

**TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.****Consolidated Balance Sheets as of December 31, 2008 and December 31, 2007**

(In Thousand of New Turkish Lira)

ASSETS	Note Ref.	Audited			Audited		
		CURRENT PERIOD			PRIOR PERIOD		
		December 31, 2008			December 31, 2007		
		TRY	FC	TOTAL	TRY	FC	TOTAL
<b>I. CASH AND BALANCES WITH THE CENTRAL BANK</b>	(1)	<b>612</b>	<b>2,305</b>	<b>2,917</b>	<b>308</b>	<b>3,915</b>	<b>4,223</b>
<b>II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (Net)</b>	(2)	<b>57,194</b>	<b>2,348</b>	<b>59,542</b>	<b>122,014</b>	<b>14,459</b>	<b>136,473</b>
2.1 Trading financial assets		38,439	48	38,487	104,609	398	105,007
2.1.1 Public sector debt securities		27,084	48	27,132	87,139	398	87,537
2.1.2 Share certificates		10,444	-	10,444	15,120	-	15,120
2.1.3 Other marketable securities		911	-	911	2,350	-	2,350
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		18,755	2,300	21,055	17,405	14,061	31,466
<b>III. BANKS</b>	(3)	<b>58,168</b>	<b>155,555</b>	<b>213,723</b>	<b>38,765</b>	<b>12,126</b>	<b>50,891</b>
<b>IV. MONEY MARKET PLACEMENTS</b>		<b>12,333</b>	<b>7,584</b>	<b>19,917</b>	<b>11,858</b>	-	<b>11,858</b>
4.1 Interbank money market placements		334	7,584	7,918	79	-	79
4.2 Istanbul Stock Exchange money market placements		28	-	28	22	-	22
4.3 Receivables from reverse repurchase agreements		11,971	-	11,971	11,757	-	11,757
<b>V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)</b>	(4)	<b>1,329,301</b>	<b>431,055</b>	<b>1,760,356</b>	<b>1,350,428</b>	<b>322,121</b>	<b>1,672,549</b>
5.1 Share certificates		19,975	2,957	22,932	20,380	2,957	23,337
5.2 Public sector debt securities		1,289,072	376,194	1,665,266	1,327,045	253,189	1,580,234
5.3 Other marketable securities		20,254	51,904	72,158	3,003	65,975	68,978
<b>VI. LOANS</b>	(5)	<b>1,558,859</b>	<b>2,039,973</b>	<b>3,598,832</b>	<b>953,273</b>	<b>1,570,781</b>	<b>2,524,054</b>
6.1 Loans		1,558,859	2,039,973	3,598,832	953,273	1,570,781	2,524,054
6.1.1 Loans to Risk Group of the Bank		54,454	65,712	120,166	13,942	64,697	78,639
6.1.2 Other		1,504,405	1,974,261	3,478,666	939,331	1,506,084	2,445,415
6.2 Non-performing loans		17,964	7,464	25,428	16,187	3,233	19,420
6.3 Specific provisions (-)		(17,964)	(7,464)	(25,428)	(16,187)	(3,233)	(19,420)
<b>VII. FACTORING RECEIVABLES</b>		-	-	-	-	-	-
<b>VIII. HELD TO MATURITY INVESTMENTS (Net)</b>	(6)	<b>6,514</b>	-	<b>6,514</b>	-	-	-
8.1 Public sector debt securities		4,002	-	4,002	-	-	-
8.2 Other marketable securities		2,512	-	2,512	-	-	-
<b>IX. INVESTMENTS IN ASSOCIATES (Net)</b>	(7)	<b>120,708</b>	-	<b>120,708</b>	<b>96,934</b>	-	<b>96,934</b>
9.1 Accounted for under equity method		112,428	-	112,428	88,654	-	88,654
9.2 Unconsolidated associates		8,280	-	8,280	8,280	-	8,280
9.2.1 Financial investments		-	-	-	-	-	-
9.2.2 Non-financial investments		8,280	-	8,280	8,280	-	8,280
<b>X. INVESTMENTS IN SUBSIDIARIES (Net)</b>	(8)	<b>379</b>	-	<b>379</b>	<b>319</b>	-	<b>319</b>
10.1 Unconsolidated financial subsidiaries		-	-	-	-	-	-
10.2 Unconsolidated non-financial subsidiaries		379	-	379	319	-	319
<b>XI. ENTITIES UNDER COMMON CONTROL (JOINT VENT.) (Net)</b>	(9)	-	-	-	-	-	-
11.1 Consolidated under equity method		-	-	-	-	-	-
11.2 Unconsolidated		-	-	-	-	-	-
11.2.1 Financial subsidiaries		-	-	-	-	-	-
11.2.2 Non-financial subsidiaries		-	-	-	-	-	-
<b>XII. LEASE RECEIVABLES (Net)</b>	(10)	<b>1,182</b>	<b>214,431</b>	<b>215,613</b>	<b>2,707</b>	<b>228,055</b>	<b>230,762</b>
12.1 Finance lease receivables		1,320	238,711	240,031	3,203	267,492	270,695
12.2 Operating lease receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned income ( - )		(138)	(24,280)	(24,418)	(496)	(39,437)	(39,933)
<b>XIII. DERIVATIVE FINANCIAL ASSETS FOR HEDGING PURPOSES</b>	(11)	-	-	-	-	-	-
13.1 Fair value hedge		-	-	-	-	-	-
13.2 Cash flow hedge		-	-	-	-	-	-
13.3 Hedge of net investment risks in foreign operations		-	-	-	-	-	-
<b>XIV. TANGIBLE ASSETS (Net)</b>	(12)	<b>118,003</b>	<b>5</b>	<b>118,008</b>	<b>81,251</b>	<b>7</b>	<b>81,258</b>
<b>XV. INTANGIBLE ASSETS (Net)</b>	(13)	<b>1,742</b>	-	<b>1,742</b>	<b>1,591</b>	-	<b>1,591</b>
15.1 Goodwill		1,005	-	1,005	1,005	-	1,005
15.2 Other		737	-	737	586	-	586
<b>XVI. INVESTMENT PROPERTY (Net)</b>	(14)	<b>5,415</b>	-	<b>5,415</b>	<b>4,945</b>	-	<b>4,945</b>
<b>XVII. TAX ASSET</b>	(15)	<b>16,156</b>	-	<b>16,156</b>	<b>28,424</b>	-	<b>28,424</b>
17.1 Current tax asset		-	-	-	22,174	-	22,174
17.2 Deferred tax asset		16,156	-	16,156	6,250	-	6,250
<b>XVIII. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)</b>	(16)	-	-	-	<b>10,510</b>	-	<b>10,510</b>
18.1 Assets held for sale		-	-	-	10,510	-	10,510
18.2 Assets of discontinued operations		-	-	-	-	-	-
<b>XIX. OTHER ASSETS</b>	(17)	<b>44,295</b>	<b>155,798</b>	<b>200,093</b>	<b>48,971</b>	<b>49,726</b>	<b>98,697</b>
<b>TOTAL ASSETS</b>		<b>3,330,861</b>	<b>3,009,054</b>	<b>6,339,915</b>	<b>2,747,353</b>	<b>2,201,190</b>	<b>4,953,488</b>

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

**TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.**  
**Consolidated Balance Sheets as of December 31, 2008 and December 31, 2007**  
(In Thousand of New Turkish Lira)

LIABILITIES	Note Ref.	Audited			Audited		
		CURRENT PERIOD			PRIOR PERIOD		
		December 31, 2008			December 31, 2007		
		TRY	FC	TOTAL	TRY	FC	TOTAL
<b>I. DEPOSITS</b>	(1)	-	-	-	-	-	-
1.1 Deposits from Risk Group of the Bank		-	-	-	-	-	-
1.2 Other		-	-	-	-	-	-
<b>II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING</b>	(2)	17,914	9,022	26,936	31,780	13,432	45,212
<b>III. FUNDS BORROWED</b>	(3)	82,202	4,369,038	4,451,240	58,186	3,067,988	3,126,174
<b>IV. MONEY MARKET BALANCES</b>		780,574	41,248	821,822	779,827	67,670	847,497
4.1 Interbank money market takings		13,834	-	13,834	79	-	79
4.2 Istanbul Stock Exchange money market takings		-	-	-	3,169	-	3,169
4.3 Funds provided under repurchase agreements	(4)	766,740	41,248	807,988	776,579	67,670	844,249
<b>V. MARKETABLE SECURITIES ISSUED (Net)</b>		-	-	-	-	-	-
5.1 Bills		-	-	-	-	-	-
5.2 Asset backed securities		-	-	-	-	-	-
5.3 Bonds		-	-	-	-	-	-
<b>VI. FUNDS</b>		11	-	11	72	-	72
6.1 Borrower funds		-	-	-	-	-	-
6.2 Others		11	-	11	72	-	72
<b>VII. SUNDRY CREDITORS</b>		58,540	13,317	71,857	48,185	17,743	65,928
<b>VIII. OTHER LIABILITIES</b>	(5)	-	-	-	-	-	-
<b>IX. FACTORING PAYABLES</b>		-	-	-	-	-	-
<b>X. LEASE PAYABLES (Net)</b>	(6)	20	3	23	129	351	480
10.1 Finance lease payables		23	5	28	154	367	521
10.2 Operating lease payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance lease expenses ( - )		(3)	(2)	(5)	(25)	(16)	(41)
<b>XI. DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING PURPOSES</b>	(7)	-	-	-	-	-	-
11.1 Fair value hedge		-	-	-	-	-	-
11.2 Cash flow hedge		-	-	-	-	-	-
11.3 Hedge of net investment in foreign operations		-	-	-	-	-	-
<b>XII. PROVISIONS</b>	(8)	71,680	-	71,680	31,805	-	31,805
12.1 General loan loss provisions		31,189	-	31,189	18,814	-	18,814
12.2 Restructuring provisions		-	-	-	-	-	-
12.3 Reserve for employee benefits		3,826	-	3,826	3,699	-	3,699
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions		36,665	-	36,665	9,292	-	9,292
<b>XIII. TAX LIABILITY</b>	(10)	17,692	-	17,692	38,662	-	38,662
13.1 Current tax liability		17,692	-	17,692	38,662	-	38,662
13.2 Deferred tax liability		-	-	-	-	-	-
<b>XIV. PAYABLES RELATED TO ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS</b>	(11)	-	-	-	-	2,252	2,252
14.1 Held for sale		-	-	-	-	2,252	2,252
14.2 Discontinued operations		-	-	-	-	-	-
<b>XV. SUBORDINATED LOANS</b>	(9)	-	70,629	70,629	-	59,624	59,624
<b>XVI. SHAREHOLDERS' EQUITY</b>	(12)	838,070	(30,045)	808,025	735,925	(143)	735,782
16.1 Paid-in capital		500,000	-	500,000	400,000	-	400,000
16.2 Capital reserves		29,414	(30,045)	(631)	28,488	(143)	28,345
16.2.1 Share premium		43	-	43	43	-	43
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Marketable securities value increase fund		619	(30,045)	(29,426)	12,071	(143)	11,928
16.2.4 Tangible assets revaluation differences		28,378	-	28,378	-	-	-
16.2.5 Intangible assets revaluation differences		-	-	-	-	-	-
16.2.6 Investment property revaluation differences		-	-	-	-	-	-
16.2.7 Bonus shares obtained from associates, subsidiaries and jointly controlled entities (Joint Vent.)		-	-	-	-	-	-
16.2.8 Hedging funds (Effective portion)		-	-	-	-	-	-
16.2.9 Accumulated valuation differences from assets held for sale and from discontinued operations		-	-	-	-	-	-
16.2.10 Other capital reserves		374	-	374	16,374	-	16,374
16.3 Profit reserves		178,572	-	178,572	141,311	-	141,311
16.3.1 Legal reserves	(13)	43,809	-	43,809	29,568	-	29,568
16.3.2 Statutory reserves		22,235	-	22,235	14,861	-	14,861
16.3.3 Extraordinary reserves	(14)	109,608	-	109,608	93,962	-	93,962
16.3.4 Other profit reserves		2,920	-	2,920	2,920	-	2,920
16.4 Profit or loss		105,753	-	105,753	136,943	-	136,943
16.4.1 Prior years' income/losses		(15,511)	-	(15,511)	20,413	-	20,413
16.4.2 Current year income/loss		121,264	-	121,264	116,530	-	116,530
16.5 Minority shares	(16)	24,331	-	24,331	29,183	-	29,183
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,866,703</b>	<b>4,473,212</b>	<b>6,339,915</b>	<b>1,724,571</b>	<b>3,228,917</b>	<b>4,953,488</b>

**TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.**
**Consolidated Statement of Off-Balance Sheet Contingencies and Commitments as of December 31, 2008 and December 31, 2007**

(In Thousand of New Turkish Lira)

	Note Ref.	Audited			Audited		
		CURRENT PERIOD			PRIOR PERIOD		
		December 31, 2008			December 31, 2007		
		TRY	FC	TOTAL	TRY	FC	TOTAL
<b>A. OFF BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I+II+III)</b>		<b>861,967</b>	<b>1,795,935</b>	<b>2,657,902</b>	<b>3,715,454</b>	<b>4,258,483</b>	<b>7,973,937</b>
<b>I. GUARANTEES AND COLLATERALS</b>	(1)	<b>220,862</b>	<b>346,901</b>	<b>567,763</b>	<b>69,344</b>	<b>415,387</b>	<b>484,731</b>
1.1. Letters of guarantee		220,854	78,428	299,282	69,336	147,718	217,054
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		220,854	78,428	299,282	69,336	147,718	217,054
1.2. Bank loans		-	439	439	-	77	77
1.2.1. Import letters of acceptance		-	439	439	-	77	77
1.2.2. Other bank acceptances		-	-	-	-	-	-
1.3. Letters of credit		-	260,512	260,512	-	176,439	176,439
1.3.1. Documentary letters of credit		-	260,512	260,512	-	176,439	176,439
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	7,522	7,530	8	91,153	91,161
1.9. Other collaterals		-	-	-	-	-	-
<b>II. COMMITMENTS</b>		<b>382,682</b>	<b>412,923</b>	<b>795,605</b>	<b>200,503</b>	<b>377,856</b>	<b>578,359</b>
2.1. Irrevocable commitments		22,958	46,284	69,242	10,494	159,827	170,321
2.1.1. Forward asset purchase and sales commitments		22,958	46,284	69,242	10,494	159,827	170,321
2.1.2. Forward deposit purchase and sales commitments		-	-	-	-	-	-
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. Commitments for promotions related with credit cards and banking activities		-	-	-	-	-	-
2.1.11. Receivables from short sale commitments		-	-	-	-	-	-
2.1.12. Payables for short sale commitments		-	-	-	-	-	-
2.1.13. Other irrevocable commitments		-	-	-	-	-	-
2.2. Revocable commitments		359,724	366,639	726,363	190,009	218,029	408,038
2.2.1. Revocable loan granting commitments		359,724	366,639	726,363	190,009	215,000	405,009
2.2.2. Other revocable commitments		-	-	-	-	3,029	3,029
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>	(2)	<b>258,423</b>	<b>1,036,111</b>	<b>1,294,534</b>	<b>3,445,607</b>	<b>3,465,240</b>	<b>6,910,847</b>
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		258,423	1,036,111	1,294,534	3,445,607	3,465,240	6,910,847
3.2.1. Forward foreign currency buy/sell transactions		-	3,473	3,473	40,849	117,323	158,172
3.2.1.1. Forward foreign currency transactions-buy		-	1,708	1,708	40,672	40,360	81,032
3.2.1.2. Forward foreign currency transactions-sell		-	1,765	1,765	177	76,963	77,140
3.2.2. Swap transactions related to f.c. and interest rates		147,275	283,248	430,523	144,786	342,409	487,195
3.2.2.1. Foreign currency swaps-buy		65,990	150,360	216,350	27,203	211,543	238,746
3.2.2.2. Foreign currency swaps-sell		81,285	132,477	213,762	117,583	130,097	247,680
3.2.2.3. Interest rate swaps-buy		-	203	203	-	396	396
3.2.2.4. Interest rate swaps-sell		-	208	208	-	373	373
3.2.3. Foreign currency, interest rate and securities options		91,188	168,245	259,433	2,843,008	2,526,918	5,369,926
3.2.3.1. Foreign currency options-buy		65,094	26,902	91,996	1,419,300	1,210,825	2,630,125
3.2.3.2. Foreign currency options-sell		26,094	72,381	98,475	1,399,900	1,225,990	2,625,890
3.2.3.3. Interest rate options-buy		-	34,481	34,481	-	30,036	30,036
3.2.3.4. Interest rate options-sell		-	34,481	34,481	-	30,036	30,036
3.2.3.5. Securities options-buy		-	-	-	23,808	30,031	53,839
3.2.3.6. Securities options-sell		-	-	-	-	-	-
3.2.4. Foreign currency futures		-	-	-	8,504	8,490	16,994
3.2.4.1. Foreign currency futures-buy		-	-	-	8,241	256	8,497
3.2.4.2. Foreign currency futures-sell		-	-	-	263	8,234	8,497
3.2.5. Interest rate futures		-	514,422	514,422	-	394,754	394,754
3.2.5.1. Interest rate futures-buy		-	-	-	-	-	-
3.2.5.2. Interest rate futures-sell		-	514,422	514,422	-	394,754	394,754
3.2.6. Other		19,960	66,723	86,683	408,460	75,346	483,806
<b>B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)</b>		<b>3,368,749</b>	<b>9,464,611</b>	<b>12,833,360</b>	<b>3,857,973</b>	<b>5,004,453</b>	<b>8,862,426</b>
<b>IV. ITEMS HELD IN CUSTODY</b>		<b>3,059,591</b>	<b>100,905</b>	<b>3,160,496</b>	<b>3,675,482</b>	<b>128,462</b>	<b>3,803,944</b>
4.1. Assets under management		15,152	4,404	19,556	6,800	4,557	11,357
4.2. Investment securities held in custody		1,678,806	96,501	1,775,307	2,199,253	123,905	2,323,158
4.3. Checks received for collection		40	-	40	185	-	185
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		453,021	-	453,021	453,704	-	453,704
4.8. Custodians		912,572	-	912,572	1,015,540	-	1,015,540
<b>V. PLEDGED ITEMS</b>		<b>309,158</b>	<b>9,363,706</b>	<b>9,672,864</b>	<b>182,491</b>	<b>4,875,991</b>	<b>5,058,482</b>
5.1. Marketable securities		16	514,285	514,301	1,554	294,119	295,673
5.2. Guarantee notes		85,155	1,924,996	2,010,151	25,829	1,372,667	1,398,496
5.3. Commodity		-	-	-	-	-	-
5.4. Warranty		-	-	-	-	-	-
5.5. Properties		121,304	3,434,590	3,555,894	97,240	1,906,684	2,003,924
5.6. Other pledged items		102,683	3,489,835	3,592,518	57,868	1,302,521	1,360,389
5.7. Pledged items-depository		-	-	-	-	-	-
<b>VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)</b>		<b>4,230,716</b>	<b>11,260,546</b>	<b>15,491,262</b>	<b>7,573,427</b>	<b>9,262,936</b>	<b>16,836,363</b>

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

**TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.**

**Consolidated Income Statements for the periods ended December 31, 2008 and December 31, 2007**

(In Thousand of New Turkish Lira)

			Audited	Audited
INCOME / (LOSS) ACCOUNTS		Note	CURRENT PERIOD	PRIOR PERIOD
		Ref.	January 1 - December 31, 2008	January 1 - December 31, 2007
<b>I. INTEREST INCOME</b>	(1)		<b>450,076</b>	<b>413,026</b>
1.1 Interest on loans			177,141	166,427
1.2 Interest received from reserve deposits			652	1,129
1.3 Interest received from banks			10,828	10,845
1.4 Interest received from money market placements			117	272
1.5 Interest received from marketable securities portfolio			243,662	209,963
1.5.1 Held-for-trading financial assets			2,638	5,910
1.5.2 Financial assets at fair value through profit and loss			-	-
1.5.3 Available-for-sale financial assets			240,763	204,053
1.5.4 Investments held-to-maturity			262	-
1.6 Finance lease income			16,278	17,163
1.7 Other interest income			1,398	7,227
<b>II. INTEREST EXPENSES</b>	(2)		<b>(198,181)</b>	<b>(269,895)</b>
2.1 Interest on deposits			-	-
2.2 Interest on funds borrowed			(93,020)	(150,216)
2.3 Interest on money market borrowings			(105,040)	(119,319)
2.4 Interest on securities issued			-	-
2.5 Other interest expense			(121)	(360)
<b>III. NET INTEREST INCOME (I - II)</b>			<b>251,895</b>	<b>143,131</b>
<b>IV. NET FEES AND COMMISSIONS INCOME</b>			<b>16,016</b>	<b>22,057</b>
4.1 Fees and commissions received			17,541	22,764
4.1.2 Non-cash loans			2,197	2,174
4.1.3 Other			15,344	20,590
4.2 Fees and commissions paid			(1,525)	(707)
4.2.1 Non-cash loans			(136)	(2)
4.2.2 Other			(1,389)	(705)
<b>V. DIVIDEND INCOME</b>	(3)		<b>2,263</b>	<b>8,090</b>
<b>VI. NET TRADING INCOME</b>	(4)		<b>(40,230)</b>	<b>12,079</b>
6.1 Securities trading gains/ (losses)			(25,553)	27,752
6.2 Foreign exchange gains/(losses) (net)			(14,677)	(15,673)
<b>VII. OTHER OPERATING INCOME</b>	(5)		<b>13,497</b>	<b>20,567</b>
<b>VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)</b>			<b>243,441</b>	<b>205,924</b>
<b>IX. PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)</b>	(6)		<b>(53,882)</b>	<b>(13,790)</b>
<b>X. OTHER OPERATING EXPENSES (-)</b>	(7)		<b>(72,184)</b>	<b>(62,365)</b>
<b>XI. NET OPERATING INCOME/(LOSS) (VIII-IX-X)</b>			<b>117,375</b>	<b>129,769</b>
<b>XII. AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER</b>			-	-
<b>XIII. PROFIT / (LOSS) ON EQUITY METHOD</b>			<b>28,402</b>	<b>15,023</b>
<b>XIV. GAIN / (LOSS) ON NET MONETARY POSITION</b>			-	-
<b>XV. PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XI+XII+XIII+XIV)</b>	(8)		<b>145,777</b>	<b>144,792</b>
<b>XVI. TAX PROVISION FOR CONTINUED OPERATIONS (±)</b>	(9)		<b>(29,313)</b>	<b>(24,903)</b>
16.1 Provision for current income taxes			(31,512)	(35,511)
16.2 Provision for deferred taxes			2,199	10,608
<b>XVII. NET PROFIT/(LOSS) FROM CONTINUED OPERATIONS (XV±XVI)</b>	(10)		<b>116,464</b>	<b>119,889</b>
<b>XVIII. INCOME ON DISCONTINUED OPERATIONS</b>			-	-
18.1 Income on assets held for sale			-	-
18.2 Income on sale of associates, subsidiaries and jointly controlled entities (Joint vent.)			-	-
18.3 Income on other discontinued operations			-	-
<b>XIX. LOSS FROM DISCONTINUED OPERATIONS (-)</b>			-	-
19.1 Loss from assets held for sale			-	-
19.2 Loss on sale of associates, subsidiaries and jointly controlled entities (Joint vent.)			-	-
19.3 Loss from other discontinued operations			-	-
<b>XX. PROFIT / (LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XVIII-XIX)</b>			-	-
<b>XXI. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>			-	-
21.1 Provision for current income taxes			-	-
21.2 Provision for deferred taxes			-	-
<b>XXII. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)</b>			-	-
<b>XXIII. NET PROFIT/LOSS (XVII+XXII)</b>	(11)		<b>116,464</b>	<b>119,889</b>
23.1 Group's profit/loss			121,264	116,530
23.2 Minority shares			(4,800)	3,359
Earnings/(losses) per share			0.233	0.240

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

**TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.****Consolidated Statement of Profit-Loss Items Accounted for under Shareholders' Equity for the periods ended December 31, 2008 and December 31, 2007**

(In Thousand of New Turkish Lira)

	Audited	Audited
PROFIT AND LOSS ITEMS ACCOUNTED FOR UNDER SHAREHOLDERS' EQUITY	CURRENT PERIOD	PRIOR PERIOD
	January 1 -	January 1 -
	December 31, 2008	December 31, 2007
<b>I. ADDITIONS TO MARKETABLE SECURITIES REVALUATION DIFFERENCES FOR AVAILABLE FOR SALE FINANCIAL ASSETS</b>	<b>(39,109)</b>	<b>10,651</b>
<b>II. TANGIBLE ASSETS REVALUATION DIFFERENCES</b>	-	-
<b>III. INTANGIBLE ASSETS REVALUATION DIFFERENCES</b>	-	-
<b>IV. TRANSLATION DIFFERENCES FOR TRANSACTIONS IN FOREIGN CURRENCIES</b>	-	-
<b>V. GAIN/LOSS ON DERIVATIVE FINANCIAL ASSETS HELD FOR CASH FLOW HEDGES (effective portion of fair value differences)</b>	-	-
<b>VI. GAIN/LOSS ON DERIVATIVE FINANCIAL ASSETS HELD FOR HEDGES OF NET INVESTMENT IN FOREIGN OPERATIONS (effective portion)</b>	-	-
<b>VII. EFFECTS OF CHANGES IN ACCOUNTING POLICIES AND CORRECTIONS OF ERRORS</b>	-	-
<b>VIII. OTHER PROFIT/LOSS ITEMS ACCOUNTED FOR UNDER SHAREHOLDERS' EQUITY AS PER TAS</b>	<b>(3,855)</b>	<b>3,410</b>
<b>IX. DEFERRED TAX OF VALUATION DIFFERENCES</b>	<b>5,553</b>	<b>(2,104)</b>
<b>X. NET PROFIT/LOSS ACCOUNTED FOR DIRECTLY UNDER SHAREHOLDERS' EQUITY (I+II+...+IX)</b>	<b>(37,411)</b>	<b>11,957</b>
<b>XI. CURRENT YEAR PROFIT/LOSS</b>	<b>(3,943)</b>	<b>12,275</b>
1.1 Net changes in fair value of securities (Recycled to Profit/Loss)	(3,943)	12,275
1.2 Reclassification of and recycling derivatives accounted for cash flow hedge purposes to Income Statement	-	-
1.3 Recycling hedge of net investments in foreign operations to Income Statement	-	-
1.4 Other	-	-
<b>XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE CURRENT PERIOD (X±XI)</b>	<b>(41,354)</b>	<b>24,232</b>

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.

Consolidated Statement of Shareholders' Equity for the period ended December 31, 2008  
(In Thousand of New Turkish Lira)

CHANGES IN SHAREHOLDER'S EQUITY	Note Ref.	Paid in Capital	Inflation on Paid in Capital	Share Premiums	Share Certificate Cancellation Profits	Legal Reserves	Statutory Reserves	Extra_ordinary Reserves	Other Reserves	Current Period Net Income / (Loss)	Prior Period Net Income / (Loss)	Marketable securities value increase fund	Tangible and intangible assets revaluation differences	Bonus shares obtained from associates, subsi. and jointly controlled entities	Hedging funds	Acc. val. assets held for sale and from disc. op.	Total Equity Attributable to Parent	Minority Shares	Total Shareholders Equity
<b>Audited CURRENT PERIOD (01/01 - 31/12/2008)</b>																			
I. Opening Balance (01.01.2008)		400,000	16,374	43	-	29,568	14,861	93,962	2,920	-	136,943	11,928	-	-	-	-	706,599	29,183	735,782
Changes during the period																			
II. Increase/Decrease related to merger		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Marketable securities value increase fund		-	-	-	-	-	-	-	-	-	-	(41,354)	-	-	-	-	(41,354)	-	(41,354)
IV. Hedging funds (Effective portion)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1 Cash-flow hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2 Hedge of net investment in foreign operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Tangible assets revaluation differences		-	-	-	-	-	-	-	-	-	(28,378)	-	28,378	-	-	-	-	-	-
VI. Intangible assets revaluation differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Bonus shares obtained from associates, subsidiaries and jointly controlled entities (Joint Vent.)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Foreign exchange differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. The disposal of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. The reclassification of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. The effect of change in equities of associates on bank's equity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Capital increase		100,000	(16,000)	-	-	-	-	-	-	-	(84,000)	-	-	-	-	-	-	-	-
12.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2 Internal sources		100,000	(16,000)	-	-	-	-	-	-	-	(84,000)	-	-	-	-	-	-	-	-
XIII. Share issuance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Share cancellation profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. The effect of inflation on paid-in capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Period net income		-	-	-	-	-	-	-	-	121,264	-	-	-	-	-	-	121,264	(4,800)	116,464
XVIII. Profit distribution		-	-	-	-	14,241	7,374	15,646	-	-	(40,076)	-	-	-	-	-	(2,815)	-	(2,815)
18.1 Dividends distributed		-	-	-	-	-	-	-	-	-	(2,815)	-	-	-	-	-	(2,815)	-	(2,815)
18.2 Transfers to reserves		-	-	-	-	14,241	7,374	15,646	-	-	(37,261)	-	-	-	-	-	-	-	-
18.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(52)	(52)
Closing Balance (I+II+III+...+XVI+XVII+XVIII)		500,000	374	43	-	43,809	22,235	109,608	2,920	121,264	(15,511)	(29,426)	28,378	-	-	-	783,694	24,331	808,025

The accompanying notes form an integral part of this financial statements.

**TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.**

Consolidated Statement of Shareholders' Equity for the period ended December 31, 2007  
(In Thousand of New Turkish Lira)

CHANGES IN SHAREHOLDER'S EQUITY	Note Ref.	Paid in Capital	Inflation on Paid in Capital	Share Premiums	Share Certificate Cancellation Profits	Legal Reserves	Statutory Reserves	Extra_ordinary Reserves	Other Reserves	Current Period Net Income / (Loss)	Period Net Income / (Loss)	Marketable securities value increase fund	Tangible and intangible assets revaluation differences	Bonus shares obtained from associates, subsi. and jointly controlled entities	Hedging funds	from assets held for sale and disc. op.	Total Equity Attributable to Parent	Minority Shares	Total Shareholders Equity
<b>Audited</b>																			
<b>PRIOR PERIOD</b>																			
<b>(01/01 - 31/12/2007)</b>																			
<b>I. Opening Balance (01.01.2007)</b>		300,000	66,374	43	-	20,160	9,541	43,284	3,344	-	142,862	(12,304)	-	100	-	-	573,404	27,573	600,977
Changes during the period																			-
II. Increase/Decrease related to merger		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Marketable securities value increase fund		-	-	-	-	-	-	-	-	-	-	24,232	-	-	-	-	24,232	(150)	24,082
IV. Hedging funds (Effective portion)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1 Cash-flow hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2 Hedge of net investment in foreign operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Tangible assets revaluation differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Intangible assets revaluation differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Bonus shares obtained from associates, subsidiaries and jointly controlled entities (Joint Vent.)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Foreign exchange differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. The disposal of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. The reclassification of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. The effect of change in equities of associates on bank's equity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Capital increase		100,000	(50,000)	-	-	-	-	-	-	-	(50,000)	-	-	-	-	-	-	-	-
12.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2 Internal sources		100,000	(50,000)	-	-	-	-	-	-	-	(50,000)	-	-	-	-	-	-	-	-
XIII. Share issuance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Share cancellation profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. The effect of inflation on paid-in capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Period net income		-	-	-	-	-	-	-	-	116,530	-	-	-	(100)	-	-	116,430	3,359	119,789
XVIII. Profit distribution		-	-	-	-	9,408	5,320	50,678	(424)	-	(72,449)	-	-	-	-	-	(7,467)	(189)	(7,656)
18.1 Dividends distributed		-	-	-	-	-	-	-	-	-	(2,724)	-	-	-	-	-	(2,724)	-	(2,724)
18.2 Transfers to reserves		-	-	-	-	9,408	5,320	50,678	(424)	-	(69,725)	-	-	-	-	-	(4,743)	(189)	(4,932)
18.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing Balance (I+II+III+...+XVI+XVII+XVIII)</b>		<b>400,000</b>	<b>16,374</b>	<b>43</b>	<b>-</b>	<b>29,568</b>	<b>14,861</b>	<b>93,962</b>	<b>2,920</b>	<b>116,530</b>	<b>20,413</b>	<b>11,928</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>706,599</b>	<b>29,183</b>	<b>735,782</b>

**TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.**  
**Consolidated Statement of Cash Flows for the periods ended December 31, 2008 and December 31, 2007**  
(In Thousand of New Turkish Lira)

STATEMENT OF CASH FLOWS	Note Ref	Audited	Audited
		CURRENT PERIOD	PRIOR PERIOD
		January 1-December 31, 2008	January 1-December 31, 2007
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>			
<b>1.1 Operating profit before changes in operating assets and liabilities</b>		<b>69,511</b>	<b>106,348</b>
1.1.1 Interest received		434,072	424,040
1.1.2 Interest paid		(268,918)	(253,975)
1.1.3 Dividends received		3,485	2,667
1.1.4 Fees and commissions received		17,541	22,234
1.1.5 Other income	(1)	3,596	32,490
1.1.6 Collections from previously written off loans		3,992	(2,905)
1.1.7 Payments to personnel and service suppliers		(56,412)	(41,212)
1.1.8 Taxes paid		(31,253)	(28,367)
1.1.9 Others		(36,592)	(48,624)
<b>1.2 Changes in operating assets and liabilities</b>		<b>226,965</b>	<b>322,809</b>
1.2.1 Net (increase) decrease in financial assets		62,765	(35,231)
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		(1,069,647)	(242,690)
1.2.5 Net (increase) decrease in other assets		(80,606)	2,042
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		1,345,597	588,268
1.2.9 Net increase (decrease) in matured payables		-	-
1.2.10 Net increase (decrease) in other liabilities		(31,144)	10,420
<b>I. Net cash provided from banking operations</b>		<b>296,476</b>	<b>429,157</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>II. Net cash provided from investing activities</b>		<b>(108,441)</b>	<b>(508,094)</b>
2.1 Cash paid for purchase of entities under common control, associates and subsidiaries	(2)	(60)	(665)
2.2 Cash obtained from sale of entities under common control, associates and subsidiaries	(3)	-	7,046
2.3 Fixed assets purchases	(2)	(33,809)	(46,945)
2.4 Fixed assets sales	(3)	3,130	6,628
2.5 Cash paid for purchase of financial assets available for sale		(79,744)	(477,812)
2.6 Cash obtained from sale of financial assets available for sale		-	3,519
2.7 Cash paid for purchase of investment securities		(6,205)	-
2.8 Cash obtained from sale of investment securities		-	-
2.9 Others		8,247	135
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>III. Net cash provided from financing activities</b>		<b>(3,807)</b>	<b>19,052</b>
3.1 Cash obtained from funds borrowed and securities issued		-	-
3.2 Cash used for repayment of funds borrowed and securities issued		-	-
3.3 Capital increase		-	-
3.4 Dividends paid		(2,815)	(2,724)
3.5 Payments for finance leases		(342)	(538)
3.6 Other		(650)	22,314
<b>IV. Effect of change in foreign exchange rate on cash and cash equivalents</b>	(1)	<b>(14,677)</b>	<b>(15,673)</b>
<b>V. Net increase / (decrease) in cash and cash equivalents</b>	(4)	<b>169,551</b>	<b>(75,558)</b>
<b>VI. Cash and cash equivalents at beginning of the period</b>	(4)	<b>66,967</b>	<b>142,525</b>
<b>VII. Cash and cash equivalents at end of the period</b>		<b>236,518</b>	<b>66,967</b>

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



**TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.**  
**Statement of Profit Distribution for the periods ended December 31, 2008 and December 31, 2007**  
(In Thousand of New Turkish Lira)

	Audited	
	CURRENT PERIOD	PRIOR PERIOD
	January 1-December 31, 2008	January 1-December 31, 2007
<b>I. DISTRIBUTION OF CURRENT YEAR INCOME</b>		
1.1 CURRENT YEAR INCOME	148,041	170,622
1.2 TAXES AND DUTIES PAYABLE (-)	(29,060)	(23,141)
1.2.1 Corporate Tax (Income Tax)	(29,060)	(23,141)
1.2.2 Income withholding tax	-	-
1.2.3 Other taxes and duties	-	-
<b>A. NET INCOME FOR THE YEAR (1.1-1.2)</b>	<b>118,981</b>	<b>147,481</b>
1.3 PRIOR YEARS' LOSSES (-)	-	-
1.4 FIRST LEGAL RESERVES (-)	-	(7,374)
1.5 OTHER STATUTORY RESERVES (-)	-	(7,374)
<b>B. NET INCOME AVAILABLE FOR DISTRIBUTION [(A)-(1.3+1.4+1.5)]</b>	<b>118,981</b>	<b>132,733</b>
1.6 FIRST DIVIDEND TO SHAREHOLDERS (-)	-	(24,000)
1.6.1 To owners of ordinary shares	-	(24,000)
1.6.2 To owners of preferred shares	-	-
1.6.3 To owners of preferred shares (preemptive rights)	-	-
1.6.4 To profit sharing bonds	-	-
1.6.5 To holders of profit and loss sharing certificates	-	-
1.7 DIVIDENDS TO PERSONNEL (-)	-	(2,413)
1.8 DIVIDENDS TO BOARD OF DIRECTORS (-)	-	(402)
1.9 SECOND DIVIDEND TO SHAREHOLDERS (-)	-	(60,000)
1.9.1 To owners of ordinary shares	-	(60,000)
1.9.2 To owners of preferred shares	-	-
1.9.3 To owners of preferred shares (preemptive rights)	-	-
1.9.4 To profit sharing bonds	-	-
1.9.5 To holders of profit and loss sharing certificates	-	-
1.10 SECOND LEGAL RESERVES (-)	-	(6,681)
1.11 STATUTORY RESERVES (-)	-	-
1.12 EXTRAORDINARY RESERVES	-	(10,859)
1.13 OTHER RESERVES	-	-
1.14 SPECIAL FUNDS	-	-
<b>II. DISTRIBUTION OF RESERVES</b>	-	-
2.1 DISTRIBUTED RESERVES	-	-
2.2 SECOND LEGAL RESERVES (-)	-	-
2.3 DIVIDEND TO SHAREHOLDERS (-)	-	-
2.3.1 To owners of ordinary shares	-	-
2.3.2 To owners of preferred shares	-	-
2.3.3 To owners of preferred shares (preemptive rights)	-	-
2.3.4 To profit sharing bonds	-	-
2.3.5 To holders of profit and loss sharing certificates	-	-
2.4 DIVIDEND TO PERSONNEL (-)	-	-
2.5 DIVIDEND TO BOARD OF DIRECTORS (-)	-	-
<b>III. EARNINGS PER SHARE</b>		
3.1 TO OWNERS OF ORDINARY SHARES	-	147,481
3.2 TO OWNERS OF ORDINARY SHARES (%)	-	-
3.3 TO OWNERS OF PREFERRED SHARES	-	-
3.4 TO OWNERS OF PREFERRED SHARES (%)	-	-
<b>IV. DIVIDEND PER SHARE</b>		
4.1 TO OWNERS OF ORDINARY SHARES	-	84,000
4.2 TO OWNERS OF ORDINARY SHARES (%)	-	16.80
4.3 TO OWNERS OF PREFERRED SHARES	-	-
4.4 TO OWNERS OF PREFERRED SHARES (%)	-	-

(\*) In accordance with the prevailing regulations in Turkey, companies do not distribute consolidated profit but, instead make distributions on unconsolidated financial statements basis.