
5.2 Public sector debt securities		1,152,749	273,786	1,426,535	843,983	277,341	1,121,324
5.3 Other marketable securities		17,632	77,864	95,496	17,609	64,444	82,053
VI. LOANS	(5)	820,060	1,568,271	2,388,331	726,318	1,465,192	2,191,510
6.1 Loans		820,060	1,568,271	2,388,331	726,318	1,465,192	2,191,510
6.2 Non-performing loans		30,143	2,816	32,959	30,642	2,888	33,530
6.3 Specific provisions (-)		(30,143)	(2,816)	(32,959)	(30,642)	(2,888)	(33,530)
VII. FACTORING RECEIVABLES		-	-	-	-	-	-
VIII. HELD TO MATURITY INVESTMENTS (Net)	(6)	-	-	-	-	-	-
8.1 Public sector debt securities		-	-	-	-	-	-
8.2 Other marketable securities		-	-	-	-	-	-
IX. INVESTMENTS IN ASSOCIATES (Net)	(7)	96,410	-	96,410	84,623	-	84,623
9.1 Accounted for under equity method		81,167	-	81,167	69,710	-	69,710
9.2 Unconsolidated associates		15,243	-	15,243	14,913	-	14,913
9.2.1 Financial investments		-	-	-	-	-	-
9.2.2 Non-financial investments		15,243	-	15,243	14,913	-	14,913
X. INVESTMENTS IN SUBSIDIARIES (Net)	(8)	319	-	319	319	-	319
10.1 Unconsolidated financial subsidiaries		-	-	-	-	-	-
10.2 Unconsolidated non-financial subsidiaries		319	-	319	319	-	319
XI. ENTITIES UNDER COMMON CONTROL (Net)	(9)	-	-	-	-	-	-
11.1 Consolidated under equity method		-	-	-	-	-	-
11.2 Unconsolidated		-	-	-	-	-	-
11.2.1 Financial subsidiaries		-	-	-	-	-	-
11.2.2 Non-financial subsidiaries		-	-	-	-	-	-
XII. LEASE RECEIVABLES (Net)	(10)	3,890	247,683	251,573	4,874	281,215	286,089
12.1 Finance lease receivables		4,682	289,860	294,542	6,049	331,163	337,212
12.2 Operating lease receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned income (-)		(792)	(42,177)	(42,969)	(1,175)	(49,948)	(51,123)
XIII. DERIVATIVE FINANCIAL ASSETS FOR HEDGING PURPOSES	(11)	-	-	-	-	-	-
13.1 Fair value hedge		-	-	-	-	-	-
13.2 Cash flow hedge		-	-	-	-	-	-
13.3 Hedge of net investment risks in foreign operations		-	-	-	-	-	-
XIV. TANGIBLE ASSETS (Net)		39,057	10	39,067	48,072	11	48,083
XV. INTANGIBLE ASSETS (Net)		1,615	-	1,615	843	-	843
15.1 Goodwill		1,005	-	1,005	366	-	366
15.2 Other		610	-	610	477	-	477
XVI. TAX ASSET	(12)	9,265	-	9,265	7,671	-	7,671
16.1 Current tax asset		5,841	-	5,841	6,300	-	6,300
16.2 Deferred tax asset		3,424	-	3,424	1,371	-	1,371
XVII. ASSETS HELD FOR SALE (Net)		10,510	-	10,510	-	-	-
XVIII. OTHER ASSETS	(13)	86,395	43,185	129,580	79,422	47,703	127,125
TOTAL ASSETS		2,431,393	2,392,870	4,824,263	1,927,296	2,235,717	4,163,013

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

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.
CONSOLIDATED BALANCE SHEET

		THOUSAND OF NEW TURKISH LIRA			THOUSAND OF NEW TURKISH LIRA		
		Reviewed			Audited		
		CURRENT PERIOD (30 June 2007)			PRIOR PERIOD (31 December 2006)		
LIABILITIES		TRY	FC	TOTAL	TRY	FC	TOTAL
I. DEPOSITS	(1)	-	-	-	-	-	-
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)	9,377	16,546	25,923	10,248	1,452	11,700
III. FUNDS BORROWED	(3)	20,587	3,056,175	3,076,762	11,742	2,861,670	2,873,412
IV. MONEY MARKET BALANCES		652,454	190,807	843,261	402,803	77,441	480,244
4.1 Interbank money market takings		454	-	454	-	-	-
4.2 Istanbul Stock Exchange money market takings		4,270	-	4,270	16,482	-	16,482
4.3 Funds provided under repurchase agreements		647,730	190,807	838,537	386,321	77,441	463,762
V. MARKETABLE SECURITIES ISSUED (Net)		-	-	-	5,200	-	5,200
5.1 Bills		-	-	-	5,200	-	5,200
5.2 Asset backed securities		-	-	-	-	-	-
5.3 Bonds		-	-	-	-	-	-
VI. FUNDS		104	-	104	147	-	147
VII. SUNDRY CREDITORS		85,396	6,422	91,818	71,955	5,624	77,579
VIII. OTHER LIABILITIES	(4)	-	-	-	-	-	-
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. FINANCE LEASE PAYABLES (Net)	(5)	178	64	242	436	444	880
10.1 Finance lease payables		212	69	281	486	471	957
10.2 Operating lease payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance lease expenses (-)		(34)	(5)	(39)	(50)	(27)	(77)
XI. DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING PURPOSES	(6)	-	-	-	-	-	-
11.1 Fair value hedge		-	-	-	-	-	-
11.2 Cash flow hedge		-	-	-	-	-	-
11.3 Hedge of net investment in foreign operations		-	-	-	-	-	-
XII. PROVISIONS	(7)	23,414	-	23,414	20,361	-	20,361
12.1 General loan loss provisions		16,534	-	16,534	14,099	-	14,099
12.2 Restructuring provisions		-	-	-	-	-	-
12.3 Reserve for employee benefits		4,030	-	4,030	3,427	-	3,427
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions		2,850	-	2,850	2,835	-	2,835
XIII. TAX LIABILITY	(9)	21,914	-	21,914	19,314	-	19,314
13.1 Current tax liability		21,914	-	21,914	19,314	-	19,314
13.2 Deferred tax liability		-	-	-	-	-	-
XIV. PAYABLES RELATED TO ASSETS HELD FOR SALE		-	1,780	1,780	-	-	-
XV. SUBORDINATED LOANS	(9)	-	67,789	67,789	-	73,199	73,199
XVI. SHAREHOLDERS' EQUITY	(10)	671,206	50	671,256	599,517	1,460	600,977
16.1 Paid-in capital		400,000	-	400,000	300,000	-	300,000
16.2 Capital reserves		21,372	50	21,422	52,753	1,460	54,213
16.2.1 Share premium		43	-	43	43	-	43
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Marketable securities value increase fund		4,841	50	4,891	(13,764)	1,460	(12,304)
16.2.4 Tangible assets revaluation reserve		-	-	-	-	-	-
16.2.5 Intangible assets revaluation reserve		-	-	-	-	-	-
16.2.6 Bonus shares obtained from associates, subsidiaries and jointly controlled entities		114	-	114	100	-	100
16.2.7 Hedging funds (Effective portion)		-	-	-	-	-	-
16.2.8 Value increase on assets held for sale		-	-	-	-	-	-
16.2.9 Other capital reserves		16,374	-	16,374	66,374	-	66,374
16.3 Profit reserves		145,667	-	145,667	76,329	-	76,329
16.3.1 Legal reserves		29,568	-	29,568	20,160	-	20,160
16.3.2 Statutory reserves		14,861	-	14,861	9,541	-	9,541
16.3.3 Extraordinary reserves		98,318	-	98,318	43,284	-	43,284
16.3.4 Other profit reserves		2,920	-	2,920	3,344	-	3,344
16.4 Profit or loss		77,329	-	77,329	142,862	-	142,862
16.4.1 Prior years' profit/losses		21,444	-	21,444	33,148	-	33,148
16.4.2 Current year profit/loss		55,885	-	55,885	109,714	-	109,714
16.5 Minority shares	(11)	26,838	-	26,838	27,573	-	27,573
TOTAL LIABILITIES AND EQUITY		1,484,630	3,339,633	4,824,263	1,141,723	3,021,290	4,163,013

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

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.
CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET CONTINGENCIES AND COMMITMENTS

	Note Ref.	THOUSAND OF NEW TURKISH LIRA			THOUSAND OF NEW TURKISH LIRA		
		Reviewed			Audited		
		CURRENT PERIOD (30 June 2007)			PRIOR PERIOD (31 December 2006)		
		TRY	FC	TOTAL	TRY	FC	TOTAL
A. OFF BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I+II+III)		2,511,674	3,593,316	6,104,990	635,408	1,140,091	1,775,499
I. GUARANTEES AND COLLATERALS	(1), (2)	34,165	421,357	455,522	28,503	344,087	372,590
1.1. Letters of guarantee		34,157	191,028	225,185	28,495	246,177	274,672
1.1.1. Guarantees subject to State Tender Law		-	-	-	-	-	-
1.1.2. Guarantees given for foreign trade operations		-	-	-	-	-	-
1.1.3. Other letters of guarantee		34,157	191,028	225,185	28,495	246,177	274,672
1.2. Bank loans		-	103	103	-	-	-
1.2.1. Import letters of acceptance		-	103	103	-	-	-
1.2.2. Other bank acceptances		-	-	-	-	-	-
1.3. Letters of credit		-	129,090	129,090	-	97,910	97,910
1.3.1. Documentary letters of credit		-	129,090	129,090	-	97,910	97,910
1.3.2. Other letters of credit		-	-	-	-	-	-
1.4. Prefinancing given as guarantee		-	-	-	-	-	-
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2. Other endorsements		-	-	-	-	-	-
1.6. Securities issue purchase guarantees		-	-	-	-	-	-
1.7. Factoring guarantees		-	-	-	-	-	-
1.8. Other guarantees		8	101,136	101,144	8	-	8
1.9. Other collaterals		-	-	-	-	-	-
II. COMMITMENTS	(1), (2)	384,971	956,934	1,341,905	249,298	321,236	570,534
2.1. Irrevocable commitments		116,301	728,052	844,353	30,795	73,182	103,977
2.1.1. Forward asset purchase commitments		51,383	351,217	402,600	2,867	26,898	29,765
2.1.2. Forward deposit purchase and sales commitments		36,822	376,835	413,657	-	46,284	46,284
2.1.3. Share capital commitment to associates and subsidiaries		-	-	-	-	-	-
2.1.4. Loan granting commitments		-	-	-	-	-	-
2.1.5. Securities underwriting commitments		-	-	-	-	-	-
2.1.6. Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7. Payment commitment for checks		-	-	-	-	-	-
2.1.8. Tax and fund liabilities from export commitments		-	-	-	-	-	-
2.1.9. Commitments for credit card expenditure limits		-	-	-	-	-	-
2.1.10. Receivables from short sale commitments		-	-	-	-	-	-
2.1.11. Payables for short sale commitments		-	-	-	-	-	-
2.1.12. Other irrevocable commitments		28,096	-	28,096	27,928	-	27,928
2.2. Revocable commitments		268,670	228,882	497,552	218,503	248,054	466,557
2.2.1. Revocable loan granting commitments		268,670	225,477	494,147	218,503	245,609	464,112
2.2.2. Other revocable commitments		-	3,405	3,405	-	2,445	2,445
III. DERIVATIVE FINANCIAL INSTRUMENTS		2,092,538	2,215,025	4,307,563	357,607	474,768	832,375
3.1. Derivative financial instruments for hedging purposes		-	-	-	-	-	-
3.1.1. Fair value hedge		-	-	-	-	-	-
3.1.2. Cash flow hedge		-	-	-	-	-	-
3.1.3. Hedge of net investment in foreign operations		-	-	-	-	-	-
3.2. Held for trading transactions		2,092,538	2,215,025	4,307,563	357,607	474,768	832,375
3.2.1. Forward foreign currency buy/sell transactions		55,227	68,399	123,626	55,897	59,166	115,063
3.2.1.1. Forward foreign currency transactions-buy		55,227	9,090	64,317	55,897	1,839	57,736
3.2.1.2. Forward foreign currency transactions-sell		-	59,309	59,309	-	57,327	57,327
3.2.2. Swap transactions related to f.c. and interest rates		260,125	291,015	551,140	146,805	236,364	383,169
3.2.2.1. Foreign currency swaps-buy		27,203	244,123	271,326	-	191,588	191,588
3.2.2.2. Foreign currency swaps-sell		232,922	45,558	278,480	146,805	44,168	190,973
3.2.2.3. Interest rate swaps-buy		-	674	674	-	306	306
3.2.2.4. Interest rate swaps-sell		-	660	660	-	302	302
3.2.3. Foreign currency, interest rate and securities options		1,693,740	1,582,813	3,276,553	90,822	86,010	176,832
3.2.3.1. Foreign currency options-buy		162,984	1,402,712	1,565,696	29,766	56,400	86,166
3.2.3.2. Foreign currency options-sell		1,530,756	159,114	1,689,870	61,056	29,610	90,666
3.2.3.3. Interest rate options-buy		-	-	-	-	-	-
3.2.3.4. Interest rate options-sell		-	-	-	-	-	-
3.2.3.5. Securities options-buy		-	20,987	20,987	-	-	-
3.2.3.6. Securities options-sell		-	-	-	-	-	-
3.2.4. Foreign currency futures		63,486	62,509	125,995	44,123	43,362	87,485
3.2.4.1. Foreign currency futures-buy		63,486	-	63,486	44,123	-	44,123
3.2.4.2. Foreign currency futures-sell		-	62,509	62,509	-	43,362	43,362
3.2.5. Interest rate futures		-	183,006	183,006	-	-	-
3.2.5.1. Interest rate futures-buy		-	-	-	-	-	-
3.2.5.2. Interest rate futures-sell		-	183,006	183,006	-	-	-
3.2.6. Other		19,960	27,283	47,243	19,960	49,866	69,826
B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)		3,295,011	5,007,473	8,302,484	2,814,914	3,514,194	6,329,108
IV. ITEMS HELD IN CUSTODY		3,145,485	286,095	3,431,580	2,596,215	228,869	2,825,084
4.1. Assets under management		9,300	8,925	18,225	10,500	24,171	34,671
4.2. Investment securities held in custody		1,871,319	276,516	2,147,835	1,558,831	204,698	1,763,529
4.3. Checks received for collection		195	654	849	-	-	-
4.4. Commercial notes received for collection		-	-	-	-	-	-
4.5. Other assets received for collection		-	-	-	-	-	-
4.6. Assets received for public offering		-	-	-	-	-	-
4.7. Other items under custody		444,273	-	444,273	446,032	-	446,032
4.8. Custodians		820,398	-	820,398	580,852	-	580,852
V. PLEDGED ITEMS		149,526	4,721,378	4,870,904	218,699	3,285,325	3,504,024
5.1. Marketable securities		1,554	268,563	270,117	307	17,860	18,167
5.2. Guarantee notes		25,110	1,379,250	1,404,360	25,687	1,236,796	1,262,483
5.3. Commodity		-	-	-	-	-	-
5.4. Warranty		-	-	-	-	-	-
5.5. Properties		97,994	1,817,603	1,915,597	97,994	1,709,784	1,807,778
5.6. Other pledged items		24,868	1,255,962	1,280,830	94,711	320,885	415,596
5.7. Pledged items-depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		5,806,685	8,600,789	14,407,474	3,450,322	4,654,285	8,104,607

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

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.
CONSOLIDATED INCOME STATEMENTS

INCOME / (LOSS) ACCOUNTS	Note Ref.	THOUSAND OF NEW TURKISH LIRA	
		Reviewed	
		CURRENT PERIOD (01/01-30/06/2007)	PRIOR PERIOD (01/04-30/06/2007)
I. INTEREST INCOME	(1)	191,563	96,658
1.1 Interest on loans		74,268	39,048
1.2 Interest received from reserve deposits		577	289
1.3 Interest received from banks		7,174	4,515
1.4 Interest received from money market placements		123	69
1.5 Interest received from marketable securities portfolio		97,371	46,404
1.5.1 Held-for-trading financial assets		1,402	844
1.5.2 Financial assets at fair value through profit and loss		785	352
1.5.3 Available-for-sale financial assets		95,184	45,208
1.5.4 Investments held-to-maturity		-	-
1.6 Finance lease income		8,773	4,218
1.7 Other interest income		3,277	2,115
II. INTEREST EXPENSES	(2)	(128,602)	(68,313)
2.1 Interest on deposits		-	-
2.2 Interest on funds borrowed		(71,828)	(35,957)
2.3 Interest on money market borrowings		(67)	-
2.4 Interest on securities issued		-	-
2.5 Other interest expense		(56,707)	(32,356)
III. NET INTEREST INCOME (I - II)		62,961	28,345
IV. NET FEES AND COMMISSIONS INCOME		20,323	11,969
4.1 Fees and commissions received		22,559	13,600
4.1.1 Cash loans		10,911	7,875
4.1.2 Non-cash loans		1,142	307
4.1.3 Other		10,506	5,418
4.2 Fees and commissions paid		(2,236)	(1,631)
4.2.1 Cash loans		(678)	(285)
4.2.2 Non-cash loans		(1)	(1)
4.2.3 Other		(1,557)	(1,345)
V. DIVIDEND INCOME		2,068	987
VI. NET TRADING INCOME	(3)	7,811	7,222
6.1 Profit/losses on securities trading (net)		20,013	16,594
6.2 Foreign exchange gains/losses (net)		(12,202)	(9,372)
VII. OTHER OPERATING INCOME	(4)	2,356	531
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)		95,519	49,054
IX. PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)	(5)	(2,836)	417
X. OTHER OPERATING EXPENSES (-)	(6)	(30,242)	(15,802)
XI. NET OPERATING INCOME/(LOSS) (VIII-IX-X)		62,441	33,669
XII. AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER		-	-
XIII. GAIN / (LOSS) ON EQUITY METHOD		7,400	3,324
XIV. GAIN / (LOSS) ON NET MONETARY POSITION		-	-
XV. INCOME/(LOSS) BEFORE TAXES (XI+XII+XIII+XIV+XV)	(7)	69,841	36,993
XVI. PROVISION FOR TAXES ON INCOME (±)		(12,131)	(6,976)
16.1 Provision for current income taxes		(18,051)	(12,054)
16.2 Provision for deferred taxes		5,920	5,078
XVII. NET OPERATING INCOME AFTER TAXES (XVI±XVII)		57,710	29,418
17.1 Discontinued operations		-	-
17.2 Other		57,710	30,017
XVIII. NET PROFIT/(LOSS) (XVIII+XIX)	(8)	57,710	30,017
18.1 Loss or Profit of the Group		55,885	28,724
18.2 Loss or Profit of the Minority		1,825	1,293
Earnings/(losses) per share		0.144	0.075

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

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.
STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

THOUSAND OF NEW TURKISH LIRA

CHANGES IN SHAREHOLDER'S EQUITY	Note Ref.																
		Paid in Capital	Effect of Inflation Accounting on Paid in Capital	Share Premiums	Share certificate cancellation profits	Legal Reserves	Statutory Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Income / (Loss)	Prior Period Net Income / (Loss)	Revaluation Funds	Value Increase Revaluation Fund	Marketable Securities Value Increase Fund	Total Equity Attributable to Parent	Minority Shares	Total Shareholders' Equity
Reviewed CURRENT PERIOD (01/01 - 30/06/2007)																	
I. Prior Period Balance		300,000	66,374	43	-	20,160	9,541	43,284	3,344	-	142,862	-	100	(12,304)	573,404	27,573	600,977
Changes in period																	
II. Increase/Decrease related to merger		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Investments securities available for sale		-	-	-	-	-	-	-	-	-	-	-	-	17,195	17,195	(129)	17,066
IV. Hedging Transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1 Cash-flow hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2 Hedge of net investment in foreign operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers																	
V. Investments securities available for sale		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Hedging transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1 Cash-flow hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2 Hedge of net investment in foreign operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Period net income/(loss)		-	-	-	-	-	-	-	-	55,885	-	-	-	-	55,885	1,825	57,710
VIII. Profit distribution		-	-	-	-	9,408	5,320	55,034	(424)	-	(71,418)	-	-	-	(2,080)	(644)	(2,724)
8.1 Dividends distributed		-	-	-	-	-	-	-	-	-	(2,724)	-	-	-	(2,724)	-	(2,724)
8.2 Transfers to reserves		-	-	-	-	9,408	5,320	55,034	(424)	-	(68,694)	-	-	-	644	(644)	-
8.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Capital increase		100,000	(50,000)	-	-	-	-	-	-	-	(50,000)	-	14	-	14	-	14
9.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.2 Tangible assets revaluation surplus		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.3 Bonus shares from associates, subsidiaries and jointly controlled entities		-	-	-	-	-	-	-	-	-	-	-	14	-	14	-	14
9.4 Marketable securities value increase fund		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.5 Inflation adjustment to paid-in capital		50,000	(50,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.6 Issuance of share certificates		50,000	-	-	-	-	-	-	-	-	(50,000)	-	-	-	-	-	-
9.7 Foreign exchange differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.8 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. The disposal of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. The reclassification of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Primary subordinated loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Secondary subordinated loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. The effect of changes in associates' equities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,787)	(1,787)
Closing Balance (I+II+III+...+XII+XIII+XIV)		400,000	16,374	43	-	29,568	14,861	98,318	2,920	55,885	21,444	-	114	4,891	644,418	26,838	671,256

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.
CONSOLIDATED STATEMENT OF CASH FLOWS

		THOUSAND OF NEW TURKISH LIRA
		Reviewed
		CURRENT PERIOD
		1 January-30 June 2007
	Note Ref	
A. CASH FLOWS FROM BANKING OPERATIONS		
1.1 Operating profit before changes in operating assets and liabilities		66,244
1.1.1 Interest received		176,518
1.1.2 Interest paid		(125,253)
1.1.3 Dividends received		13,446
1.1.4 Fees and commissions received		20,651
1.1.5 Other income		22,667
1.1.6 Collections from previously written off loans		836
1.1.7 Payments to personnel and service suppliers		(25,668)
1.1.8 Taxes paid		(16,369)
1.1.9 Others		(584)
1.2 Changes in operating assets and liabilities		339,462
1.2.1 Net (increase) decrease in financial assets		(38,716)
1.2.2 Net (increase) decrease in financial assets at fair value through profit or loss		-
1.2.3 Net (increase) decrease in due from banks and other financial institutions		-
1.2.4 Net (increase) decrease in loans		(187,267)
1.2.5 Net (increase) decrease in other assets		(2,407)
1.2.6 Net increase (decrease) in bank deposits		-
1.2.7 Net increase (decrease) in other deposits		-
1.2.8 Net increase (decrease) in funds borrowed		564,467
1.2.9 Net increase (decrease) in matured payables		-
1.2.10 Net increase (decrease) in other liabilities		3,385
I. Net cash provided from banking operations		405,706
B. CASH FLOWS FROM INVESTING ACTIVITIES		
II. Net cash provided from investing activities		(273,347)
2.1 Cash paid for purchase of entities under common control, associates and subsidiaries		(3,073)
2.2 Cash obtained from sale of entities under common control, associates and subsidiaries		-
2.3 Fixed assets purchases		(2,422)
2.4 Fixed assets sales		180
2.5 Cash paid for purchase of financial assets available for sale		(268,032)
2.6 Cash obtained from sale of financial assets available for sale		-
2.7 Cash paid for purchase of investment securities		-
2.8 Cash obtained from sale of investment securities		-
2.9 Others		-
C. CASH FLOWS FROM FINANCING ACTIVITIES		
III. Net cash provided from financing activities		(2,551)
3.1 Cash obtained from funds borrowed and securities issued		-
3.2 Cash used for repayment of funds borrowed and securities issued		-
3.3 Capital increase		-
3.4 Dividends paid		(2,724)
3.5 Payments for finance leases		(851)
3.6 Other		1,024
IV. Effect of change in foreign exchange rate on cash and cash equivalents		(12,201)
V. Net increase / (decrease) in cash and cash equivalents		117,607
VI. Cash and cash equivalents at beginning of the period		142,525
VII. Cash and cash equivalents at end of the period		260,132

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