

**TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.
AND ITS FINANCIAL SUBSIDIARIES**

**INDEPENDENT AUDITORS'
LIMITED REVIEW REPORT,
CONSOLIDATED FINANCIAL
STATEMENTS AND NOTES
FOR THE INTERIM PERIOD
JANUARY 1, 2009 TO MARCH 31, 2009**

*Translated into English from the
Original Turkish Report*

To the Board of Directors of
Türkiye Sınai Kalkınma Bankası A.Ş.
İstanbul

DRT Bağımsız Denetim ve
Serbest Muhasebeci
Mali Müşavirlik A.Ş.
Sun Plaza
No: 24
34398 Maslak
İstanbul, Türkiye

Tel: (212) 366 6000
Fax: (212) 366 6010
www.deloitte.com.tr

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS FINANCIAL SUBSIDIARIES

INDEPENDENT AUDITORS' LIMITED REVIEW REPORT FOR THE PERIOD JANUARY 1, 2009 – MARCH 31, 2009

We have reviewed the accompanying consolidated balance sheet of Türkiye Sınai Kalkınma Bankası A.Ş. ("the Bank") and its financial subsidiaries (together "the Group") as at March 31, 2009 and the related consolidated statements of income, changes in shareholders' equity and cash flows for the period then ended. These consolidated financial statements are the responsibility of the Bank's management. As independent auditors' our responsibility is to issue a report based on the review performed on these consolidated financial statements.

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

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not give a true and fair view of the financial position, the results of its operations and its cash flows, of the Group for the period ended March 31, 2009 in accordance with the prevailing accounting principles and standards set out as per the Article No: 37 and 38 of the Banking Act No: 5411, and other regulations and pronouncements in respect of accounting and financial reporting made by Banking Regulation and Supervision Agency.

Additional Paragraph for English Translation

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

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU**



Sibel Türker
Partner

Istanbul, May 27, 2009

**THE CONSOLIDATED FINANCIAL REPORT OF
TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. FOR THE THREE MONTHS PERIOD ENDED
MARCH 31, 2009**

E-Mail Address for Contact Person: goktas@tskb.com.tr

The consolidated financial report designed for the three months includes the following sections in accordance with "Communiqué on the Financial Statements and Related Explanation and Notes that will be made Publicly Announced" as sanctioned by the Banking Regulation and Supervision Agency.


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

The subsidiaries, associates and joint ventures, whose financial statements are consolidated within the framework of the reporting package, are as follows:

	Subsidiaries	Associates
1	Yatırım Finansman Menkul Değerler A.Ş.	İş Finansal Kiralama A.Ş.
2	TSKB Gayrimenkul Yatırım Ortaklığı A.Ş.	İş Girişim Sermayesi Yatırım Ortaklığı A.Ş.
3	TSKB Yatırım Ortaklığı A.Ş.	İş Factoring Finansman Hizmetleri A.Ş.
4	Yatırım Finansman Yatırım Ortaklığı A.Ş.	

The accompanying consolidated financial statements and the explanatory footnotes and disclosures for the three months, unless otherwise indicated, are prepared in thousands of Turkish Lira ("TRY"), in accordance with the Communiqué on Bank's Accounting Practice and Maintaining Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, related communiqués and the Bank's records, and have been independently reviewed and presented as attached.

May 27, 2009


H. Ersin ÖZİNCE

**President of Board
of Directors**


Halil EROĞLU

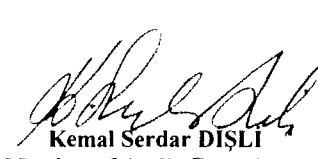
General Manager


Ömer ERYILMAZ

**Executive Vice President
Responsible for Financial Reporting**


Mustafa GÖKTAŞ

**Head of Financial
Control Department**


Kemal Serdar DİŞLİ
Member of Audit Committee


Murat BİLGİCİ
Member of Audit Committee

Contact information of the personnel in charge for addressing questions about this financial report:

Name-Surname / Title : Mustafa Göktas / Head of Financial Control Department

Telephone Number : 0212 334 51 92

SECTION ONE

General Information

I. The Parent Bank's Incorporation Date, Beginning Statue, Changes in the Existing Statue	1
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 if any and Explanations on the Controlling Group of the Parent Bank	1
III. Explanations Regarding the Chairman and the Members of the Board of Directors, Audit Committee, General Manager and Assistant General Managers and Their Shares in the Parent Bank	2
IV. Information about the Persons and Institutions that have Qualified Shares in the Parent Bank	3
V. Summary on the Parent Bank's Functions and Areas of Activity	3

SECTION TWO

Consolidated Financial Statements

I. Consolidated Balance Sheets	4
II. Consolidated Statement of Off Balance Sheet Contingencies and Commitments	6
III. Consolidated Income Statements	7
IV. Consolidated Statement of Profit/Loss Items Accounted under Shareholders' Equity	8
V. Consolidated Statement of Shareholders' Equity	9
VI. Consolidated Statement of Cash Flow	11

SECTION THREE

Accounting Policies

I. Basis of Presentation	12
II. Explanations on Usage Strategy of Financial Assets and Foreign Currency Transactions	13
III. Information about the Parent Bank and its Subsidiaries subject to Consolidation	14
IV. Explanations on Forward and Option Contracts and Derivative Instruments	16
V. Interest Income and Expenses	16
VI. Fees and Commission Income and Expenses	16
VII. Explanations and Disclosures on Financial Assets	17
VIII. Explanations on Impairment on Financial Assets	19
IX. Offsetting of Financial Assets and Liabilities	19
X. Explanations on Sales and Repurchase Agreements and Lending of Securities	20
XI. Explanations on Assets Held For Selling Purpose and Discontinued Operations	20
XII. Explanations on Goodwill and Other Intangible Assets	21
XIII. Explanations on Tangible Fixed Assets	21
XIV. Explanations on Leasing Transactions	22
XV. Explanations on Provisions and Contingent Liabilities	22
XVI. Explanations on Liabilities Regarding Employee Benefits	22
XVII. Explanations on Taxation	24
XVIII. Additional Explanations on Borrowings	24
XIX. Explanations on Exported Share Certificates	25
XX. Explanations on Acceptances	25
XXI. Explanations on Government Incentives	25
XXII. Explanations on Segment Reporting	25
XXIII. Explanations on Other Matters	26

SECTION FOUR

Information on Consolidated Financial Structure

I. Explanations Related to the Consolidated Capital Adequacy Standard Ratio	27
II. Explanations Related to the Consolidated Market Risk	30
III. Explanations Related to the Consolidated Currency Risk	31
IV. Explanations Related to the Consolidated Interest Rate Risk	33
V. Explanations Related to the Consolidated Liquidity Risk	37

SECTION FIVE

Explanations and Disclosures on Consolidated Financial Statements

I. Explanations Related to the Consolidated Assets	39
II. Explanations Related to the Consolidated Liabilities	54
III. Explanations Related to the Consolidated Off-Balance Sheet Contingencies and Commitments	60
IV. Explanations and Disclosures Related to the Consolidated Statement of Income	62
V. Explanations on the Risk Group of the Parent Bank	67

SECTION SIX

Other Explanations

I. Other Explanations Related to the Operations of the Group	68
II. Other Explanations Related to the Events Arising Subsequent to Balance Sheet Date	68

SECTION SEVEN

Independent Limited Auditors' Report

I. Explanations on the Independent Auditors' Limited Review Report	69
II. Other Explanations and Notes Prepared by Independent Auditors	69

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION ONE

GENERAL INFORMATION

I. The Parent Bank's Incorporation Date, Beginning Statute, Changes in the Existing Statute:

The Parent Bank was established in accordance with the decision of President of the Republic of Turkey numbered 3/11203 on May 12, 1950. This decision was declared by T.R. Office of Prime Ministry Procedures Directorate Decision Management on May 12, 1950.

According to the classification set out in the Banking Law No: 5411, the statute of the Parent Bank is "Development and Investment Bank". The Bank does not have the authority of "Accepting Deposit". Since the establishment date of the Bank, there is no change in its "Development and Investment Bank" status.

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 Parent Bank:

Türkiye İş Bankası A.Ş. has the authority of managing and controlling power indirectly or directly, alone or together with other shareholders.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION ONE (Cont'd)

GENERAL INFORMATION (Cont'd)

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

<u>Title (*)</u>	<u>Name and Surname</u>	<u>Academic Background</u>	<u>Task</u>	<u>Experience in Banking and Management Before Appointment</u>
Chairman of the Board of Directors	H. Ersin Özince (**)	Undergraduate		33 years
Vice Chairman of the Board of Directors	Kadir Akgöz	Undergraduate		28 years
Members of the Board of Directors	Yavuz Canevi	Postgraduate		13 years
	Süleyman Kalkan (***)	Undergraduate		26 years
	Mustafa Baran Tuncer	Postgraduate		28 years
	Burhanettin Kantar	Undergraduate		16 years
	Kemal Serdar Dişli	Undergraduate		19 years
	Murat Bilgiç	Postgraduate		15 years
	Remzi Altınok	Undergraduate		17 years
	Memduh Aslan Akçay	Postgraduate		17 years
Member of the Board of Directors and CEO	Halil Eroğlu	Undergraduate	CEO	24 years
Executive Vice Presidents	Şemseddin Arat	Postgraduate	Information Technology and Human Resources	23 years
	A.Orhan Beşkök	Postgraduate	Technical Services	19 years
	Şeniz Yarcın	Undergraduate	Treasury, Investment Banking and External Relation	16 years
	Burak Akgüç	Undergraduate	Corporate Marketing	14 years
	Ömer Eryılmaz	Undergraduate	Financial Control and Securities	20 years
	Çiğdem İçel	Undergraduate	Operations	17 years
	Ufuk Bala Yücel	Undergraduate	Loans	20 years
Statutory Auditors	Zeynep Hansu Uçar	Undergraduate	Auditor	13 years
	Mete Uluyurt	Postgraduate	Auditor	12 years

Changes

<u>Title</u>	<u>Left during the period</u>	<u>Appointed during the period</u>
Chairman of the Board of Directors	İsmet Cahit Kocaömer	H. Ersin Özince
Members of the Board of Directors	Mahmut Magemizoğlu	Süleyman Kalkan

(*) The shares of above directors in the Bank are symbolic.

(**) In the General Assembly held on March 25, 2009 İsmet Cahit Kocaömer who was the Chairman of the Board of Directors resigned his duty due to termination of term of office and H. Ersin Özince was appointed and declared as a member of the Board of Directors. In the Board of Directors meeting held on April 3, 2009, H. Ersin Özince was appointed as Chairmen of the Board of Directors.

(***) In the Board of Directors Meeting held on March 25, 2009, Mahmut Magemizoğlu who was the member of the Board of Directors resigned from his duty due to termination of the term of office and Süleyman Kalkan was appointed and declared as a member of the Board of Directors.

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009

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

SECTION ONE (Cont'd)

GENERAL INFORMATION (Cont'd)

IV. Information about the Persons and Institutions that have Qualified Shares

T. İş Bankası A.Ş. (İş Bank) Group owns the qualified shares that control the Parent Bank's capital directly or indirectly.

Name Surname/Commercial Title	Share Capital	Shareholding Rate (%)	Paid in Capital	Unpaid Capital
T. İş Bankası A.Ş. Group	250.489	50,10	250.489	-
T. Vakıflar Bankası T.A.O.	41.888	8,38	41.888	-
Under Custody at Merkezi Kayıt Kuruluşu (Other Institutions and Individuals)	207.580	41,51	207.580	-
Physically Under Custody (Other Institutions and Individuals)	43	0,01	43	-
Total	500.000	100,00	500.000	-

V. Summary on the Parent Bank's Functions and Areas of Activity

Türkiye Sınai Kalkınma Bankası A.Ş. ("the Parent Bank") is the first private investment and development bank which was established by the Council of Ministers resolution number of 3/11203 established in 1950 with the support of World Bank, T.R. Government, T.R. Central Bank and commercial banks. As per the articles of association published in the Official Gazette on June 2, 1950, the aim of TSKB is to support all private sector investments but mostly industrial sectors, to help domestic and foreign capital owners to finance the new firms and to help the improvement of Turkish capital markets. The Bank is succeeding its aims by financing, consulting, giving technical support and financial intermediary services.

The Parent Bank, which operates as a non-deposit accepting bank, played a major role on manufacturing and finance sectors in every phase of the economic development of Turkey. The Parent Bank has supported the development of the private sector by extending medium-term loans to more than 4000 firms. After 1960's the Parent Bank had continued to finance over 100 firms by investing in these entities as a shareholder. The Parent Bank has also participated in improvement of capital markets by organizing public offerings of some firms.

The Parent Bank has opened two branches in İzmir and Ankara in April 2006 to enhance marketing and valuation operations.

TSKB Bahrain Branch, is the only branch of TSKB in abroad, started its operations on January 18, 2005 after obtaining the off-shore banking license from Bahrain Central Bank (BMA) on December 30, 2004. The mission of the branch is to expand to Middle East and exercise all activities including capital market transactions and giving foreign currency loans.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.
Consolidated Balance Sheets as of March 31, 2009 and December 31, 2008

(In Thousand of Turkish Lira)

ASSETS	Note Ref.	Reviewed			Audited		
		CURRENT PERIOD			PRIOR PERIOD		
		March 31, 2009			December 31, 2008		
		TRY	FC	TOTAL	TRY	FC	TOTAL
I. CASH AND BALANCES WITH THE CENTRAL BANK	(1)	327	2.533	2.860	612	2.305	2.917
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (Net)	(2)	74.925	2.646	77.571	57.194	2.348	59.542
2.1 Trading financial assets		74.925	2.646	77.571	57.194	2.348	59.542
2.1.1 Public sector debt securities		41.790	20	41.810	27.084	48	27.132
2.1.2 Share certificates		10.928	-	10.928	10.444	-	10.444
2.1.3 Derivative financial assets held for trading		21.310	2.626	23.936	18.755	2.300	21.055
2.1.4 Other marketable securities		897	-	897	911	-	911
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 Loans		-	-	-	-	-	-
2.2.4 Other marketable securities		-	-	-	-	-	-
III. BANKS	(3)	70.871	196.457	267.328	58.168	155.555	213.723
IV. MONEY MARKET PLACEMENTS		2.882	-	2.882	12.333	7.584	19.917
4.1 Interbank money market placements		142	-	142	334	7.584	7.918
4.2 Istanbul Stock Exchange money market placements		84	-	84	28	-	28
4.3 Receivables from reverse repurchase agreements		2.656	-	2.656	11.971	-	11.971
V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(4)	1.413.515	463.042	1.876.557	1.329.301	431.055	1.760.356
5.1 Share certificates		22.338	2.957	25.295	19.975	2.957	22.932
5.2 Public sector debt securities		1.369.940	403.596	1.773.536	1.289.072	376.194	1.665.266
5.3 Other marketable securities		21.237	56.489	77.726	20.254	51.904	72.158
VI. LOANS	(5)	1.632.899	2.151.017	3.783.916	1.558.859	2.039.973	3.598.832
6.1 Loans		1.632.899	2.151.017	3.783.916	1.558.859	2.039.973	3.598.832
6.1.1 Loans to Risk Group of the Bank		62.502	59.678	122.180	54.454	65.712	120.166
6.1.2 Public sector debt securities		-	-	-	-	-	-
6.1.3 Other		1.570.397	2.091.339	3.661.736	1.504.405	1.974.261	3.478.666
6.2 Non-performing loans		17.803	5.870	23.673	17.964	7.464	25.428
6.3 Specific provisions (-)		(17.803)	(5.870)	(23.673)	(17.964)	(7.464)	(25.428)
VII. FACTORING RECEIVABLES		-	-	-	-	-	-
VIII. HELD TO MATURITY INVESTMENTS (Net)	(6)	104.546	-	104.546	6.514	-	6.514
8.1 Public sector debt securities		101.913	-	101.913	4.002	-	4.002
8.2 Other marketable securities		2.633	-	2.633	2.512	-	2.512
IX. INVESTMENTS IN ASSOCIATES (Net)	(7)	125.822	-	125.822	120.708	-	120.708
9.1 Accounted for under equity method		117.542	-	117.542	112.428	-	112.428
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
X. INVESTMENTS IN SUBSIDIARIES (Net)	(8)	379	-	379	379	-	379
10.1 Unconsolidated financial subsidiaries		-	-	-	-	-	-
10.2 Unconsolidated non-financial subsidiaries		379	-	379	379	-	379
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)	837	206.595	207.432	1.182	214.431	215.613
12.1 Finance lease receivables		926	224.950	225.876	1.320	238.711	240.031
12.2 Operating lease receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned income (-)		(89)	(18.355)	(18.444)	(138)	(24.280)	(24.418)
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)		138.006	5	138.011	118.003	5	118.008
XV. INTANGIBLE ASSETS (Net)		1.802	-	1.802	1.742	-	1.742
15.1 Goodwill		1.005	-	1.005	1.005	-	1.005
15.2 Other		797	-	797	737	-	737
XVI. INVESTMENT PROPERTY (Net)	(12)	5.415	-	5.415	5.415	-	5.415
XVII. TAX ASSET	(13)	18.268	-	18.268	16.156	-	16.156
17.1 Current tax asset		-	-	-	-	-	-
17.2 Deferred tax asset		18.268	-	18.268	16.156	-	16.156
XVIII. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(14)	-	-	-	-	-	-
18.1 Assets held for sale		-	-	-	-	-	-
18.2 Assets of discontinued operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(15)	53.373	170.956	224.329	44.295	155.798	200.093
TOTAL ASSETS		3.643.867	3.193.251	6.837.118	3.330.861	3.009.054	6.339.915

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

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.
Consolidated Balance Sheets as of March 31, 2009 and December 31, 2008
(In Thousand of Turkish Lira)

LIABILITIES	Note Ref.	Reviewed			Audited		
		CURRENT PERIOD			PRIOR PERIOD		
		March 31, 2009			December 31, 2008		
		TRY	FC	TOTAL	TRY	FC	TOTAL
I. DEPOSITS	(1)	-	-	-	-	-	-
1.1 Deposits from Risk Group of the Bank		-	-	-	-	-	-
1.2 Other		-	-	-	-	-	-
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)	21.759	2.442	24.201	17.914	9.022	26.936
III. FUNDS BORROWED	(3)	13.443	4.590.769	4.604.212	82.202	4.369.038	4.451.240
IV. MONEY MARKET BALANCES		1.046.857	54.171	1.101.028	780.574	41.248	821.822
4.1 Interbank money market takings		13.574	-	13.574	13.834	-	13.834
4.2 Istanbul Stock Exchange money market takings		-	-	-	-	-	-
4.3 Funds provided under repurchase agreements		1.033.283	54.171	1.087.454	766.740	41.248	807.988
V. MARKETABLE SECURITIES ISSUED (Net)		-	-	-	-	-	-
5.1 Bills		-	-	-	-	-	-
5.2 Asset backed securities		-	-	-	-	-	-
5.3 Bonds		-	-	-	-	-	-
VI. FUNDS		-	-	-	11	-	11
6.1 Borrower funds		-	-	-	-	-	-
6.2 Others		-	-	-	11	-	11
VII. SUNDRY CREDITORS		62.957	18.247	81.204	58.540	13.317	71.857
VIII. OTHER LIABILITIES	(4)	-	-	-	-	-	-
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. LEASE PAYABLES (Net)	(5)	-	-	-	20	3	23
10.1 Finance lease payables		-	5	5	23	5	28
10.2 Operating lease payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance lease expenses (-)		-	(5)	(5)	(3)	(2)	(5)
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)	64.657	-	64.657	71.680	-	71.680
12.1 General loan loss provisions		33.504	-	33.504	31.189	-	31.189
12.2 Restructuring provisions		-	-	-	-	-	-
12.3 Reserve for employee benefits		4.529	-	4.529	3.826	-	3.826
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions		26.624	-	26.624	36.665	-	36.665
XIII. TAX LIABILITY	(9)	18.093	-	18.093	17.692	-	17.692
13.1 Current tax liability		18.093	-	18.093	17.692	-	17.692
13.2 Deferred tax liability		-	-	-	-	-	-
PAYABLES RELATED TO ASSETS HELD FOR SALE AND DISCONTINUED		-	-	-	-	-	-
XIV. OPERATIONS		-	-	-	-	-	-
14.1 Held for sale		-	-	-	-	-	-
14.2 Discontinued operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS	(8)	-	86.831	86.831	-	70.629	70.629
XVI. SHAREHOLDERS' EQUITY	(10)	901.763	(44.871)	856.892	838.070	(30.045)	808.025
16.1 Paid-in capital		500.000	-	500.000	500.000	-	500.000
16.2 Capital reserves		59.073	(44.871)	14.202	29.414	(30.045)	(631)
16.2.1 Share premium		43	-	43	43	-	43
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Marketable securities value increase fund		30.278	(44.871)	(14.593)	619	(30.045)	(29.426)
16.2.4 Tangible assets revaluation differences		28.378	-	28.378	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	374	-	374
16.3 Profit reserves		198.932	-	198.932	178.572	-	178.572
16.3.1 Legal reserves		57.207	-	57.207	43.809	-	43.809
16.3.2 Statutory reserves		28.184	-	28.184	22.235	-	22.235
16.3.3 Extraordinary reserves		110.621	-	110.621	109.608	-	109.608
16.3.4 Other profit reserves		2.920	-	2.920	2.920	-	2.920
16.4 Profit or loss		119.068	-	119.068	105.753	-	105.753
16.4.1 Prior years' income/losses		82.693	-	82.693	(15.511)	-	(15.511)
16.4.2 Current year income/loss		36.375	-	36.375	121.264	-	121.264
16.5 Minority shares	(11)	24.690	-	24.690	24.331	-	24.331
TOTAL LIABILITIES AND EQUITY		2.129.529	4.707.589	6.837.118	1.866.703	4.473.212	6.339.915

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.
Consolidated Statement of Off-Balance Sheet Contingencies and Commitments as of March 31, 2009 and December 31, 2008

(In Thousand of Turkish Lira)

	Note Ref.	Reviewed			Audited		
		CURRENT PERIOD			PRIOR PERIOD		
		March 31, 2009			December 31, 2008		
		TRY	FC	TOTAL	TRY	FC	TOTAL
A. OFF BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I+II+III)		1,037,242	2,035,143	3,072,385	861,967	1,795,935	2,657,902
I. GUARANTEES AND COLLATERALS	111	240,495	347,349	587,844	220,862	346,901	567,763
1.1 Letters of guarantee		225,469	75,505	300,974	220,854	78,428	299,282
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		225,469	75,505	300,974	220,854	78,428	299,282
1.2 Bank loans		-	-	-	-	439	439
1.2.1 Import letters of acceptance		-	-	-	-	439	439
1.2.2 Other bank acceptances		-	-	-	-	-	-
1.3 Letters of credit		-	264,421	264,421	-	260,512	260,512
1.3.1 Documentary letters of credit		-	264,421	264,421	-	260,512	260,512
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		15,026	7,423	22,449	8	7,522	7,530
1.9 Other collaterals		-	-	-	-	-	-
II. COMMITMENTS		439,918	519,880	959,798	382,682	412,923	795,605
2.1 Irrevocable commitments		109,825	196,535	306,360	22,958	46,284	69,242
2.1.1 Forward asset purchase and sales commitments		109,825	196,535	306,360	22,958	46,284	69,242
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		330,093	323,345	653,438	359,724	366,639	726,363
2.2.1 Revocable loan granting commitments		330,093	323,345	653,438	359,724	366,639	726,363
2.2.2 Other revocable commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		356,829	1,167,914	1,524,743	258,423	1,036,111	1,294,534
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		356,829	1,167,914	1,524,743	258,423	1,036,111	1,294,534
3.2.1 Forward foreign currency buy/sell transactions		3,165	3,114	6,279	-	3,473	3,473
3.2.1.1 Forward foreign currency transactions-buy		3,165	-	3,165	-	1,708	1,708
3.2.1.2 Forward foreign currency transactions-sell		-	3,114	3,114	-	1,765	1,765
3.2.2 Swap transactions related to f.c. and interest rates		209,136	399,975	609,109	147,275	283,248	430,523
3.2.2.1 Foreign currency swaps-buy		167,816	132,728	300,544	65,990	150,360	216,350
3.2.2.2 Foreign currency swaps-sell		41,320	264,645	305,965	81,285	132,477	213,762
3.2.2.3 Interest rate swaps-buy		-	1,317	1,317	-	203	203
3.2.2.4 Interest rate swaps-sell		-	1,283	1,283	-	208	208
3.2.3 Foreign currency, interest rate and securities options		124,568	202,595	327,163	91,188	168,245	259,433
3.2.3.1 Foreign currency options-buy		64,819	65,503	130,322	65,094	26,902	91,996
3.2.3.2 Foreign currency options-sell		59,749	71,110	130,859	26,094	72,381	98,475
3.2.3.3 Interest rate options-buy		-	32,991	32,991	-	34,481	34,481
3.2.3.4 Interest rate options-sell		-	32,991	32,991	-	34,481	34,481
3.2.3.5 Securities options-buy		-	-	-	-	-	-
3.2.3.6 Securities options-sell		-	-	-	-	-	-
3.2.4 Foreign currency futures		-	-	-	-	-	-
3.2.4.1 Foreign currency futures-buy		-	-	-	-	-	-
3.2.4.2 Foreign currency futures-sell		-	-	-	-	-	-
3.2.5 Interest rate futures		-	536,938	536,938	-	514,422	514,422
3.2.5.1 Interest rate futures-buy		-	-	-	-	-	-
3.2.5.2 Interest rate futures-sell		-	536,938	536,938	-	514,422	514,422
3.2.6 Other		19,960	25,294	45,254	19,960	66,723	86,683
B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)		7,685,575	11,755,336	19,440,911	3,368,749	9,464,611	12,833,360
IV. ITEMS HELD IN CUSTODY		7,367,669	118,897	7,486,566	3,059,591	100,905	3,160,496
4.1 Assets under management		16,497	3,910	20,407	15,152	4,404	19,556
4.2 Investment securities held in custody		4,140,006	114,987	4,254,993	1,678,806	96,501	1,775,307
4.3 Checks received for collection		-	-	-	40	-	40
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		1,983,547	-	1,983,547	453,021	-	453,021
4.8 Custodians		1,227,619	-	1,227,619	912,572	-	912,572
V. PLEDGED ITEMS		317,906	10,636,439	11,954,345	309,158	9,363,706	9,672,864
5.1 Marketable securities		19	563,669	563,688	16	514,285	514,301
5.2 Guarantee notes		90,350	2,015,328	2,105,678	85,155	1,924,996	2,010,151
5.3 Commodity		-	-	-	-	-	-
5.4 Warranty		-	-	-	-	-	-
5.5 Properties		115,304	3,772,166	3,887,470	121,304	3,434,590	3,555,894
5.6 Other pledged items		112,233	5,285,276	5,397,509	102,683	3,489,835	3,592,518
5.7 Pledged items-depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		8,722,817	13,790,479	22,513,296	4,230,716	11,260,546	15,491,262

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.

Consolidated Income Statements for the period March 31, 2009 and March 31, 2008
(In Thousand of Turkish Lira)

INCOME / (LOSS) ACCOUNTS	Note Ref.	Reviewed	Reviewed
		CURRENT PERIOD March 31, 2009	PRIOR PERIOD March 31, 2008
I. INTEREST INCOME	(1)	171.018	115.203
1.1 Interest on loans		95.560	38.654
1.2 Interest received from reserve deposits		132	233
1.3 Interest received from banks		3.855	2.006
1.4 Interest received from money market placements		37	61
1.5 Interest received from marketable securities portfolio		67.971	68.329
1.5.1 Held-for-trading financial assets		1.201	954
1.5.2 Financial assets at fair value through profit and loss		32	-
1.5.3 Available-for-sale financial assets		65.374	67.375
1.5.4 Investments held-to-maturity		1.364	-
1.6 Finance lease income		3.282	5.038
1.7 Other interest income		181	882
II. INTEREST EXPENSES	(2)	(116.911)	(46.207)
2.1 Interest on deposits		-	-
2.2 Interest on funds borrowed		(90.569)	(20.440)
2.3 Interest on money market borrowings		(26.342)	(25.519)
2.4 Interest on securities issued		-	-
2.5 Other interest expense		-	(248)
III. NET INTEREST INCOME (I - II)		54.107	68.996
IV. NET FEES AND COMMISSIONS INCOME		4.135	4.507
4.1 Fees and commissions received		4.462	4.717
4.1.1 Non-cash loans		703	384
4.1.2 Other		3.759	4.333
4.2 Fees and commissions paid		(327)	(210)
4.2.1 Non-cash loans		(31)	-
4.2.2 Other		(296)	(210)
V. DIVIDEND INCOME		2.254	1.264
VI. NET TRADING INCOME	(3)	(5.841)	(16.752)
6.1 Securities trading gains/ (losses)		(337)	(6.903)
6.2 Derivative financial instruments gains/losses		(7.213)	8.834
6.3 Foreign exchange gains/(losses) (net)		1.709	(18.683)
VII. OTHER OPERATING INCOME	(4)	15.931	3.266
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)		70.586	61.281
IX. PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)	(5)	(9.537)	(14.041)
X. OTHER OPERATING EXPENSES (-)	(6)	(20.260)	(17.179)
XI. NET OPERATING INCOME/(LOSS) (VIII-IX-X)		40.789	30.061
XII. AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER		-	-
XIII. PROFIT / (LOSS) ON EQUITY METHOD		4.584	6.943
XIV. GAIN / (LOSS) ON NET MONETARY POSITION		-	-
XV. PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XI+XII+XIII+XIV)	(8)	45.373	(10.236)
XVI. TAX PROVISION FOR CONTINUED OPERATIONS (±)	(7)	(8.639)	(9.686)
16.1 Provision for current income taxes		(13.317)	(5.964)
16.2 Provision for deferred taxes		4.678	(3.722)
XVII. NET PROFIT/(LOSS) FROM CONTINUED OPERATIONS (XV±XVI)		36.734	(19.922)
XVIII. INCOME ON DISCONTINUED OPERATIONS		-	-
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		-	-
XIX. LOSS FROM DISCONTINUED OPERATIONS (-)		-	-
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		-	-
XX. PROFIT / (LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XVIII-XIX)		-	-
XXI. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
21.1 Provision for current income taxes		-	-
21.2 Provision for deferred taxes		-	-
XXII. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)		-	-
XXIII. NET PROFIT/LOSS (XVII+XXII)	(9)	36.734	27.318
23.1 Group's profit/loss		36.375	30.868
23.2 Minority shares		359	(3.550)
Earnings/(losses) per share		0,073	0,055

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 period March 31, 2009 and March 31, 2008
(In Thousand of Turkish Lira)

PROFIT AND LOSS ITEMS ACCOUNTED FOR UNDER SHAREHOLDERS' EQUITY	Reviewed	Reviewed
	CURRENT PERIOD March 31, 2009	PRIOR PERIOD March 31, 2008
I. ADDITIONS TO MARKETABLE SECURITIES REVALUATION DIFFERENCES FOR AVAILABLE FOR SALE FINANCIAL ASSETS	16.007	(32.266)
II. TANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV. TRANSLATION DIFFERENCES FOR TRANSACTIONS IN FOREIGN CURRENCIES	-	-
V. GAIN/LOSS ON DERIVATIVE FINANCIAL ASSETS HELD FOR CASH FLOW HEDGES (effective portion of fair value differences)	-	-
VI. GAIN/LOSS ON DERIVATIVE FINANCIAL ASSETS HELD FOR HEDGES OF NET INVESTMENT IN FOREIGN OPERATIONS (effective portion)	-	-
VII. EFFECTS OF CHANGES IN ACCOUNTING POLICIES AND CORRECTIONS OF ERRORS	-	-
VIII. OTHER PROFIT/LOSS ITEMS ACCOUNTED FOR UNDER SHAREHOLDERS' EQUITY AS PER TAS	529	(2.386)
IX. DEFERRED TAX OF VALUATION DIFFERENCES	(2.517)	158
X. NET PROFIT/LOSS ACCOUNTED FOR DIRECTLY UNDER SHAREHOLDERS' EQUITY (I+II+...+IX)	14.019	(34.494)
XI. CURRENT YEAR PROFIT/LOSS	814	675
1.1 Net changes in fair value of securities (Recycled to Profit/Loss)	814	675
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	-	-
XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE CURRENT PERIOD (X+XI)	14.833	(33.819)

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.																			
Consolidated Statement of Shareholders' Equity for the period March 31, 2009																			
(In Thousand of Turkish Lira)																			
CHANGES IN SHAREHOLDER'S EQUITY																			
Reviewed																			
CURRENT PERIOD																			
(01/01 - 31/03/2009)																			
	Note Ref.	Paid In Capital	Inflation on Paid In Capital	Share Premium	Share Certificate Cancellation Profits	Legal Reserves	Statutory Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Income / (Loss)	Prior Period Net Income / (Loss)	Marketable securities value increase / decrease	Tangible and Intangible assets revaluation differences	Bonus shares obtained from associates, subsidiaries and jointly controlled entities	Hedging funds	Assets held for sale and from other up.	Total Equity Attributable to Parent	Minority Shares	Total Shareholders' Equity
I.		500.000	374	43	-	43.809	22.235	109.608	2.920	-	105.753	(29.426)	28.378	-	-	-	783.694	24.331	808.025
Changes during the period																			
II.																			
III.																			
IV.																			
4.1																			
4.2																			
V.																			
VI.																			
VII.																			
VIII.																			
IX.																			
X.																			
XI.																			
XII.																			
12.1																			
12.2																			
XIII.																			
XIV.																			
XV.																			
XVI.																			
XVII.																			
XVIII.																			
18.1						13.398	5.949	1.013	-	36.375	123.060	-	-	-	-	-	36.375	359	36.714
18.2						13.398	5.949	1.013	-	-	(2.700)	-	-	-	-	-	12.700	-	(2.700)
18.3						-	-	-	-	-	(20.360)	-	-	-	-	-	(2.700)	-	(2.700)
Other						-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance (31/03/2009)		500.000	374	43	-	57.207	28.184	110.621	2.920	36.375	82.693	114.593	28.378	-	-	-	832.202	24.690	856.892

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.
Consolidated Statement of Shareholders' Equity for the period March 31, 2008
(In Thousand of 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	Extraordinary 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, subsidiaries and jointly controlled entities	Holding for sale and liquidation funds	from assets held for sale and liquidation	Total Attributable to Parent	Minority Shares	Total Shareholders' Equity
Reviewed																			
PRIOR PERIOD (01/01 - 31/03/2008)																			
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		-	-	-	-	-	-	-	-	-	-	(33.819)	-	-	-	-	(33.819)	-	(33.819)
IV. Hedging funds (Effective portion)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1 Cash-flow hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2 Hedge of net investments 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		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2 Internal sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Share issuance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Share cancellation profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. The effect of inflation on paid-in capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Period net income		-	-	-	-	-	-	-	-	30.868	-	-	-	-	-	-	30.868	(3.550)	27.318
XVIII. Profit distribution		-	-	-	-	-	-	-	-	-	(40.700)	-	-	-	-	-	(2.815)	(559)	(3.374)
18.1 Dividends distributed		-	-	-	-	-	-	-	-	-	(2.815)	-	-	-	-	-	(2.815)	-	(2.815)
18.2 Transfers to reserves		-	-	-	-	-	-	-	-	-	(37.885)	-	-	-	-	-	-	-	-
18.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(559)	(559)
Closing Balance: (I+II+III+...+XVI+XVII+XVIII)		400.000	16.374	43	-	44.406	22.235	109.635	2.920	30.868	67.865	(21.891)	28.378	-	-	-	700.833	25.074	725.907

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.
Consolidated Statement of Cash Flows for the period March 31, 2009 and March 31, 2008
(In Thousand of Turkish Lira)

STATEMENT OF CASH FLOWS	Note Ref	Reviewed	
		CURRENT PERIOD	PRIOR PERIOD
		January 1-March 31, 2009	January 1-March 31, 2008
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities		1.509	34.286
1.1.1 Interest received		153.998	99.065
1.1.2 Interest paid		(84.802)	(56.545)
1.1.3 Dividends received		176	221
1.1.4 Fees and commissions received		4.462	4.717
1.1.5 Other income		2.905	12.288
1.1.6 Collections from previously written off loans		57	2.200
1.1.7 Payments to personnel and service suppliers		(13.870)	(12.558)
1.1.8 Taxes paid		(29.161)	(16.512)
1.1.9 Others		(32.256)	1.410
1.2 Changes in operating assets and liabilities		251.172	208.445
1.2.1 Net (increase) decrease in financial assets		(17.411)	28.400
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		(231.497)	(483.741)
1.2.5 Net (increase) decrease in other assets		(17.242)	(60.456)
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		482.655	700.414
1.2.9 Net increase (decrease) in matured payables		-	-
1.2.10 Net increase (decrease) in other liabilities		34.667	23.828
I. Net cash provided from banking operations		252.681	242.731
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided from investing activities		(216.490)	(71.575)
2.1 Cash paid for purchase of entities under common control, associates and subsidiaries		-	-
2.2 Cash obtained from sale of entities under common control, associates and subsidiaries		-	-
2.3 Fixed assets purchases		(24.607)	(2.859)
2.4 Fixed assets sales		37	-
2.5 Cash paid for purchase of financial assets available for sale		(190.782)	(69.683)
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		(1.138)	967
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash provided from financing activities		(2.700)	(3.119)
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		(2.700)	(2.815)
3.5 Payments for finance leases		-	596
3.6 Other		-	(900)
IV. Effect of change in foreign exchange rate on cash and cash equivalents		1.709	(18.683)
V. Net increase / (decrease) in cash and cash equivalents		35.200	149.354
VI. Cash and cash equivalents at beginning of the period		236.518	66.967
VII. Cash and cash equivalents at end of the period		271.718	216.321

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION THREE

ACCOUNTING POLICIES

I. Basis of Presentation

I.a Presentation of Financial Statements:

As prescribed in the Article 37 of the Banking Act No. 5411, banks shall, in line with the principles and procedures to be established by the Banking Regulation and Supervision Agency ("BRSA") upon consulting the associations of financial institutions and the Turkish Accounting Standards Board taking into consideration international standards, ensure uniformity in their accounting systems; correctly record all their transactions; and timely and accurately prepare their financial reports in a style and format that will meet disclosure requirements, clearly reliable and comparable, and suitable for auditing, analysis and interpretation.

The Parent Bank prepares its financial statements and underlying documents according to Communiqué on Banks' Accounting Practice and Maintaining Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, other communiqués, pronouncements and explanations about accounting and financial reporting issued by Banking Regulation and Supervision Agency, Turkish Commercial Code and Tax Legislation.

In accordance with Law No: 5083 "Monetary Unit of the Turkish Republic" (Law No: 5083), the name of the Turkish Republic's monetary unit and its sub-currency unit is changed to the New Turkish Lira and the New Turkish Cent, respectively. However, in accordance with the additional resolution of the Council of Ministers in regards to the order on the removal of the phrase "New" in the New Turkish Lira and the New Turkish Cent and Its Application Principles, the phrase "New" used in the Turkish Republic's monetary unit was removed both from New Turkish Lira and the New Turkish Cent as of January 1, 2009.

Amounts in the financial statements, the underlying explanations and disclosures are expressed in Thousands of Turkish Lira unless otherwise stated.

1.b The valuation principles used in the preparation of the consolidated financial statements:

The accounting rules and the valuation principles used in the preparation of the financial statements were implemented as stated in the related regulations, announcements and decrees of Turkish Accounting Standards and Banking Regulation and Supervision Agency. These accounting policies and valuation principles are explained in the below notes through II to XXIII.

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION THREE (Cont'd)

ACCOUNTING POLICIES (Cont'd)

II. Explanations on Usage Strategy of Financial Assets and Foreign Currency Transactions

The main sources of the funds of the Group have variable interest rates. The financial balances are monitored frequently and constant and variable interest rate placements are undertaken according to the return on the alternative financial instruments. The macro goals related to balance sheet amounts are set during budgeting process and positions are taken accordingly.

Due to the fact that the great majority of the loans extended by the Parent Bank have the flexibility of reflecting the changes in market interest rates to customers, the interest rate risk is kept at minimum level. Moreover, the highly profitable Eurobond and the foreign currency government indebtness securities portfolio have the attribute of eliminating the risks of interest rate volatility.

The Group liquidity is regularly monitored. Moreover, the need of liquidity in foreign currencies is safeguarded by monetary swaps.

Commercial placements are managed with high return and low risk assets considering the international and domestic economic expectations, market conditions, creditors' expectations and their tendencies, interest-liquidity and other similar factors. Prudence principle is adopted in the placement decisions. The long term placements are made under project finance. A credit policy is implemented such a way that harmonizing the profitability of the projects, the collateral and the value add introduced by the Parent Bank.

The movements of foreign exchange rates in the market, interest rates and prices are monitored instantaneously. When taking positions, the Bank's unique operating and control limits are watched effectively besides statutory limits. Limit overs are not allowed.

The Group's strategy of hedging interest rate and foreign currency risks arising from fixed and variable interest rate funds and foreign currency available for sale securities:

A great majority of foreign currency available for sale securities are financed with foreign currency resources. Accordingly, the expected depreciation of local currency against other currencies is eliminated. A foreign currency basket is formulated in terms of the indicated foreign currency to eliminate the risk exposure of cross currency rates.

To mitigate the interest rate risk, a balanced asset composition is established in compliance with the structure of fixed and variable rate funding resources.

The hedging strategies for other foreign exchange risk exposures:

A stable foreign exchange position strategy is implemented: To be secured from cross currency risk, the current foreign exchange position is taken by considering a specific basket of foreign currencies.

The foreign exchange gains and losses on foreign currency transactions are accounted for in the period of the transaction. Foreign exchange assets and liabilities are translated to Turkish Lira using foreign exchange bid rate as of the balance sheet date, and the resulting gains and losses are recorded in foreign exchange gains or losses.

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION THREE (Cont'd)

ACCOUNTING POLICIES (Cont'd)

III. Information about the Parent Bank and its Subsidiaries subject to Consolidation

Türkiye Sınai Kalkınma Bankası A.Ş. and its financial institutions, Yatırım Finansman Menkul Değerler A.Ş., TSKB Gayrimenkul Yatırım Ortaklığı A.Ş., TSKB Yatırım Ortaklığı A.Ş., Yatırım Finansman Yatırım Ortaklığı A.Ş. are included in the accompanying consolidated financial statements by line by line consolidation method; İş Finansal Kiralama A.Ş., İş Girişim Sermayesi Yatırım Ortaklığı A.Ş. and İş Factoring Finansman Hizmetleri A.Ş. are included in the accompanying consolidated financial statements by equity method. Financial institutions included in the consolidation are determined in accordance with "Communiqué on Preparation of Consolidated Financial Statements of Banks" published in the Official Gazette dated November 8, 2006 numbered 26340. The Parent Bank and the entities included in the consolidation are referred to as "the Group" in this report.

The financial statements of the subsidiaries, which were prepared in accordance with the prevailing principles and rules regarding financial accounting and reporting standards in the Turkish Commercial Code and/or Financial Leasing Law and communiqués of the Capital Market Board, are duly adjusted in order to present their financial statements in accordance with Turkish Accounting Standards and Turkish Financial Reporting Standards.

When there are differences between the accounting policies of the subsidiaries and the Parent Bank, the financial statements are adjusted in accordance with the principle of materiality. The financial statements of the subsidiaries are prepared as of March 31, 2009.

The transactions and balances between the consolidated entities and the Parent Bank are eliminated.

Yatırım Finansman Menkul Değerler A.Ş.:

Yatırım Finansman Menkul Değerler A.Ş. was established and registered in Istanbul Trade Registry on October 15, 1976 and it was announced in the Turkish Trade Registry Gazette No: 81 on October 25, 1976. Name of the Company was changed into Yatırım Finansman Menkul Değerler A.Ş. by the announcement made in the Turkish Trade Registry Gazette No: 4762 on April 2, 1999. The Company's purpose is to perform capital market operations specified in the Company's main contract in accordance with the CMB and the related legislation. The Company was merged with TSKB Menkul Değerler A.Ş. on December 29, 2006.

TSKB Gayrimenkul Yatırım Ortaklığı A.Ş.

Core business of TSKB Gayrimenkul Yatırım Ortaklığı A.Ş. is real estate trust to construct and develop a portfolio of properties and make investment to capital market instruments linked to properties. The Company was established on February 3, 2006.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION THREE (Cont'd)

ACCOUNTING POLICIES (Cont'd)

III. Information about the Parent Bank and its Subsidiaries subject to Consolidation (Cont'd)

Yatırım Finansman Yatırım Ortaklığı A.Ş. :

Yatırım Finansman Yatırım Ortaklığı A.Ş. was established and registered in Istanbul Trade Registry on December 31, 1998 and it was announced in the Turkish Trade Registry Gazette No: 4714 on January 18, 1999. The purpose of Yatırım Finansman Yatırım Ortaklığı A.Ş. is to manage capital market instruments and gold or other precious metal portfolio in the local or international markets or over-the-counter markets, without having the control of management and capital of the investees, under the Capital Markets law No:2499 as amended y Law No:3794 and related legislation.

In the Board of Directors' meetings of the Parent Bank's associates TSKB Yatırım Ortaklığı A.Ş. and Yatırım Finansman Yatırım Ortaklığı A.Ş. held on September 24, 2008, it has been resolved that these two entities will be merged under TSKB Yatırım Ortaklığı A.Ş. according to the article 451 of Turkish Commercial Code, and 19th and 20th articles of Corporate Tax Law No: 5520. For this purpose, managements of these companies have been authorized to fulfill the required duties and transactions. In the Competition Board's meeting held on February 4, 2009 and 09/04/67-24 numbered, it has been permitted that these two entities could merge.

TSKB Yatırım Ortaklığı A.Ş.:

The Company was established under the name of SYB Yatırım Ortaklığı A.Ş. on November 10, 2000. The Company's name, Sınai Yatırım Bankası Yatırım Ortaklığı A.Ş., was changed into TSKB Yatırım Ortaklığı A.Ş. on April 17, 2003 since its parent Sınai Yatırım Bankası A.Ş. ceased to operate and transferred to Türkiye Sınai Kalkınma Bankası A.Ş. The name change was published in the Turkish Trade Registry Gazette No: 5784 on April 24, 2003. The Company's headquarters is in Istanbul.

The purpose of TSKB Yatırım Ortaklığı A.Ş. is to manage capital market instruments and gold or other precious metal portfolios in the local or international markets or over-the-counter markets, without having the control or significant effect over/on management and capital of the investees, under the principles and guidelines specified by the related legislation.

İş Finansal Kiralama A.Ş.:

İş Finansal Kiralama A.Ş. was established on February 8, 1988 and it has been performing its operations in accordance with the Turkish Leasing Law No: 3226. The Company started its leasing operations in July 1998. The Company's headquarters is located at İş Kuleleri, Kule: 2 Kat:10 34330 Levent-Istanbul/Türkiye.

İş Factoring Finansman Hizmetleri A.Ş.

İş Factoring Finansman Hizmetleri A.Ş., was incorporated in Turkey on July 4, 1993 and started its operations in October 1993. The Company's main operation is domestic and export factoring transactions. The Company is a Türkiye İş Bankası A.Ş. Group entity and the parent is İş Finansal Kiralama A.Ş. with 78,23 % shareholding. The share of Türkiye Sınai Kalkınma Bankası A.Ş. is 21,75 %.

İş Girişim Sermayesi Yatırım Ortaklığı A.Ş. :

The principal business of İş Girişim Sermayesi Yatırım Ortaklığı A.Ş. is to make long-term investments in existing companies in Turkey or to be established in Turkey, having a development potential and are in need of financing. The Company is continuing its operations at İş Kuleleri Kule 2, Kat: 8, Levent, Istanbul.

SECTION THREE (Cont'd)

ACCOUNTING POLICIES (Cont'd)

IV. Explanations on Forward and Option Contracts and Derivative Instruments

The Parent Bank is exposed to significant financial risk originating from the changes in the interest and foreign exchange rates as part of its normal operations. The bank exercises derivative financial instruments to manage these interest and foreign exchange financial risks.

The Group generally exercises foreign currency forward, swap, futures and option agreements.

The derivative instruments are accounted for at their fair values as of the date of the agreements entered into and subsequently valued at fair value. Some of the derivative instruments, although economical hedges, are accounted for as trading transactions since they are not qualified to be a hedging instrument as per "Financial Instruments: Recognition and Measurement" ("TAS 39"). Realized gains or losses are reflected in the statement of income on these derivative instruments. Unrealized gains or losses arising from the change in the fair value are recorded in disallowable expenses or exempt income according to the current tax legislation.

The Group has no derivative instruments used for hedging purposes.

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 (the rate that equalizes the future cash flows of financial assets and liabilities to the current net book value).

In the current period, the Parent Bank adopts discount of future cash flows method by excluding realized cash flows of financial assets or liabilities for the effective interest rate calculation. The effect of this application is accounted as interest income on loans and securities and interest expense on funds borrowed in the financial statements in the current period. If such change had not been made, accounts subject to the change would have been TRY 67 million, TRY 73 million and TRY 46 million, respectively.

In accordance with the related regulation, realized and unrealized interest accruals of the non-performing loans are reversed and interest income related to these loans are recorded as interest income only when collected.

VI. Fees and Commission Income and Expenses

Fees and commissions received from cash loans, that are not an integral part of the effective interest rate, and fees for various banking services are recorded as income when collected. Fees and commissions paid for the funds borrowed, which are not integral parts of the effective interest rate of the funds borrowed, are recorded as expense on the date of the payment. All other income and expenses, fee and commission income and expenses, including commissions received from non-cash loans are recorded on an accrual basis.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION THREE (Cont'd)

ACCOUNTING POLICIES (Cont'd)

VII. Explanations and Disclosures on Financial Assets

Financial instruments comprise financial assets, financial liabilities and derivative instruments. Financial instruments constitute the basis of the Group's trading activities and operations. Risks related with these instruments constitutes majority of total risks. Financial instruments affect liquidity, market, and credit risks on the Group's balance sheet in all respects. The Group trades these instruments on behalf of its customers and on its own behalf.

Basically, financial assets create the majority of the commercial activities and operations of the Group. These instruments expose, affect and diminish the liquidity, credit and interest risks in the financial statements.

All regular way purchases and sales of financial assets are recognized on the settlement date i.e. the date that the asset is delivered to or by the Group. Settlement date accounting requires (a) accounting of the asset when acquired by the institution, and (b) disposing of the asset out of the balance sheet on the date settled by the institution; and accounting of gain or loss on disposal. In case of application of settlement date accounting, the entity accounts for the changes that occur in the fair value of the asset in the period between commercial transaction date and settlement date as in the assets that the entity settles.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Changes in fair value of assets to be received during the period between the trade date and the settlement date are accounted for in the same way as the acquired assets.

Fair value differences are not accounted for assets presented at cost or amortized cost; gain or loss of financial assets at fair value through profit and loss are reflected in the statement of income; gain or loss of available for sale assets are accounted for under the shareholders' equity.

The methods and assumptions used in determining the reasonable estimated values of all of the financial instruments are explained below.

Cash, Banks, and Other Financial Institutions;

Cash and cash equivalents comprise cash on hand, demand deposits, and highly liquid short-term investments with maturity of 3 months or less following the purchase date, not bearing risk of significant value change, and that are readily convertible to a known amount of cash. The book values of these assets approximate their fair values.

Marketable Securities:

The Group classifies its marketable securities in three groups:

Financial assets at fair value through profit and loss: These transactions are classified in two categories. (i) Trading securities for the purposes of short term profit taking through sale or buying back in a near future. (ii) The financial assets classified at inception as financial assets at fair value through profit or loss by the Group. The Group use such classification above when permitted or for the purposes of providing a more proper disclosure.

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION THREE (Cont'd)

ACCOUNTING POLICIES (Cont'd)

VII. Explanations and Disclosures on Financial Assets (Cont'd)

In this category, trading securities are initially recognized at cost and measured at fair value on the financial statements. Fair values of securities that are traded in an active market are determined based on quoted prices or current market prices.

The difference between initial cost and fair value of financial assets at fair value through profit and loss is reflected to interest income or impairment on marketable securities accounts. Interest income and dividends from financial assets at fair value through profit and loss are reflected in interest income and dividend income.

Investments 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 loans and receivables. After initial recognition held to maturity investments are measured at amortized cost by using effective interest rate less impairment losses, if any.

The interests received from held to maturity investments are recorded as interest income in the income statement.

Available for sale financial assets are initially recognized at cost including the transaction costs. The interest income related to securities with fixed and variable interest under available for sale financial assets are recorded in interest income. After the initial recognition, available for sale securities are measured at fair value and the unrealized gain/loss originating from the difference between the amortized cost and the fair value is recorded in "Marketable Securities Value Increase Fund" under the equity. At the disposal of available for sale financial assets, value increases/decreases that are recorded in the securities value increase fund under equity are transferred to income statement.

Loans:

Loans are financial assets which have fixed payment terms and are not traded.

Loans are initially recognized at cost and measured at amortized cost by using effective interest rate. The duties, charges and other expenses paid for the collaterals obtained against loans are accepted as transaction costs and reflected to customers.

Turkish Lira (TRY) cash loans are composed of foreign currency indexed loans, export guaranteed loans, loans financed by government funds. Foreign currency (FC) cash loans are composed of export financing loans and working capital loans.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION THREE (Cont'd)

ACCOUNTING POLICIES (Cont'd)

VII. Explanations and Disclosures on Financial Assets (Cont'd)

Foreign currency indexed loans, are converted into TRY from the foreign currency rate as of the opening date and followed in TRY accounts. Repayments are measured with the foreign currency rate at the payment date, the foreign currency gains and losses are reflected to the statement of income.

Provision is set for the loans that may be doubtful and the amount is charged in the current period income statement as well as their classification to non-performing loans as per the related regulations. The collections made related to loans including those on non-performing loans for which provision is made in the current period are recorded in "Provision for Loans and Other Receivables" and "Interest Received from Non-performing Loans" account.

Releases of loan loss provisions are recorded by reversing the provisions booked during the year and the collections made related to loan losses previously accounted for are recorded to collections related to the prior period expenses.

VIII. Explanations on Impairment on Financial Assets

At each balance sheet date, the Group evaluates the carrying amounts of its financial asset or a group of financial assets to determine whether there is an objective indication that those assets have suffered an impairment loss. If any such indication exists, the Group determines the related impairment.

A financial asset or a financial asset group incurs impairment loss only if there is an objective evidence related to the occurrence of one or more than one event ("loss event") after the first journalization of that asset; and such loss event (or events) causes, an impairment as a result of the effect on the reliable estimate of the expected future cash flows of the related financial asset and asset group. Irrespective of high probability the expected losses for future events are not journalized.

IX. Offsetting of Financial Assets and Liabilities

Financial assets and liabilities are offset when the Group has a legally enforceable right to set 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. Otherwise, there is not any offsetting transaction about financial assets and liabilities.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION THREE (Cont'd)

ACCOUNTING POLICIES (Cont'd)

X. Explanations on Sales and Repurchase Agreements and Lending of Securities

Funds provided under repurchase agreements are accounted under “Funds Provided under Repurchase Agreements-TRY” and “Funds Provided under Repurchase Agreements-FC” accounts.

All of the repurchase agreements of the Group are based on the short-term government bonds. 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. The income and expenses from these transactions are reflected to the interest income and interest expense accounts in the income statement.

Receivables from reverse repurchase agreements are recorded in “Receivables from Reverse Repurchase Agreements” account in the balance sheet.

XI. Explanations on Assets Held for Sale and Discontinued Operations

Assets held for sale are measured at the lower of the assets' carrying amount and fair value less costs to sell. Held for sale assets are not amortized and presented separately in the financial statements. In order to classify an asset as held for sale, only when the sale is highly probable, experienced quite often and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale. Highly saleable condition requires a plan by the management regarding the sale of the asset to be disposed (or else the group of assets), together with an active program for determination of buyers as well as for the completion of the plan. Also the asset (or else the group of assets) shall be actively marketed in conformity with its fair value. On the other hand, the sale is expected to be journalized as a completed sale within one year after the classification date; and the necessary transactions and procedures to complete the plan should demonstrate the fact that the possibility of making significant changes or canceling the plan is low. Various circumstances and conditions could extend the completion period of the sale more than one year. If such delay happened due to the circumstances and conditions beyond the control of the Group and if there is enough evidence that the sale plan of the related asset (or disposal group of asset) of the Group is still in process, the delay in the sales process does not prevent the classification of the asset (or disposal group of asset) as an asset held for sale.

A discontinued operation is a division that is either disposed or held for sale. Results of discontinued operations are included separately in the income statement.

SECTION THREE (Cont'd)

ACCOUNTING POLICIES (Cont'd)

XII. Explanations on Goodwill and Other Intangible Assets

Goodwill arising on the acquisition of a subsidiary or a jointly controlled entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary or jointly controlled entity recognized at the date of acquisition. Goodwill is initially recognized as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period. On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Intangible assets that are acquired prior to January 1, 2005 are carried at restated historical cost as of December 31, 2004; and those acquired subsequently are carried at cost less accumulated amortization, and any impairment. Intangible assets are depreciated over their expected useful lives. Depreciation method and period are reviewed periodically at the end of each year. Intangible assets are mainly composed of rights and they are depreciated principally on a straight-line basis over 5 years.

XIII. Explanations on Tangible Fixed Assets

The tangible fixed assets, purchased before January 1, 2005, are accounted for at their restated costs as of December 31, 2004 and the assets purchased in the following periods are accounted for at acquisition cost less accumulated depreciation and reserve for impairment.

Gain or loss resulting from disposals of the tangible fixed assets is reflected to the income statement as the difference between the net proceeds and net book value.

Normal maintenance and repair cost of the properties are expensed.

There is no pledge, mortgage or any other lien on tangible fixed assets.

Tangible fixed assets are depreciated with straight-line method and their useful lives are determined in accordance with the Turkish Accounting Standards.

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION THREE (Cont'd)

ACCOUNTING POLICIES (Cont'd)

XIV. Explanations on Leasing Transactions

The Group as Lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. The lease payments are allocated as principle and interest. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group as Lessee

Assets held under finance leases are recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are included in profit or loss in accordance with the Group's general policy on borrowing costs. Tangible fixed assets acquired by financial leases are amortized based on the useful lives of the assets.

XV. Explanations on Provisions and Contingent Liabilities

Provisions are recognized when there is a present obligation due to a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by using the Group's best expectation of expenses in fulfilling the obligation, and discounted to present value if material.

XVI. Explanations on Liabilities Regarding Employee Benefits

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Group. In retirement and involuntarily leaving, the Group records the present value of the defined benefit obligation.

There is no indemnity obligations related to the employees who are employed with contract of limited duration exceeding 12 month period.

Employees of the Parent Bank are members of "Türkiye Sınai Kalkınma Bankası Anonim Şirketi Memur ve Müstahdemleri Yardım ve Emekli Vakfı" and "Türkiye Sınai Kalkınma Bankası A.Ş. Mensupları Munzam Sosyal Güvenlik ve Yardımlaşma Vakfı" ("the Pension Fund"). Technical financial statements of those funds are subject to audit in accordance with the Insurance Law and provisions of "Regulations on Actuaries" issued based on the related law by an actuary registered in the Actuarial Registry.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009

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

SECTION THREE (Cont'd)

ACCOUNTING POLICIES (Cont'd)

XVI. Explanations on Liabilities Regarding Employee Benefits (Cont'd)

Paragraph 1 of the provisional Article 23 of the Banking Act ("Banking Act") No: 5411 published in the Official Gazette No: 25983 on November 1, 2005 requires the transfer of banking funds to the Social Security Institution within 3 years as of the enactment date of the Banking Act. Under the Banking Act, in order to account for obligations, actuarial calculations will be made considering the income and expenses of those funds by a commission consisting of representatives from various institutions. Such calculated obligation shall be settled in equal installments in maximum 15 years. Nonetheless, the related Article of the Banking Law was annulled by the Constitutional Court's decision No: E. 2005/39 and K. 2007/33 dated March 22, 2007 that were published in the Official Gazette No: 26479 on March 31, 2007 as of the release of the related decision, and the execution of this article was cancelled as of its publication of the decision and the underlying reasoning for the cancellation of the related article was published in the Official Gazette No: 26731 on December 15, 2007.

After the publication of the reasoning of the cancellation decision of the Constitutional Court, articles related with the transfer of banks pension fund participants to Social Security Institution based on Social Security Law numbered 5754 were accepted by the Grand National Assembly of Turkey on April 17, 2008 and published in the Official Gazette No: 26870 on May 8, 2008.

Present value for the liabilities of the transferees as of the transfer date would be calculated by a commission that involves representatives of Social Security Institution, Ministry of Finance, Turkish Treasury, State Planning Organization, BRSA, SDIF, banks and banks' pension fund institutions and technical interest rate, used in actuarial account, would be 9,80 %. If salaries and benefits paid by the pension fund of banks and income and expenses of the pension funds in respect of the insurance branches, stated in the Law, exceeds the salaries and benefits paid under the regulations of Social Security Institution, such differences would be considered while calculating the present value for the liabilities of the transferees and the transfers are completed within 3 years beginning from January 1, 2008.

The Main Opposition Party has appealed to the Higher Court on June 19, 2008 for cancellation of some articles, including the first paragraph of 20. temporary article of the Law, and requested them to be ineffective until the case of revocatory action is finalized. As of the date of the publication of these financial statements, there is no decision announced by the Higher Court regarding the revocatory action.

Unmet social benefits and payments of the pension fund participants and other employees that receive monthly income although they are within the scope of the related settlement deeds would be met by pension funds and the institutions employ these participants after the transfer of pension funds to the Social Security Institution.

The present value of the liabilities, subject to the transfer to the Social Security Institution, of the Pension Fund as of December 31, 2008 has been calculated by an independent actuary in accordance with the actuarial assumptions in the Law and as per February 8, 2009 dated actuarial report, the liabilities, subject to the transfer to the Social Security Institution, are financed by the assets of the Pension Fund.

In addition, the Parent Bank's management anticipates that any liability that may come out during the transfer period and after in the context expressed above, would be financed by the assets of the Pension Fund and would not cause any extra burden on the Parent Bank.

SECTION THREE (Cont'd)

ACCOUNTING POLICIES (Cont'd)

XVII. Explanations on Taxation

The income tax charge is composed of the sum of current tax and deferred tax.

The current tax liability is calculated over taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

Deferred tax asset or liability is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounting for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date. Deferred tax is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized and reflected in the statement of income as expense or income. Moreover, if the deferred tax is related with items directly recorded under the equity in the same or different period, deferred tax is also associated directly with equity. Deferred tax assets and liabilities are also offset.

The Group has adjusted its statutory financial statements as per the inflation accounting as of January 1, 2004 in accordance with the repeated article numbered 298 in Tax Procedure Law numbered 213 which was changed by the Law No. 5024.

According to the second paragraph of the Article 53 of the Banking Act No 5411 dated October 19, 2005, all specific reserves for loans and other receivables are considered as deductible expense for determining corporate tax base.

XVIII. Additional Explanations on Borrowings

The borrowing costs related to purchase, production, or construction of qualifying assets that require significant time to be prepared for use and sale are included in the cost of assets until the relevant assets become ready to be used or to be sold. Income obtained by temporary placement of undisbursed investment loan in financial investments is offset against borrowing costs qualified for capitalization.

All other borrowing costs are recorded to the income statement at the period they are incurred.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION THREE (Cont'd)

ACCOUNTING POLICIES (Cont'd)

XIX. Explanations on Share Certificates

In the current period, there is no increase in the paid-in capital. However, in the meeting of the General Assembly held on March 25, 2009; it has been resolved that, paid-in capital of the Parent Bank will be increased from TRY 500.000 Thousand to TRY 600.000 Thousand by TRY 100.000 Thousand. In respect of the resolution of the General Assembly, TRY 96.000 Thousand of this increase will be incorporated from the profit of the year 2008 and TRY 4.000 Thousand from extraordinary reserves. The increase in paid-in capital was approved by BRSA on April 29, 2009; but registration transactions have not been completed, yet.

In the prior period, the Parent Bank's share capital has increased by TRY 100.000 Thousand. In respect of the resolution of the General Assembly, TRY 84.000 Thousand of this increase has been incorporated from the profit of the year 2007 and TRY 16.000 Thousand from the share capital inflation restatement adjustment. The increase in the paid in capital was approved by the BRSA on April 11, 2008 and by the resolution of the Capital Markets Board numbered 15/582 on May 23, 2008. The registration has been completed by T.C. Istanbul Trade Registry on May 30, 2008 and the increase has been recorded to the capital account.

XX. Explanations on Acceptances

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

XXI. Explanations on Government Incentives

The Parent Bank doesn't use government incentives.

XXII. Explanations on Segment Reporting

In accordance with its mission, the Parent Bank mainly operates in investment and corporate banking segments.

Corporate Marketing Management operations are included in the corporate banking. The corporate banking is serving financial solutions and banking services for its large-scale corporate customers. Among the services given to corporate customers are; TRY and foreign exchange operating loans, investment credits, project financing, letters of credit and letters of guarantees.

The activities of investment banking are; the operations of Treasury, Corporate Finance, Research, Financial Institutions and Marketable Securities and Portfolio Management departments. Under the investment banking activities, portfolio management for corporate and individual customers, marketable securities intermediary activities, cash flow management and all types of corporate finance services are provided.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION THREE (Cont'd)

ACCOUNTING POLICIES (Cont'd)

XXII. Explanations on Segment Reporting (Cont'd)

The segmental allocation of the Group's net profit as of March 31, 2009 and March 31, 2008 is shown below.

Current Period	Corporate	Investment Banking	Other	Total
Net Interest Income	11.159	42.267	681	54.107
Net Commission and Fees Income	1.671	362	2.102	4.135
Other Income	10.312	616	11.841	22.769
Other Expense	(8.338)	(13.901)	(13.399)	(35.638)
Profit Before Tax	14.804	29.344	1.225	45.373
Tax Provision				(8.639)
Net Profit				36.734

Prior Period	Corporate	Investment Banking	Other	Total
Net Interest Income	28.395	39.491	1.110	68.996
Net Commission and Fees Income	1.459	485	2.563	4.507
Other Income	2.200	7.919	1.354	11.473
Other Expense	(10.356)	(33.166)	(4.450)	(47.972)
Profit Before Tax	21.698	14.729	577	37.004
Tax Provision				(9.686)
Net Profit				27.318

XXIII. Explanations on Other Matters

Explanation for convenience translation to English

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

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FOUR

INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE

I. Explanations Related to the Consolidated Capital Adequacy Standard Ratio

The capital adequacy ratio is 18,76 % as at March 31, 2009 (December 31, 2008: 19,70 %). Related to the calculation of the capital adequacy ratio, the risk weighted assets, the obligations, non-cash loans are classified according to the collateral groups and evaluated within the particular risk group.

Information related to the capital adequacy ratio: Thousand TRY

Amounts Subject to Credit Risk	Risk Weight (**)				Risk Weight (**)			
	Bank				Consolidated			
	0 %	20 %	50 %	100 %	0 %	20 %	50 %	100 %
Balance Sheet items (Net)	172.658	838.273	833.151	2.948.395	181.654	879.134	763.221	3.051.066
Cash	354	-	-	-	432	-	-	-
Matured Marketable Securities	-	-	-	-	-	-	-	-
Due From Central Bank of Turkey	2.428	-	-	-	2.428	-	-	-
Due From Domestic Banks, Foreign Banks, Branches and Head Office Abroad	-	233.324	-	-	-	267.328	-	-
Interbank Money Market Placements	-	-	-	-	226	-	-	-
Receivables from Reverse Repo Transactions	-	-	-	-	2.656	-	-	-
Reserve Deposits	40.473	-	-	-	40.473	-	-	-
Loans	6.939	555.175	799.874	2.485.321	6.939	555.175	729.944	2.491.858
Non-performing Loans (Net)	-	-	-	-	-	-	-	-
Financial Lease Receivables	88	49.774	33.277	124.293	88	49.774	33.277	124.293
Available-for-Sale Financial Assets	-	-	-	-	-	-	-	-
Held to Maturity Investments	96.953	-	-	-	101.913	-	-	2.633
Receivables from Installment Sales of Assets	-	-	-	-	-	-	-	-
Sundry Debtors	-	-	-	123.712	-	5.258	-	168.473
Interest and Income Accruals (*)	-	-	-	-	-	-	-	-
Subsidiaries, Associates and Entities Under Common Control (Joint Vent.) (Net)	7.597	-	-	185.107	7.597	-	-	118.604
Tangible Assets	-	-	-	26.365	-	-	-	141.608
Other Assets	17.826	-	-	3.597	18.902	1.599	-	3.597
Off-Balance Sheet Items	991.188	116.505	6.572	185.161	976.618	116.505	6.572	185.161
Guarantees and Commitments	991.188	96.593	6.572	185.161	976.618	96.593	6.572	185.161
Derivative Financial Instruments	-	19.912	-	-	-	19.912	-	-
Non Risk Weighted Accounts	-	-	-	-	-	-	-	-
Total Risk Weighted Assets	1.163.846	954.778	839.723	3.133.556	1.158.272	995.639	769.793	3.236.227

(*) Interest and income accruals are included in related accounts.

(**) The Group has no assets and liabilities for risk weights 10%, 150%, and 200%.

Summary information related to the capital adequacy ratio:

	Bank	Consolidated	Bank	Consolidated
	Current Period	Current Period	Prior Period	Prior Period
Total Risk Weighted Assets (TRWA)	3.744.374	3.820.252	3.505.155	3.507.578
Amount Subject to Market Risk (ASMR)	429.738	456.388	374.888	400.788
Amount Subject to Operational Risk (ASOR)	330.695	313.447	280.666	259.673
Shareholders' Equity	928.219	861.169	878.510	821.267
Shareholders' Equity / (TRWA + ASMR + ASOR) *100	20,61	18,76	21,11	19,70

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FOUR (Cont'd)

INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE (Cont'd)

I. Explanations Related to the Consolidated Capital Adequacy Standard Ratio (Cont'd)

Information related to the components of shareholders' equity:

	Bank	Consolidated	Bank	Consolidated
	Current Period	Current Period	Prior Period	Prior Period
CORE CAPITAL				
Paid-in capital	500.000	500.000	500.000	500.000
Nominal capital	500.000	500.000	500.000	500.000
Capital commitments (-)	-	-	-	-
Inflation adjustment to share capital	374	374	374	374
Share premium	-	43	-	43
Share cancellation profits	-	-	-	-
Legal reserves	55.900	57.207	42.581	43.809
First legal reserve (Turkish Commercial Code 466/1)	28.184	29.055	22.235	23.027
Second legal reserve (Turkish Commercial Code 466/2)	27.716	28.100	20.346	20.730
Other legal reserve per special legislation	-	52	-	52
Statutory reserves	28.184	28.184	22.235	22.235
Extraordinary reserves	103.712	110.621	102.699	112.528
Reserves allocated by the General Assembly	100.792	107.701	99.779	109.608
Retained earnings	2.920	2.920	2.920	2.920
Accumulated losses	-	-	-	-
Foreign currency share capital exchange differences	-	-	-	-
Inflation adjustment on legal reserves, statutory reserves and extraordinary reserves	-	-	-	-
Profit	130.094	119.068	118.981	121.264
Current period profit	34.094	36.375	118.981	121.264
Prior years' profits	96.000	82.693	-	-
Provisions for possible losses up to 25% of core capital	15.000	15.000	25.000	25.000
Gains on sale of associates and subsidiaries and properties to be added to capital	28.378	28.378	28.378	28.378
Primary subordinated loans up to 15% of the Core Capital	-	-	-	-
Minority shares	-	24.690	-	24.331
Losses that cannot be covered by reserves (-)	-	-	-	(15.511)
Net current period loss	-	-	-	-
Prior years' losses	-	-	-	(15.511)
Leasehold improvements (-)	(473)	(775)	-	-
Prepaid expenses (-)	(3.745)	(4.295)	(3.368)	(3.437)
Intangible assets (-)	(495)	(797)	(437)	(737)
Deferred tax asset exceeding 10% of the Core Capital	-	-	-	-
Excess amount as per the Article 56, Clause 3 of the Banking Law	-	-	-	-
Goodwill (Net) (-)	-	(1.005)	-	(1.005)
Total Core Capital	856.929	876.693	836.443	857.272

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FOUR (Cont'd)

INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE (Cont'd)

I. Explanations Related to the Consolidated Capital Adequacy Standard Ratio (Cont'd)

Information related to the components of shareholders' equity (Cont'd)

	Current Period		Prior Period	
	Bank	Consolidated	Bank	Consolidated
SUPPLEMENTARY CAPITAL				
General Loan Loss Provisions	34.895	33.504	32.598	31.189
45% of the revaluation reserve for movable fixed assets	-	-	-	-
45% of the of revaluation reserve for properties	-	-	-	-
Bonus shares obtained from associates, subsidiaries and entities under common control	-	-	-	-
Primary subordinated loans excluded in the calculation of the Core Capital	-	-	-	-
Secondary subordinated loans	84.150	84.150	75.800	75.800
Marketable securities value increase fund	(46.712)	(14.593)	(65.191)	(29.426)
Associates and subsidiaries	(32.017)	84	(36.196)	(445)
Available for sale securities	(14.695)	(14.677)	(28.995)	(28.981)
Indexation differences for capital reserves, profit reserves and retained earnings (Except indexation differences for legal reserves, statutory reserves and extraordinary reserves)	-	-	-	-
Total supplementary capital	72.333	103.061	43.207	77.563
TIER III CAPITAL	-	-	-	-
CAPITAL	929.262	979.754	879.650	934.835
DEDUCTIONS FROM THE CAPITAL	(1.043)	(118.585)	(1.140)	(113.568)
Shareholdings in non-consolidated banks and financial institutions	-	-	-	-
Loans extended to banks, financial institutions (domestic and abroad) and qualified shareholders, like secondary subordinated loan and debt instruments purchased from these institutions issued, like primary and secondary subordinated loan	-	-	-	-
Banks and financial institutions to which are accounted for under equity method, but, are not consolidated	-	(117.542)	-	(112.428)
Loans extended being non-compliant with articles 50 and 51 of the law	-	-	-	-
The net book value of properties exceeding fifty percent of equity and properties held for sale and properties and commodity to be disposed, acquired in exchange of loans and receivables according to the Article 57 of the Banking Law and have not been disposed yet after 5 years after foreclosure	(1.043)	(1.043)	(1.140)	(1.140)
Other	-	-	-	-
TOTAL SHAREHOLDERS' EQUITY	928.219	861.169	878.510	821.267

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FOUR (Cont'd)

INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE (Cont'd)

II. Explanations Related to Consolidated Market Risk

In order to avoid the market risk and restrict the risks carried, the Board of Directors determines the limits on market risk. Risk, nominal and proportional limitation systems are used and the related reports are presented to Board of Directors, relevant committees and top management.

The guidelines prepared by Risk Management Group that is composed of Risk Management Directorate and Risk Management Committee regarding organization, responsibility and operations are approved by the Board of Directors. Risk management policies are determined and announced throughout the Parent Bank.

The standard method is used to calculate the consolidated and unconsolidated market risk. In addition to the standard method, the Parent Bank applies parametric and historical simulation models to securities portfolio, foreign currency position on a daily or monthly basis to detect the market risks. The success of these models is tested retrospectively. The Parent Bank also makes VaR calculations, scenario analyses and stress tests to detect the risks not caught by using internal models. Market risk is measured on a daily basis and reported to top management, Audit Committee and the Board of Directors on weekly and monthly.

The market risk table is as follows:

	Amount
(I) Capital Requirement to be Employed for General Market Risk - Standard Method	27.511
Resulting from Financial Instruments related to Interest Income	24.848
Resulting from Positions in Share Certificates, Investment Fund and Participation Certificates	2.663
(II) Capital Requirement to be Employed for Specific Risk - Standard Method	4.989
Resulting from Financial Instruments related to Interest Income	2.326
Resulting from Positions in Share Certificates, Investment Fund and Participation Certificates	2.663
III) Capital Requirement to be Employed for Currency Risk - Standard Method	4.011
Capital Requirement	3.998
Capital Requirement Calculated for Options Subject to Foreign Currency Risk	13
(IV) Capital Requirement to be Employed for Commodity Risk - Standard Method	-
(V) Capital Requirement to be Employed for Settlement Risk - Standard Method	-
(VI) Total Capital Requirement to be Employed for Market Risk Resulting From Options - Standard Method	-
(VII) Total Capital Requirement to be Employed for Market Risk in Banks Using Risk Measurement Model	-
(VIII) Total Capital Requirement to be Employed for Market Risk (I+II+III+IV+V+VI+VII)	36.511
(IX) Amount Subject to Market Risk (12,5 x VIII) or (12,5 x VII)	456.388

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009

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

SECTION FOUR (Cont'd)

INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE (Cont'd)

III. Explanations Related to Consolidated Currency Risk

No long or short position is taken due to the uncertainties and changes in the markets therefore; no exposure to foreign currency risk is expected. However, possible foreign currency risks are calculated on a weekly and monthly basis under the standard method in the foreign currency risk table and their results are reported to the official authorities and the Parent Bank's top management. Thus, foreign currency risk is closely monitored. Foreign currency risk, as a part of general market risk, is also taken into consideration in the calculation of Capital Adequacy Standard Ratio.

No short position is taken regarding foreign currency risk, whereas, counter position is taken for any foreign currency risks arising from customer transactions as to avoid foreign currency risk.

The Parent Bank has no hedging transactions through derivative instruments for its foreign currency borrowings and net foreign currency investments.

Announced current foreign exchange buying rates of the Parent Bank at March 31, 2009 and the previous five working days in USD, EURO and YEN are as follows:

	I US Dollar	I EURO	YEN
A. Bank "Foreign Exchange Valuation Rate"			
March 31, 2009	1,6830	2,2280	0,0172
Prior Five Workdays:			
March 30, 2009	1,6900	2,2328	0,0174
March 27, 2009	1,6530	2,2433	0,0169
March 26, 2009	1,6500	2,2414	0,0169
March 25, 2009	1,6550	2,2306	0,0170
March 24, 2009	1,6520	2,2560	0,0168

Simple arithmetic thirty-day averages of the USD, EURO and YEN buying rates of the Parent Bank before the balance sheet date are TRY 1,7050, TRY 2,2284 and TRY 0,0175; respectively.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FOUR (Cont'd)

INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE (Cont'd)

III. Explanations Related to Consolidated Currency Risk (Cont'd)

Information on the Group's consolidated foreign currency risk: Foreign Currencies (TRY Thousand)

	EURO	USD	Yen	Other FC	Total
Current Period					
Assets					
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Checks Purchased, Precious Metals) and Balances with the Central Bank of Turkey.	2.433	98	-	2	2.533
Banks	189.494	5.413	258	1.292	196.457
Financial Assets at Fair Value Through Profit and Loss	703	1.943	-	-	2.646
Money Market Placements	-	-	-	-	-
Available-For-Sale Financial Assets	71.873	391.169	-	-	463.042
Loans (*)	1.877.218	1.817.836	36.727	-	3.731.781
Subsidiaries, Associates and Entities Under Common Control (Joint Vent.)	-	-	-	-	-
Held-To-Maturity Investments	-	-	-	-	-
Derivative Financial Assets for Hedging Purposes	-	-	-	-	-
Tangible Assets	-	-	-	5	5
Intangible Assets	-	-	-	-	-
Other Assets (***)	205.340	164.731	4.930	2	375.003
Total Assets	2.347.061	2.381.190	41.915	1.301	4.771.467
Liabilities					
Bank Deposits	-	-	-	-	-
Foreign Currency Deposits	-	-	-	-	-
Money Market Borrowings	10.383	43.788	-	-	54.171
Funds Provided From Other Financial Institutions (**)	2.417.223	2.206.013	61.370	481	4.685.087
Marketable Securities Issued	-	-	-	-	-
Sundry Creditors	7.949	10.293	-	5	18.247
Derivative Financial Liabilities for Hedging Purposes	-	-	-	-	-
Other Liabilities (****)	615	1.816	11	-	2.442
Total Liabilities	2.436.170	2.261.910	61.381	486	4.759.947
Net Balance Sheet Position	(89.109)	119.280	(19.466)	815	11.520
Net Off-Balance Sheet Position	50.299	(208.996)	23.429	-	(135.268)
Financial Derivative Assets	114.126	144.773	32.514	-	291.413
Financial Derivative Liabilities	(63.827)	(353.769)	(9.085)	-	(426.681)
Non-Cash Loans (*****)	158.102	185.809	-	3.438	347.349
Prior Period					
Total Assets	2.246.063	2.206.594	58.598	1.508	4.512.763
Total Liabilities	2.283.959	2.143.798	80.536	2.278	4.510.571
Net Balance Sheet Position	(37.896)	62.796	(21.938)	(770)	2.192
Net Off-Balance Sheet Position	29.682	(88.623)	21.878	1.708	(35.355)
Financial Derivative Assets	74.701	100.179	21.878	1.708	198.466
Financial Derivative Liabilities	(45.019)	(188.802)	-	-	(233.821)
Non-Cash Loans (*****)	141.772	174.453	-	30.676	346.901

(*) Loans extended include TRY 1.580.764 Thousand foreign currency indexed loans.

(**) Funds provided include TRY 7.487 Thousand foreign currency indexed borrowings.

(***) TRY 2.548 Thousand prepaid expenses have not been included in Other Assets.

(****) TRY (44.871) Thousand marketable securities valuation differences have not been presented in Other Liabilities.

(*****) Has no effect on the net off-balance position.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FOUR (Cont'd)

INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE (Cont'd)

IV. Explanations Related to Consolidated Interest Rate Risk

Interest rate sensitivity of the assets, liabilities and off-balance sheet items are measured by the Parent Bank. General and specific interest rate risk tables in the standard method, by including assets and liabilities, are taken into account in determination of Capital Adequacy Standard Ratio and to calculate the overall interest rate risk of the Parent Bank.

Forecast results which have been formed using estimation-simulation reports are prepared and then the effects of fluctuations in interest rates are evaluated with sensitivity and scenario analyzes. Cash requirement for every maturity period are determined based on maturity distribution analysis (Gap). In addition, a positive spread between the yield on assets and the cost of liabilities is kept while determining interest rates.

The amount of local borrowings is very low considering the total liabilities of the Parent Bank. As the Parent Bank is a development and investment bank, it obtains most of the funding from abroad.

The fluctuations in interest rates are controlled with interest rate risk tables, gap analysis, scenario analysis and stress tests, its effect in assets and liabilities and the probable changes in cash flows are being screened. The Parent Bank screens many risk control ratio including the markets risk ratio to the sum of risk weighted assets and the ratio of the value at risk calculated as per the internal model to the equity.

Under the scope of risk policies, continuous controls are made to prevent assets or shareholders' equity from adverse effects because of fluctuations in interest rates or liquidity difficulties and upper management, Board of Directors and Audit Committee are informed of these risks.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FOUR (Cont'd)

INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE (Cont'd)

IV. Explanations Related to Consolidated Interest Rate Risk (Cont'd)

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	3-12 Months	1-5 Years	5 Year and Over	Non- interest bearing (*)	Total
Current Period							
Assets							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Checks Purchased) and Balances with the Central Bank of Turkey.	-	-	-	-	-	2.860	2.860
Banks	255.204	-	-	-	-	12.124	267.328
Financial Assets at Fair Value Through Profit and Loss	8.271	8.773	14.171	34.531	-	11.825	77.571
Money Market Placements	2.882	-	-	-	-	-	2.882
Available-for-Sale Financial Assets	150.651	87.721	1.017.562	259.480	333.028	28.115	1.876.557
Loans	779.873	1.334.194	1.444.512	185.818	32.982	6.537	3.783.916
Held-to-Maturity Investments	1.776	2.633	100.137	-	-	-	104.546
Other Assets	79.889	110.733	33.206	16.722	8.715	472.193	721.458
Total Assets	1.278.546	1.544.054	2.609.588	496.551	374.725	533.654	6.837.118
Liabilities							
Bank Deposits	-	-	-	-	-	-	-
Other Deposits	-	-	-	-	-	-	-
Money Market Borrowings	1.084.791	1.091	15.146	-	-	-	1.101.028
Sundry Creditors	31.625	-	-	-	-	49.579	81.204
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Provided from Other Financial Institutions	542.062	1.819.814	2.198.531	94.221	36.415	-	4.691.043
Other Liabilities	13.771	6.602	1.758	2.484	-	939.228	963.843
Total Liabilities	1.672.249	1.827.507	2.215.435	96.705	36.415	988.807	6.837.118
Balance Sheet Long Position	-	-	394.153	399.846	338.310	-	1.132.309
Balance Sheet Short Position	(393.703)	(283.453)	-	-	-	(455.153)	(1.132.309)
Off-Balance Sheet Long Position	-	711	-	10.570	-	-	11.281
Off-Balance Sheet Short Position	(547.765)	-	(993)	-	-	-	(548.758)
Total Position	(941.468)	(282.742)	393.160	410.416	338.310	(455.153)	(537.477)

(*) Amounts in other assets and shareholders' equity are presented in non-interest bearing column, in order to reconcile the total assets and liabilities on the balance sheet.

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FOUR (Cont'd)

INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE (Cont'd)

IV. Explanations Related to Consolidated Interest Rate Risk (Cont'd)

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, Checks Purchased) and Balances with the Central Bank of Turkey	-	-	-	8.40
Banks	0,95	-	-	14.99
Financial Assets at Fair Value Through Profit and Loss	-	5.27	-	14.97
Money Market Placements	-	-	-	10.23
Available-for-Sale Financial Assets	3,89	6,80	-	17.08
Loans	5,31	4,49	4.88	16,12
Held-to-Maturity Investments	-	-	-	13.88
Liabilities				
Bank Deposits	-	-	-	-
Other Deposits	-	-	-	-
Money Market Borrowings	1,30	1,32	-	10.67
Sundry Creditors	-	-	-	-
Marketable Securities Issued	-	-	-	-
Funds Provided From Other Financial Institutions	3,36	2,42	1.96	-

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FOUR (Cont'd)

INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE (Cont'd)

IV. Explanations Related to Consolidated Interest Rate Risk (Cont'd)

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

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Year and Over	Non-interest bearing (*)	Total
Prior Period							
Assets							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Checks Purchased) and Balances with the Central Bank of Turkey.	-	-	-	-	-	2.917	2.917
Banks	153.807	30.593	-	-	-	29.323	213.723
Financial Assets at Fair Value Through Profit and Loss	2.127	11.807	15.838	18.416	-	11.354	59.542
Money Market Placements	19.917	-	-	-	-	-	19.917
Available-for-Sale Financial Assets	4.819	502.186	634.141	320.776	272.758	25.676	1.760.356
Loans	1.294.640	1.296.140	803.365	166.237	33.739	4.711	3.598.832
Held-to-Maturity Investments	1.958	1.430	3.126	-	-	-	6.514
Other Assets	47.314	107.818	69.667	18.553	7.945	426.817	678.114
Total Assets	1.524.582	1.949.974	1.526.137	523.982	314.442	500.798	6.339.915
Liabilities							
Bank Deposits	-	-	-	-	-	-	-
Other Deposits	-	-	-	-	-	-	-
Money Market Borrowings	819.848	1.324	650	-	-	-	821.822
Sundry Creditors	26.702	-	-	-	-	45.155	71.857
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Provided from Other Financial Institutions	1.443.845	1.853.760	1.079.251	106.161	38.863	-	4.521.880
Other Liabilities	7.368	4.775	10.354	4.440	-	897.419	924.356
Total Liabilities	2.297.763	1.859.859	1.090.255	110.601	38.863	942.574	6.339.915
Balance Sheet Long Position	-	90.115	435.882	413.381	275.579	-	1.214.957
Balance Sheet Short Position	(773.181)	-	-	-	-	(441.776)	(1.214.957)
Off-Balance Sheet Long Position	-	14	-	9.635	-	-	9.649
Off-Balance Sheet Short Position	(6.090)	-	(519.131)	-	-	-	(525.221)
Total Position	(779.271)	90.129	(83.249)	423.016	275.579	(441.776)	(515.572)

(*) Amounts in other assets and shareholders' equity are presented in non-interest bearing column, in order to reconcile the total assets and liabilities on the balance sheet.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FOUR (Cont'd)

INFORMATION ON FINANCIAL STRUCTURE (Cont'd)

IV. Explanations Related to Consolidated Interest Rate Risk (Cont'd)

Average interest rates applied to monetary financial instruments in prior period: %

	EURO	USD	Yen	TRY
Prior Period				
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Checks Purchased) and Balances with the Central Bank of Turkey	1,18	-	-	-
Banks	1,89	3,71	-	20,70
Financial Assets at Fair Value Through Profit and Loss	-	5,39	-	17,46
Money Market Placements	-	2,00	-	15,09
Available-for-Sale Financial Assets	5,29	7,12	-	18,32
Loans	6,75	5,25	4,88	20,27
Held-to-Maturity Investments	-	-	-	20,20
Liabilities				
Bank Deposits	-	-	-	-
Other Deposits	-	-	-	-
Money Market Borrowings	1,86	1,38	-	15,33
Sundry Creditors	-	-	-	-
Marketable Securities Issued	-	-	-	-
Funds Provided from Other Financial Institutions	4,45	3,48	1,96	16,00

V. Explanations Related to the Consolidated Liquidity Risk

The Parent Bank's future cash flows and current positions are taken into consideration for managing the market and liquidity risks. The Parent Bank does not invest into illiquid markets and instruments. The liquidity ratios are followed up and the maturity match and the coverage of liquidity need are targeted in the context of asset- liability management.

Although the Parent Bank started to perform tests to calculate liquidity risk with internal models, the risk is still followed up basically by arranging the risks with respect to "holding period" data.

For the purpose of meeting the liquidity requirement, the Parent Bank chooses one of the three or more of the following; disposing liquid assets, increasing short-term borrowing, decreasing illiquid assets or increasing capital. The Parent Bank's liquidity management is implemented by meeting all the obligations on time considering the Parent Bank's reputation. The cash flow projections and the fund requirement predictions are made by using adverse scenarios to determine liquidity risk under urgent and unexpected circumstances.

As seen on interest rate risk tables, the difference in interest rates of assets and liabilities is in favor of the assets. Such mismatch positively affects the profitability and is checked by the Parent Bank Management with regular reports.

The Parent Bank meets its short term liquidity requirements with repurchase agreements and inter-bank money market operations. The Parent Bank may also use its available for sale portfolio for urgent liquidity requirement. The Parent Bank meets its long term liquidity needs from the international institutions through borrowings.

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FOUR (Cont'd)

INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE (Cont'd)

V. Explanations Related to the Consolidated Liquidity Risk (Cont'd)

Presentation of assets and liabilities according to their remaining maturities

	Demand	Up to + Month	1-3 Months	3-12 Months	1-5 Years	5 Year and Over	Undistri- buted (*)	Total
Current Period								
Assets								
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Checks Purchased) and Balances with the Central Bank of Turkey	2.860	-	-	-	-	-	-	2.860
Banks	12.124	255.204	-	-	-	-	-	267.328
Financial Assets at Fair Value Through Profit and Loss	7.908	8.115	8.773	10.001	38.857	-	3.917	77.571
Money Market Placements	-	2.882	-	-	-	-	-	2.882
Financial Assets Available-for-Sale	2.819	17.159	34.823	675.710	789.244	333.585	23.217	1.876.557
Loans	6.537	50.889	104.503	739.081	2.292.909	589.997	-	3.783.916
Held-to-Maturity Investments	-	-	-	913	103.633	-	-	104.546
Other Assets	50.010	49.559	13.755	55.292	120.463	10.196	422.183	721.458
Total Assets	82.258	383.808	161.854	1.480.997	3.345.106	933.778	449.317	6.837.118
Liabilities								
Bank Deposits	-	-	-	-	-	-	-	-
Other Deposits	-	-	-	-	-	-	-	-
Funds Provided from Other Financial Institutions	-	96.587	365.383	418.164	1.645.995	2.164.914	-	4.691.043
Money Market Borrowings	-	1.084.791	1.091	15.146	-	-	-	1.101.028
Securities Issued	-	-	-	-	-	-	-	-
Sundry Creditors	14.935	31.625	-	-	-	-	34.644	81.204
Other Liabilities	93	13.771	6.602	1.758	2.484	-	939.135	963.843
Total Liabilities	15.028	1.226.774	373.076	435.068	1.648.479	2.164.914	973.779	6.837.118
Liquidity Gap	67.230	(842.966)	(211.222)	1.045.929	1.696.627	(1.231.136)	(524.462)	-
Prior Period								
Total Assets	47.535	349.317	194.278	1.098.329	3.018.280	1.178.911	453.265	6.339.915
Total Liabilities	14.137	1.119.196	103.087	592.577	1.447.010	2.137.194	926.714	6.339.915
Liquidity Gap	33.398	(769.879)	91.191	505.752	1.571.270	(958.283)	(473.449)	-

(*)Other asset and liability balances, which are necessary and cannot be converted into cash in the near future for the Group's ongoing activities, such as tangible assets, investments in subsidiaries and associates, office supply inventory, prepaid expenses and non-performing loans are classified under undistributed.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS

I. Explanations Related to the Consolidated Assets

1.a Information on Cash and Balances with the Central Bank of Turkey:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Cash in TRY/Foreign Currency	259	173	128	168
Balances with the Central Bank of Turkey	68	2.360	484	2.137
Other	-	-	-	-
Total	327	2.533	612	2.305

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

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Unrestricted demand deposits	68	2.360	484	2.137
Unrestricted time deposits	-	-	-	-
Restricted time deposits	-	-	-	-
Total	68	2.360	484	2.137

2.a Information on financial assets at fair value through profit and loss

2.a.1 Trading securities

2.a.1.a Trading securities given as collateral or blocked

As of the balance sheet date, the Group's trading securities given as collateral or blocked amounted to TRY 1.850 Thousand (December 31, 2008: TRY 3.823 Thousand).

2.a.1.b Trading securities subject to repurchase agreements

As of the balance sheet date, the Group has no trading securities subject to repurchase agreements (December 31, 2008: TRY 1.640 Thousand).

2.a.2 Information on financial assets designated at fair value through profit and loss

2.a.2.a Information on financial assets designated at fair value through profit and loss given as collateral or blocked

As of the balance sheet date, the Group has no financial assets designated at fair value through profit and loss given as collateral or blocked (December 31, 2008: None).

2.a.2.b Financial assets designated at fair value through profit and loss subject to repurchase agreements

As of the balance sheet date, the Group has no financial assets designated at fair value through profit and loss subject to repurchase agreements (December 31, 2008: None).

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

I. Explanations Related to the Consolidated Assets (Cont'd)

2.b Positive differences related to derivative financial assets held-for-trading:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Held for trading financial derivative instruments				
Forward Transactions	2	-	57	-
Swap Transactions	21.308	559	18.698	667
Futures Transactions	-	-	-	-
Options	-	2.067	-	1.633
Other	-	-	-	-
Total	21.310	2.626	18.755	2.300

3. Information on Banks:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks				
Domestic	70.871	1.608	58.168	12.155
Foreign	-	194.849	-	143.400
Branches and head office abroad	-	-	-	-
Total	70.871	196.457	58.168	155.555

4. Information on financial assets available-for-sale

4.a.1 Financial assets available-for-sale subject to repurchase agreements:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Government bonds	1.046.045	54.230	827.384	41.302
Treasury bills	16.010	-	72	-
Other public sector debt securities	-	-	-	-
Bank bonds and bank guaranteed bonds	-	-	-	-
Asset backed securities	-	-	-	-
Other	-	-	-	-
Total	1.062.055	54.230	827.456	41.302

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

I. Explanations Related to the Consolidated Assets (Cont'd)

4. Information on financial assets available-for-sale

4.a.2 Information on financial assets available-for-sale given as collateral or blocked:

All financial assets available for sale given as collateral comprise of financial assets issued by the Turkish Treasury. The carrying value of those assets is TRY 315.984 Thousand (December 31, 2008: TRY 292.951 Thousand).

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Share certificates	-	-	-	-
Bond, Treasury bill and similar investment securities	127.510	188.474	129.809	163.142
Other	-	-	-	-
Total	127.510	188.474	129.809	163.142

4.b Major types of available for sale financial assets:

Available for sale financial assets comprise 0,97 % treasury bills, 76,94 % government bonds and 16,60 % Eurobonds, and 5,49 % shares and other securities (December 31, 2008: 1,53 % treasury bills, 76,56 % government bonds, 16,51 % Eurobonds and 5,40 % shares and other securities).

Financial and non-financial investments, to which the Bank has invested between 0,15 % to 5 % are classified in available-for-sale financial assets.

4.b.1 Information on financial assets available for sale portfolio:

	Current Period	Prior Period
Debt securities	1.897.665	1.769.441
Quoted on a stock exchange	1.488.875	1.397.467
Not quoted	408.790	371.974
Share certificates	34.890	32.813
Quoted on a stock exchange	4.593	4.593
Not quoted	30.297	28.220
Impairment provision(-)	(58.817)	(44.640)
Other	2.819	2.742
Total	1.876.557	1.760.356

All unquoted available for sale equities are recorded at fair value except for the Parent Bank's investment of TRY 17.577 Thousand which is recorded at cost since respective fair values cannot be reliably measured.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

I. Explanations Related to the Consolidated Assets (Cont'd)

5. Information on Loans

5.a Information on all types of loans and advances given to shareholders and employees of the Parent Bank

	Current Period		Prior Period	
	Cash Loans	Non-Cash Loans	Cash Loans	Non-Cash Loans
Direct loans granted to shareholders	66.498	141.759	72.765	141.759
Corporate shareholders	66.498	141.759	72.765	141.759
Real person shareholders	-	-	-	-
Indirect loans granted to shareholders	-	-	-	-
Loans granted to employees	181	-	225	-
Total	66.679	141.759	72.990	141.759

5.b Information on the first and second group loans and other receivables including restructured or rescheduled loans:

Cash Loans	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	Loans and Other Receivables	Restructured or Rescheduled	Loans and Other Receivables	Restructured or Rescheduled
Non-specialized loans	3.707.791	501	903	74.721
Discount notes	-	-	-	-
Export loans	-	-	-	-
Import loans	-	-	-	-
Investment loans	2.085.078	501	903	71.454
Loans given to financial sector	963.548	-	-	-
Foreign loans	1.351	-	-	-
Consumer loans	181	-	-	-
Credit cards	-	-	-	-
Precious metals loans	-	-	-	-
Other	657.633	-	-	3.267
Specialized loans	-	-	-	-
Other receivables	-	-	-	-
Total	3.707.791	501	903	74.721

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

I. Explanations Related to the Consolidated Assets (Cont'd)

5. Information on Loans (Cont'd)

5.c Information on consumer loans, individual credit cards, personnel loans and credit cards given to personnel:

	Short Term	Medium and Long Term	Total
Consumer Loans-TRY	-	-	-
Housing Loans	-	-	-
Car Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Consumer Loans -Indexed to FC	-	-	-
Housing Loans	-	-	-
Car Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Housing Loans	-	-	-
Car Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Individual Credit Cards-TRY	-	-	-
With Installments	-	-	-
Without Installments	-	-	-
Individual Credit Cards-FC	-	-	-
With Installments	-	-	-
Without Installments	-	-	-
Personnel Loans-TRY	148	33	181
Housing Loans	-	-	-
Car Loans	-	-	-
General Purpose Loans	-	-	-
Other	148	33	181
Personnel Loans- Indexed to FC	-	-	-
Housing Loans	-	-	-
Car Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Housing Loans	-	-	-
Car Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TRY	-	-	-
With Installments	-	-	-
Without Installments	-	-	-
Personnel Credit Cards-FC	-	-	-
With Installments	-	-	-
Without Installments	-	-	-
Overdraft Accounts-TRY (Real Persons)	-	-	-
Overdraft Accounts-FC (Real Persons)	-	-	-
Total	148	33	181

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

I. Explanations Related to the Consolidated Assets (Cont'd)

5. Information on Loans (Cont'd)

5.d Information on commercial loans with installments and corporate credit cards:

The Parent Bank has not granted any commercial loans with installments and corporate credit cards as of the balance sheet date (December 31, 2008 :None).

5.e Domestic and foreign loans:

	Current Period	Prior Period
Domestic Loans	3.782.565	3.593.769
Foreign Loans	1.351	5.063
Total	3.783.916	3.598.832

5.f Loans granted to subsidiaries and associates:

	Current Period	Prior Period
Direct loans granted to subsidiaries and associates	68.678	60.369
Indirect loans granted to subsidiaries and associates	-	-
Total	68.678	60.369

5.g Specific provisions provided against loans:

	Current Period	Prior Period
Loans and receivables with limited collectability	181	-
Loans and receivables with doubtful collectability	4	-
Uncollectible loans and receivables	23.488	25.428
Total	23.673	25.428

The Parent Bank allocates -100 % provision for all non-performing loans regardless of the collaterals.

5.h Information on non-performing loans (Net):

5.h.1 Information on loans and other receivables restructured or rescheduled from non-performing loans:

	III. Group	IV. Group	V. Group
	Loans and Receivables With Limited	Loans and Receivables With Doubtful Collectability	Uncollectible Loans and Receivables
Current Period			
(Gross amounts before provisions)	-	-	7.794
Restructured loans and other receivables	-	-	-
Rescheduled loans and other receivables	-	-	7.794
Prior Period			
(Gross amounts before provisions)	-	-	5.336
Restructured loans and other receivables	-	-	-
Rescheduled loans and other receivables	-	-	5.336

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

I. Explanations Related to the Consolidated Assets (Cont'd)

5. Information on Loans (Cont'd)

5.h Information on non-performing loans (Net) (Cont'd)

5.h.2 Movement of non-performing loans:

	III. Group	IV. Group	V. Group
	Loans and Receivables With Limited Collectability	Loans and Receivables With Doubtful Collectability	Uncollectible Loans and Receivables
Prior Period End Balance	-	-	25.428
Additions (+)	181	4	560
Transfers from Other Categories of Non-performing Loans (+)	-	-	-
Transfers to Other Categories of Non-performing Loans (-)	-	-	-
Collections (-)	-	-	(2.387)
Write-offs (-)	-	-	(113)
Corporate and Commercial Loans	-	-	(113)
Retail Loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
Current Period Ending Balance	181	4	23.488
Specific Provisions (-)	(181)	(4)	(23.488)
Net Balance on Balance Sheet	-	-	-

5.h.3 Information on foreign currency non-performing loans and other receivables:

	III. Group	IV. Group	V. Group
	Loans and Receivables With Limited Collectability	Loans and Receivables With Doubtful Collectability	Uncollectible Loans and Receivables
Current Period			
Period End Balance	181	4	5.685
Specific Provision (-)	(181)	(4)	(5.685)
Net Balance on Balance Sheet	-	-	-
Prior Period			
Period End Balance	-	-	7.464
Specific Provision (-)	-	-	(7.464)
Net Balance on Balance Sheet	-	-	-

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

I. Explanations Related to the Consolidated Assets (Cont'd)

5. Information on Loans (Cont'd)

5.h Information on non-performing loans (Net) (Cont'd)

5.h.4 Information regarding gross and net amounts of non-performing loans with respect to user groups:

	III. Group Loans and Receivables With Limited Collectability	IV. Group Loans and Receivables With Doubtful Collectability	V. Group Uncollectible Loans and Receivables
Current Period (Net)			
Loans to Real Persons and Legal Entities (Gross)	181	4	18.145
Specific Provision Amount (-)	(181)	4	(18.145)
Loans to Real Persons and Legal Entities (Net)	-	-	-
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	5.343
Specific Provision Amount (-)	-	-	(5.343)
Other Loans and Receivables (Net)	-	-	-
Prior Period (Net)	-	-	-
Loans to Real Persons and Legal Entities (Gross)	-	-	20.085
Specific Provision Amount (-)	-	-	(20.085)
Loans to Real Persons and Legal Entities (Net)	-	-	-
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	5.343
Specific Provision Amount (-)	-	-	(5.343)
Other Loans and Receivables (Net)	-	-	-

5.i Main principles of liquidating non performing loans and receivables:

If there are collaterals received complying Article 9 of the Communiqué regarding “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves”, these collaterals are converted into cash immediately using either administrative or legal procedures in order to collect those receivables.

In cases of no collaterals, several financial investigations are made to determine whether any property holdings are subsequently acquired by applying legal procedures, even if there is evidence of insolvency for the debtor.

Before and after the beginning of the liquidation process; the Bank management makes investigations on the financial data of the debtor companies. As a result of these investigations, if the Bank management agrees that the companies show any indication of operating on an ongoing basis and probably are going to have contributions in the economical environment in the future; the Bank management tries to make the collection through rescheduling the payment terms.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

I. Explanations Related to the Consolidated Assets (Cont'd)

6. Information on held-to-maturity investments:

6.a Information on held-to-maturity investments securities as collateral or blocked:

6.a.1 As of the balance sheet date, the information on held-to-maturity investments securities given as collateral or blocked is as follows:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Share Certificates	-	-	-	-
Bond, Treasury Bill and Other Marketable Securities	4.960	-	3.022	-
Other	-	-	-	-
Total	4.960	-	3.022	-

6.a.2 As of the balance sheet date, the investment securities held-to-maturity of the Group are as follow:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Share Certificates	-	-	-	-
Bond, Treasury Bill and Other Marketable Securities	60.122	-	-	-
Other	-	-	-	-
Total	60.122	-	-	-

6.b Information on investment securities held-to-maturity

As of the balance sheet date, the Bank has amount of TRY 104.546 Thousand of investment securities held-to-maturity (December 31, 2008: 6.514 Bin TL).

6.c Movement of held to maturity investments:

	Current Period	Prior Period
Beginning balance	6.514	-
Foreign currency differences on monetary assets	-	-
Purchases during year	96.449	6.205
Disposals through sales and redemptions	-	-
Impairment provision (-)	-	-
Closing Balance	102.963	6.205
Interest and Income Accruals	1.583	309
Total	104.546	6.514

The Parent Bank transferred a portion of its marketable securities in the Available-for-Sale and Financial Assets at Fair Value through Profit and Loss portfolio with a notional amount of TRY 81.166 Thousand and TRY 4.900 Thousand respectively to its Held-to-Maturity portfolio due to the change in the intention. The fair value of these securities was TRY 95.787 Thousand as of the transfer date, which is shown as "Purchases during the year" in the above table. For the securities transferred from Available-for-Sale portfolio, the positive valuation differences amounting to TRY 2.220 Thousand under equity realized until the transfer date of these securities will be amortized and transferred to profit/loss till the maturity of these securities. As of the balance sheet date, the positive valuation difference that remains under equity is TRY 2.149 Thousand.

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009

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

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

I. Explanations Related to the Consolidated Assets (Cont'd)

7. Information on Investments in Associates (Net):

7.a.1 Information on unconsolidated associates:

	Title	Address (City/ Country)	Bank's share percentage-If different voting percentage (%)	Bank's risk group share percentage (%)
1	GÖZLÜK SANAYİ A.Ş. (Gözlük)	İzmir/Turkey	21,71	21,71
2	SENAPA-STAMPA AMBALAJ SANAYİ VE TİCARET A.Ş. (Senapa)	Kocaeli/Turkey	6,95	6,95
3	TERME METAL SANAYİ VE TİCARET A.Ş. (Terme)	İstanbul/Turkey	17,83	18,76
4	ÜNİSA AMBALAJ SANAYİ VE TİCARET A.Ş. (Ünsa)	İstanbul/Turkey	7,52	7,52

Non-financial associates, as above, are not consolidated in accordance with the Communiqué on "Preparing Consolidated Financial Statements of the Banks".

	Total Assets	Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit /Loss	Prior Period Profit/Loss	Fair Value
Gözlük (1)	5.965	5.455	48	175	-	3.666	(371)	-
Senapa (2)	34.170	6.327	24.036	90	15	(1.536)	(453)	-
Terme (3)	12.003	1.472	1.086	-	-	420	441	-
Ünsa (4)	78.623	25.399	22.060	113	-	(5.327)	(1.601)	-

(1) Represents un-audited 31.12.08 financial statements. Prior year loss is obtained from 31.12.07 financial statements.

(2) Represents un-audited 31.12.08 financial statements. Prior year loss is obtained from 31.12.07 financial statements.

(3) Represents un-audited 31.12.08 financial statements. Prior year loss is obtained from 31.12.07 financial statements.

(4) Represents un-audited 31.12.08 financial statements. Prior year loss is obtained from 31.12.07 financial statements.

7.a.2 Information on the consolidated associates:

	Title	Address (City/ Country)	Bank's share percentage-If different voting percentage (%)	Bank's risk group share percentage (%)
1	İŞ FACTORİNG FİNANSMAN HİZMETLERİ A.Ş. (İş Factoring)	İstanbul/Turkey	21,75	100,00
2	İŞ FİNANSAL KİRALAMA A.Ş. (İş Finansal)	İstanbul/Turkey	28,56	58,54
3	İŞ GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş. (İş Girişim)	İstanbul/Turkey	16,67	48,75

	Total Assets	Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Fair Value
İş Factoring (1)	98.853	29.339	131	66	2	1.486	20.570	-
İş Finansal (2)	1.242.042	286.373	777	2.766	-	12.278	76.309	30.646
İş Girişim (3)	128.625	125.428	990	236	1.286	2.086	20.085	6.708

(1) Represents un-reviewed 31.03.09 financial statements. Prior year profit is obtained from 31.12.08 financial statements.

(2) Represents un-reviewed 31.03.09 financial statements. Prior year profit is obtained from 31.12.08 financial statements. Fair value is presented as of 31.03.09.

(3) Represent un-reviewed 31.03.09 financial statements. Prior year profit is obtained from 31.12.08 financial statements. Fair value is presented as of 31.03.09.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

I. Explanations Related to the Consolidated Assets (Cont'd)

7. Information on Investments in Associates (Net) (Cont'd):

7.a.2 Information on the consolidated associates (Cont'd):

	Current Period	Prior Period
Balance at the Beginning of the Period	112.428	88.654
Movements During the Period	5.114	23.774
Purchases	-	-
Bonus Shares Received	-	12.995
Current Year Share of Profit	4.584	10.779
Sales	-	-
Revaluation Increase	530	-
Provision for Impairment	-	-
Balance at the End of the Period	117.542	112.428
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

7.a.3 Sectoral information of associates and the related carrying amounts in the legal books

	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	12.937	12.342
Leasing Companies	81.788	78.174
Financial Service Companies	-	-
Other Associates	22.817	30.192

7.a.4 Information on associates quoted on stock market

	Current Period	Prior Period
Associates Quoted on Domestic Stock Markets	96.326	100.086
Associates Quoted on Foreign Stock Markets	-	-

7.a.5 Information on associates sold in the current period:

No associate has been sold in the current period (December 31, 2008: None).

7.a.6 Information on associates purchased in the current period

No associate has been sold in the current period.

In the prior period, the Parent Bank obtained TRY 12.995 Thousand bonus shares through the capital increase of İş Finansal Kiralama A.Ş. amounting TRY 45.500 Thousand.

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

I. Explanations Related to the Consolidated Assets (Cont'd)

8. Information Related to Subsidiaries (Net)

8.a.1 Information related to unconsolidated subsidiaries

	Title	Address (City/ Country)	Bank's share percentage-If different voting percentage (%)	Bank's risk group share percentage (%)
1	TSKB Gayrimenkul Değerleme A.Ş. (TSKB GMD)	İstanbul /Turkey	99,99	99,99

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Fair Value
TSKB GMD (1)	3.216	2.581	1.037	19	101	571	827	-

(1) Represents un-audited 31.12.08 financial statements. Prior year profit is obtained from 31.12.07 financial statements.

8.a.2 Information related to consolidated subsidiaries

	Title	Address (City/ Country)	Bank's share percentage-If different voting percentage (%)	Bank's risk group share percentage (%)
1	TSKB Yatırım Ortaklığı A.Ş. (TSKB Y.O.)	İstanbul /Turkey	29,75	44,48
2	Yatırım Finansman Menkul Değerler A.Ş. (YFMEN.DEĞ.)	İstanbul /Turkey	95,78	98,42
3	TSKB Gayrimenkul Yatırım Ortaklığı A.Ş. (TSKB GYO)	İstanbul/Turkey	96,00	100,00
4	Yatırım Finansman Yatırım Ortaklığı A.Ş. (YF Y.O.)	İstanbul/Turkey	10,78	41,18

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Fair Value
TSKB Y.O. (1)	18.259	18.214	-	-	342	47	(3.081)	2.517
YF MEN.DEĞ. (2)	102.165	43.835	1.350	2.371	536	450	1.398	-
TSKB GYO (3)	187.954	106.930	95.286	662	7	(1.856)	3.063	-
YF Y.O. (4)	11.185	11.138	-	-	32	490	(3.712)	464

(1) Represents un-reviewed 31.03.09 financial statements. Prior year profit is obtained from 31.12.08 financial statements. Fair value is presented as of 31.03.09.

(2) Represents un-reviewed 31.03.09 financial statements. Prior year profit is obtained from 31.12.08 financial statements.

(3) Represents un-reviewed 31.03.09 financial statements. Prior year profit is obtained from 31.12.08 financial statements.

(4) Represents un-reviewed 31.03.09 financial statements. Prior year profit is obtained from 31.12.08 financial statements. Fair value is presented as of 31.03.09.

In the Board of Directors' meetings of the Parent Bank's associates TSKB Yatırım Ortaklığı A.Ş. and Yatırım Finansman Yatırım Ortaklığı A.Ş. held on September 24, 2008, it has been resolved that these two entities will be merged under TSKB Yatırım Ortaklığı A.Ş. according to the article 451 of Turkish Commercial Code, and 19th and 20th articles of Corporate Tax Law No: 5520. For this purpose, managements of these companies have been authorized to fulfill the required duties and transactions. In the Competition Board's meeting held on February 4, 2009 and 09/04/67-24 numbered, the merger of these two entities was permitted.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

I. Explanations Related to the Consolidated Assets (Cont'd)

8. Information Related to Subsidiaries (Net) (Cont'd)

8.a.2 Information related to consolidated subsidiaries (Cont'd)

	Current Period	Prior Period
Balance at the Beginning of the Period	175.354	143.213
Movements During the Period	-	32.141
Purchases	-	24.000
Bonus Shares Obtained	-	8.141
Current Year Shares of Profit	-	-
Sales	-	-
Revaluation Increase	-	-
Provision for Impairment	-	-
Balance At the End of the Period	175.354	175.354
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

According to the principles of consolidation accounting, the cost values of the consolidated subsidiaries have been eliminated from the accompanying consolidated financial statements.

8.a.3 Sectoral information on subsidiaries and the related carrying amounts in the legal books

	Current Period	Prior Period
Subsidiaries		
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Financial Service Companies	-	-
Other Associates	175.733	175.733

8.a.4 Subsidiaries quoted on stock exchange

As of the balance sheet date, the carrying value of the Group's subsidiaries quoted on the stock exchange is TRY 2.981 Thousand (December 31, 2008: TRY 2.713 Thousand).

8.a.5 Subsidiaries sold in the current period

The Parent Bank has not sold any subsidiaries in the current period (December 31, 2008: None).

8.a.6 Subsidiaries purchased in the current period:

The Parent Bank has not sold any subsidiaries in the current period

During the prior period, the Parent Bank obtained TRY 8.141 Thousand bonus shares through the capital increase of Yatırım Finansman Menkul Değerler A.Ş. amounting to TRY 8.500 Thousand. Besides the Bank has contributed to the capital increase of TSKB Gayrimenkul Yatırım Ortaklığı A.Ş. by cash amounting to TRY 24.000 Thousand and increased its nominal shareholding to TRY 96.000 Thousand. As per December 16, 2008 dated Board of Directors' meeting of TSKB Gayrimenkul Değerleme A.Ş., the subsidiary of the Parent Bank, it has been resolved to transfer TRY 60 Thousand nominal shares of TSKB Gayrimenkul Değerleme A.Ş. to the Parent Bank.

9. Information on Entities under Common Control

The Group has no entities under common control as of balance sheet date (December 31, 2008: None).

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

I. Explanations Related to the Consolidated Assets (Cont'd)

10. Information on Finance Lease Receivables (Net)

10.a Maturities of investments on finance leases

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	21.389	20.807	16.212	15.519
Between 1- 4 years	169.645	155.937	187.109	170.509
More than 4 years	34.842	30.688	36.710	29.585
Total	225.876	207.432	240.031	215.613

10.b The information on net investments in finance leases:

	Current Period	Prior Period
Gross investments in finance leases	225.876	240.031
Unearned revenue from finance leases (-)	(18.444)	(24.418)
Cancelled finance leases (-)	-	-
Net investments in finance leases	207.432	215.613

10.c Explanation with respect to finance lease agreements, the criteria used in determination of contingent rents, conditions for revisions or purchase options, updates of leasing amounts and the restrictions imposed by lease arrangements, whether arrays in repayment occur, whether the terms of the contract are renewed, if renewed, the renewal conditions, whether the renewal results any restrictions, and other important conditions of the leasing agreement

Finance lease agreements are made in accordance with the related articles of financial leasing law 3286. There are no restructuring or restrictions having material effect on financial statements.

11. Information on derivative financial assets for hedging purposes

The Group has no derivative financial assets for hedging purposes as of the balance sheet date (December 31, 2008: None).

12. Information on Investment Properties

In the current period, the Parent Bank has investment properties with a net book value of TRY 5.415 Thousand belonging to the Parent Bank's subsidiary operating in the real-estate investment trust sector. The fair value of the investment property is determined as TRY 5.415 Thousand based on an independent appraisal report issued on December 26, 2008 by a CMB registered real-estate appraiser company. TRY 1.764 Thousand of fair value difference is recognized under the other operating income in the accompanying financial statements (December 31, 2008: TRY 5.415 Thousand net book value, TRY 1.764 Thousand fair value difference, date of expert is December 26, 2008).

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

I. Explanations Related to the Consolidated Assets (Cont'd)

13. Information on Deferred Tax Assets

13.a Temporary differences, tax losses, exemptions and deductions reflected to balance sheet as deferred tax asset

The Group has computed deferred tax asset or liability on temporary differences arising from carrying values of assets and liabilities in the accompanying financial statements and their tax bases.

Deferred Tax Asset	Current Period	Prior Period
Useful life difference of fixed assets	883	1.006
Financial lease adjustments	1.731	1.608
Derivative instruments accruals	723	554
Employee benefit provision	906	765
Loan commissions accrual adjustment	2.790	2.496
Other provisions	5.426	7.425
Other	5.809	2.302
Total	18.268	16.156

In addition, TRY 3.036 Thousand of deferred tax, which is calculated over the fair value differences on available for sale securities value increase fund, is offset against the "available for sale securities value increase fund" item under equity (December 31, 2008: TRY 5.553 Thousand).

13.b Temporary differences over which deferred tax asset are not computed and recorded in the balance sheet in prior periods, if so, their expiry date, losses and tax deductions and exceptions

The Group has no deductible temporary differences that are not included in calculation of deferred tax asset and not reflected to financial statements in prior periods.

13.c Allowance for deferred tax and deferred tax assets from reversal of allowance

As of the balance sheet date, the Group has no allowance for deferred tax and deferred tax assets from reversal of allowance.

14. Information on assets held for sale

In the current period the, Parent Bank has no assets held for sale.

The fixed assets amounting to TRY 10.510 Thousand, accounted for as assets held for sale in the prior period, has been classified into Assets for Resale under Tangible Assets in accordance with TAS 16, TFRS 5 and BRSA regulations due to unrealized sales plan and conditions and also no longer qualifying as assets held for sale. For the related asset, depreciation is booked from the date when the asset was classified under assets held for sale and the net book value of these assets are calculated as TRY 9.173 Thousand.

15. Information about Other Assets

15.a 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

Other assets are not exceeding 10 % of total assets, excluding off-balance sheet commitments (December 31, 2008: None).

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

II. Explanations Related to the Consolidated Liabilities

1. Information on Maturity Structure of Deposits

1.a.1 Maturity Structure of Deposits

The Parent Bank is not authorized to accept deposits.

1.a.2 Information on saving deposits under the guarantee of saving deposit insurance fund and exceeding the limit of deposit insurance fund

The Parent Bank is not authorized to accept deposits.

1.b Information on the scope whether the bank with a foreign head office suits saving deposit insurance of the related country

The Parent Bank is not authorized to accept deposits.

1.c Saving deposits which are not under the guarantee of deposit insurance fund

The Parent Bank is not authorized to accept deposits

2. Information on Derivative Financial Liabilities Held-For-Trading

2.a Negative differences table related to derivative financial liabilities held-for-trading:

Derivative financial liabilities held for trading	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forward Transactions	8	-	-	-
Swap Transactions	21.751	493	17.914	514
Futures Transactions	-	-	-	-
Options	-	1.949	-	8.508
Other	-	-	-	-
Total	21.759	2.442	17.914	9.022

3. Information on Funds Borrowed

3.a Information on banks and other financial institutions:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Loans from Central Bank of Turkey	-	-	-	-
From Domestic Banks and Institutions	7.688	6.371	21.324	78.182
From Foreign Banks, Institutions and Funds	5.755	4.584.398	60.878	4.290.856
Total	13.443	4.590.769	82.202	4.369.038

3.b Maturity analysis of funds borrowed:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short-term	1.801	461.279	70.729	501.262
Medium and long-term	11.642	4.129.490	11.473	3.867.776
Total	13.443	4.590.769	82.202	4.369.038

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

II. Explanations Related to the Consolidated Liabilities (Cont'd)

4. Other Liabilities Which Exceed 10 % of the Balance Sheet Total (Excluding Off-balance Sheet Commitments) and the Breakdown of These which Constitute at least 20 % of Grand Total:

There are no other liabilities which exceed 10% of the balance sheet total (December 31, 2008: None).

5. Explanations on Financial Lease Obligations (Net):

5.a The general explanations on criteria used in determining installments of financial lease agreements, renewal and purchasing options and restrictions in the agreements that create significant obligations to the bank:

The Parent Bank entered into the financial lease transactions with its affiliates İş Finansal Kiralama A.Ş. and Vakıf Finansal Kiralama A.Ş.. The lease agreements are paid in equal installments. There are no issues in these transactions bringing obligations to the Parent Bank.

5.b The explanation on modifications in agreements and new obligations that these modifications cause:

There are no changes in financial leasing contracts.

5.c Explanations on finance lease payables:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	3	-	24	19
Between 1- 4 years	2	-	4	4
More than 4 years	-	-	-	-
Total	5	-	28	23

5.d Explanations regarding operational leases

As of the balance sheet date, the Group's 4 head offices and 14 branches are subject to operational leasing. Additionally, 32 cars are within the context of operational leasing. The Group has no obligations for operational leases as of the balance sheet date (December 31, 2008: 4 head offices, 14 branches and 32 cars are subject to financial leasing).

5.e Explanations on the lessor and lessee in sale and lease back transactions, agreement conditions, and major agreement terms:

The Group has no sale and lease back transactions as of the balance sheet date (December 31, 2008: None)

6. Information on Derivative Financial Liabilities for Hedging Purposes

The Group has no derivative financial liabilities for hedging purposes as of balance sheet date (December 31, 2008: None).

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

II. Explanations Related to the Consolidated Liabilities (Cont'd)

7. Information on Provisions

7.a Information on general loan loss provisions:

	Current Period	Prior Period
General Loan Loss Provisions	33.504	31.189
Provisions for First Group Loans and Receivables	27.161	25.519
Provisions for Second Group Loans and Receivables	1.442	1.380
Provisions for non-Cash Loans	864	818
Other	4.037	3.472

7.b Foreign exchange losses on the foreign currency indexed loans and finance lease receivables:

As of balance sheet date, the Group's foreign exchange losses on the foreign currency indexed loans amount to TRY 460 Thousand (December 31, 2008: TRY 2.645 Thousand). The foreign exchange losses on the foreign currency indexed loans are netted off from the loans in the financial statements.

7.c Information related to other provisions:

7.c.1 Provisions for possible losses:

	Current Period	Prior Period
Provision for Possible Losses (*)	15.000	25.000

(*) In the current period, the Parent Bank has provided TRY 15.000 Thousand provision for possible risks on credit portfolio in the future period (December 31, 2008: TRY 25.000 Thousand).

7.c.2 If other provisions exceeds 10% of total provisions, the name and amount of sub-accounts

	Current Period	Prior Period
Provision for Possible Losses	15.000	25.000
Provision for Dividend Received from Subsidiaries	2.424	2.424
Other	9.200	9.241
Total	26.624	36.665

8. Explanations on the Number of Subordinated Loans the Group Used, Maturity, Interest Rate, Institution that the Loan was Borrowed From, and Conversion Option, if any:

The Parent Bank has signed an agreement with the International Finance Corporation, for a subordinated loan of USD 50.000 Thousand (TRY 84.150 Thousand). The interest expense accrual of this borrowing is TRY 2.681 Thousand as of the balance sheet date.

The first agreement date of the loan was September 21, 2004. The first usage date was November 5, 2004. The interest rate is variable; at the balance sheet date it is (4,377+2,5 spread) 6,877 %. Principal repayment of the loan will be paid on October 15, 2016 as a whole.

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

II. Explanations Related to the Consolidated Liabilities (Cont'd)

9. Information on Taxes Payable:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Corporate Taxes and Deferred Taxes				
Corporate Tax Payable (*)	13.235	-	14.353	-
Deferred Tax Liability	-	-	-	-
Total	13.235	-	14.353	-

(*) As of balance sheet date. Corporate Tax Provision is TRY 13.235 Thousand (December 31, 2008: Corporate Tax Provision is TRY 31.512 Thousand and netted off from Prepaid Tax of TRY 17.159 Thousand).

9.a Information on deferred taxes liabilities

As of the balance sheet date, the Group has no deferred tax liability (December 31, 2008: None).

9.a.1 Information on taxes payable:

	Current Period	Prior Period
Corporate Taxes Payable	13.235	14.353
Taxation of Securities	1.272	1.179
Property Tax	-	-
Banking and Insurance Transaction Tax (BITT)	403	380
Foreign Exchange Transaction Tax	-	-
Value Added Tax Payable	250	100
Other	2.888	1.642
Total	18.048	17.654

9.a.2 Information on premiums:

	Current Period	Prior Period
Social Security Premiums-Employee	2	1
Social Security Premiums-Employer	3	1
Bank Social Aid Pension Fund Premium-Employee	-	-
Bank Social Aid Pension Fund Premium-Employer	-	-
Pension Fund Membership Fees and Provisions-Employee	-	-
Pension Fund Membership Fees and Provisions-Employer	-	-
Unemployment Insurance-Employee	13	12
Unemployment Insurance-Employer	27	24
Other	-	-
Total	45	38

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

II. Explanations Related to the Consolidated Liabilities (Cont'd)

10. Information on Shareholders' Equity

10.a Presentation of paid-in capital:

	Current Period	Prior Period
Common Stock	500.000	500.000
Preferred Stock	-	-

10.b Paid-in capital amount, explanation as to whether the registered share capital system ceiling is applicable at bank, if so amount of registered share capital:

Capital System	Paid-in Capital	Ceiling
Registered Capital System	500.000	1.000.000

10.c Information on share capital increases and their sources; other information on increased capital shares in current period:

In the current period, there is no increase in the paid-in capital. However, in the meeting of the General Assembly held on March 25, 2009; it has been resolved that, paid-in capital of the Bank will be increased from TRY 500.000 Thousand to TRY 600.000 Thousand by TRY 100.000 Thousand. In respect of the resolution of the General Assembly, TRY 96.000 Thousand of this increase will be incorporated from the profit of the year 2008 and TRY 4.000 Thousand from extraordinary reserves. The increase in paid-in capital was approved by BRSA on April 29, 2009; but registration transactions have not been completed, yet.

In the prior period, the Parent Bank's share capital has increased by TRY 100.000 Thousand. In respect of the resolution of the General Assembly, TRY 84.000 Thousand of this increase has been incorporated from the profit of the year 2007 and TRY 16.000 Thousand from the share capital inflation restatement adjustment. The increase in the paid in capital was approved by the BRSA on April 11, 2008 and by the resolution of the Capital Markets Board numbered 15/582 on May 23, 2008. The registration has been completed by T.C. İstanbul Trade Registry on May 30, 2008 and this increase has been recorded to the capital account.

10.d Information on share capital increases from capital reserves:

In the current period there is no share capital increases from capital reserve (December 31, 2008: TRY 16.000 Thousand).

10.e Capital commitments in the last fiscal year and at the end of the following interim period, the general purpose of these commitments and projected resources required to meet these commitments:

The Parent Bank has no capital commitments in the last fiscal year and at the end of the following interim period.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

II. Explanations Related to the Consolidated Liabilities (Cont'd)

10. Information on Shareholders' Equity (Cont'd)

10.f Indicators of the Bank's income, profitability and liquidity for the previous periods and possible effects of these future assumptions on the Bank's equity due to the uncertainty of these indicators:

The prior period income, profitability and liquidity of the Parent Bank and their trends in the successive periods are followed by Financial Control Department by considering the outcomes of the potential changes in the foreign exchange rate, interest rate and maturity alterations on profitability and liquidity under several different scenario analysis. The Parent Bank operations are profitable, and the Parent Bank keeps the major part of its profit by capital increases or capital reserves within the shareholders equity.

10.g Information on preferred shares:

The Parent Bank has no preferred shares.

10.h Information on marketable securities value increase fund:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
From Associates, Subsidiaries, and Entities Under Common Control	84	-	(445)	-
Valuation Differences	30.194	(44.871)	1.064	(30.045)
Foreign Exchange Difference	-	-	-	-
Total	30.278	(44.871)	619	(30.045)

11. Information on Minority Shares

	Current Period	Prior Period
Paid-in-Capital	24.049	24.049
Share Premium	4	4
Securities Value Increase Fund	-	-
Legal Reserves	720	717
Extraordinary Reserves	4.321	4.321
Other Profit Reserves	-	-
Retained Earnings / Accumulated Losses	(4.763)	40
Net Profit or Loss	359	(4.800)
Total	24.690	24.331

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

III. Explanations Related to the Consolidated Off-Balance Sheet Contingencies and Commitments

1. Information on Off-Balance Sheet Liabilities

1.a Nature and amount of irrevocable loan commitments:

None other than those disclosed in 1.b.1 and 1.b.2 below.

1.b Possible losses and commitments related to off-balance sheet items including items listed below

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

As of the balance sheet date, total letter of credits is TRY 264.421 Thousand (December 31, 2008: TRY 260.512 Thousand).

1.b.2 Guarantees, surety ships, and similar transactions

As of balance sheet date, total letters of guarantee is TRY 300.974 Thousand (December 31, 2008: TRY 299.282 Thousand).

1.c.1 Total amount of non-cash loans:

	Current Period	Prior Period
Non-cash Loans Given Against Achieving Cash Loans	22.449	7.530
With Maturity of One Year or Less than One Year	-	-
With Maturity of More than One Year	22.449	7.530
Other Non-Cash Loans	565.395	560.233
Total	587.844	567.763

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

III. Explanations Related to the Consolidated Off-Balance Sheet Contingencies and Commitments
(Cont'd)

1. Information on Off-Balance Sheet Liabilities (Cont'd)

1.c.2 Information on sectoral risk breakdown of non-cash loans:

	Current Period				Prior Period			
	TRY	(%)	FC	(%)	TRY	(%)	FC	(%)
Agriculture	-	-	-	-	-	-	-	-
Farming and stockbreeding	-	-	-	-	-	-	-	-
Forestry	-	-	-	-	-	-	-	-
Fishing	-	-	-	-	-	-	-	-
Industry	56.094	24	162.721	47	64.928	29	155.642	45
Mining	4.531	2	-	-	4.501	2	-	-
Manufacturing Industry	6.213	3	22.747	7	9.010	4	31.325	9
Electricity, Gas, Water	45.350	19	139.974	40	51.417	23	124.317	36
Construction	22.373	9	15.265	4	9.123	4	37.070	11
Services	147.002	61	169.363	49	146.811	67	154.189	44
Wholesale and Retail Trade	-	-	158.827	46	-	-	144.790	41
Hotel, Food and Beverage Services	-	-	-	-	-	-	-	-
Transportation and Communication	2	-	-	-	2	-	-	-
Financial Institutions	143.000	59	10.098	3	142.804	65	9.096	3
Real Asset and Leasing Services	-	-	438	-	5	-	303	-
Self-employment Services	4.000	2	-	-	4.000	2	-	-
Education Services	-	-	-	-	-	-	-	-
Health and Social Services	-	-	-	-	-	-	-	-
Other	15.026	6	-	-	-	-	-	-
Total	240.495	100	347.349	100	220.862	100	346.901	100

1.c.3 Information on Ist and IInd group non-cash loans:

	I st Group		II nd Group	
	TRY	FC	TRY	FC
Non-Cash Loans	240.495	347.349	-	-
Letters of Guarantee	225.469	75.505	-	-
Bank Acceptances	-	-	-	-
Letters of Credit	-	264.421	-	-
Endorsements	-	-	-	-
Purchase Guarantees on Issues of Securities	-	-	-	-
Factoring Guarantees	-	-	-	-
Other Commitments and Contingencies	15.026	7.423	-	-

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

II. Explanations Related to the Consolidated Off-Balance Sheet Contingencies and Commitments
(Cont'd)

2. Explanations on Contingent Liabilities and Assets

There are 10 legal cases against the Group which are amounting to TRY 51 Thousand as of the balance sheet date.

As a result of a tax inspection, the Parent Bank's subsidiary İş Factoring Finansman Hizmetleri A.Ş. was sent tax penalty notifications within the context of the article 16 of the Corporate Tax Law. İş Factoring A.Ş has brought a lawsuit against the relevant authorities concerning the cancellation of the given tax penalty notifications and on condition of keeping a right to bring a lawsuit in 2005 and paid to the tax office regarding the amounts claimed for the notifications. Subsequently, İş Factoring Finansman Hizmetleri A.Ş. has lost the pending lawsuits against the tax authority with a right to appeal to the Council of the State for the suspension of the execution of the decisions. Furthermore, İş Factoring applied to the Ministry of Finance on the condition of saving all its legal rights, to postpone its liability and to structure a repayment plan and subsequently, started to pay based on the notified repayment schedule. Subsequent to the Council of the State decision in favor of İş Factoring, the company has requested restitution of payment amounts and the restitution of payments have been realized in June 2008. As those lawsuits were resulted in favor of the company, İş Factoring management reversed the provision amount which was made in prior years as a result of the restitution by Tax Offices and recognized the related amount as an income in the prior period.

IV. Explanations Related to the Consolidated Statement of Income

1.a Information on interest on loans:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Interest on Loans				
Short Term Loans	599	1.499	1.093	608
Medium and Long Term Loans	40.815	51.474	14.713	21.226
Interest on Non-performing Loans	1.173	-	1.012	2
Premiums received from Resource Utilization Support Fund	-	-	-	-
Total	42.587	52.973	16.818	21.836

1.b Information on interest received from banks:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
The Central Bank of Turkey	-	-	-	-
Domestic Banks	3.000	528	1.252	603
Foreign Banks	-	327	-	151
Branches and Head Office Abroad	-	-	-	-
Total	3.000	855	1.252	754

1.c Information on interest income received from associates and subsidiaries:

	Current Period	Prior Period
Interest Received from Associates and Subsidiaries	1.982	338

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

IV. Explanations Related to the Consolidated Statement of Income (Cont'd)

2.a Information on interest on funds borrowed:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks	628	8.453	1.292	12.254
The Central Bank of Turkey	-	-	32	-
Domestic Banks	357	36	458	986
Foreign Banks	271	8.417	802	11.268
Branches and Head Office Abroad	-	-	-	-
Other Financial Institutions	-	81.488	-	6.894
Total	628	89.941	1.292	19.148

2.b Information on interest expenses to associates and subsidiaries:

The Group has no interest expense to its associates and subsidiaries.

3. Information on Net Trading Income (Net)

	Current Period	Prior Period
Profit	176.744	294.024
Gains on capital market operations	3.338	2.314
On derivative financial instruments	43.668	96.189
Foreign exchange gains	129.738	195.521
Losses (-)	(182.585)	(310.776)
Losses on capital market operations	(3.675)	(9.217)
On derivative financial instruments	(50.881)	(87.355)
Foreign exchange losses	(128.029)	(214.204)

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

IV. Explanations Related to the Consolidated Statement of Income (Cont'd)

4. Information related to Other Operating Income

	Current Period	Prior Period
Provisions Released	12.500	2.200
Gains on Sale of Assets	-	133
From Associate and Subsidiary Sales	-	133
From Immovable Fixed Asset Sales	-	-
From Properties Sales	-	-
From Other Asset Sales	-	-
Other	3.431	933
Total	15.931	3.266

5. Provision Expenses related to Loans and Other Receivables of the Group

	Current Period	Prior Period
Specific provisions for loans and other receivables	194	78
II. Group	181	-
IV. Group	4	-
V. Group	9	78
General provision expenses	2.315	4.020
Provision expenses for possible losses	-	-
Foreign exchange differences on foreign currency losses	-	-
Marketable securities impairment expenses	6.953	9.943
Trading securities	91	114
Investment securities available for sale	6.862	9.829
Impairment provisions	-	-
Associates	-	-
Subsidiaries	-	-
Entities under common control (Joint Vent.)	-	-
Investment securities held to maturity	-	-
Other	75	-
Total	9.537	14.041

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

IV. Explanations Related to the Consolidated Statement of Income (Cont'd)

6. Information Related to Other Operating Expenses:

	Current Period	Prior Period
Personnel expenses	10.862	10.710
Reserve for employee termination benefits	406	152
Bank social aid fund deficit provision	-	-
Impairment expenses of fixed assets	-	-
Depreciation expenses of fixed assets	694	358
Impairment expenses of intangible assets	-	-
Impairment expense of goodwill	-	-
Amortization expenses of intangible assets	70	49
Impairment on subsidiaries accounted for under equity method	-	-
Impairment on assets for resale	-	-
Depreciation expenses of assets held for resale	377	171
Impairment expenses of assets held for sale	-	-
Other operating expenses	6.821	4.663
Rent expenses	2.713	1.483
Maintenance expenses	218	220
Advertisement expenses	145	162
Other expenses	3.745	2.798
Loss on sales of assets	-	3
Other	1.030	1.073
Total	20.260	17.179

7. Information on tax provision for continued and discontinued operations:

7.a Information on current tax charge or benefit and deferred tax charge or benefit

The Group's current tax charge for the period is TRY 13.317 Thousand (March 31, 2008: TRY 5.964 Thousand). Deferred tax benefit is TRY 4.678 Thousand (March 31, 2008: TRY 3.722 Thousand deferred tax charge).

7.b Information related to deferred tax benefit or charge on temporary differences:

Deferred tax benefit calculated on temporary differences is TRY 4.678 Thousand (March 31, 2008: TRY 3.722 Thousand deferred tax charge).

7.c Information related to deferred tax benefit / charge on temporary differences, losses, tax deductions and exceptions:

As of March 31, 2009, deferred tax benefit calculated based on temporary timing differences is TRY 4.478 Thousand (March 31, 2008: TRY 3.722 Thousand deferred tax charge). There is no deferred tax benefit or charge reflected to income statement on carry forward tax losses, tax deductions and exceptions (March 31, 2008: None).

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

IV. Explanations Related to the Consolidated Statement of Income (Cont'd)

8. Information on profit/(loss) before tax from continued and discontinued operations before tax:

As of March 31, 2009, profit before tax of the Group has increased by 22,62 % compared to the prior year (March 31, 2008: 12,65 % increase).

9. Information on Net Profit/Loss

9.a 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 the complete understanding of the Bank's performance for the period

The Group has generated TRY 171.018 Thousand interest income, TRY 116.911 Thousand interest expenses, TRY 4.135 Thousand net fee and commission income from banking operations (March 31, 2008: TRY 115.203 Thousand interest income, TRY 46.207 Thousand interest expenses, TRY 4.507 Thousand net fee and commission income).

9.b The effect of the change in accounting estimates to the net profit/loss; including the effects to the future period, if any:

The changes in the accounting estimates are disclosed under the "Accounting Policies" section.

9.c Minority share of profit and loss:

The current year profit attributable to minority shares is TRY 359 Thousand (March 31, 2008: TRY (3.550) Thousand). The total shareholders equity, including current year profit attributable to minority shares is TRY 24.690 Thousand (December 31, 2008: TRY 24.331 Thousand).

10. If the other items in the income statement exceed 10 % of the income statement total, accounts amounting to at least 20 % of these items are shown below:

None, other than those explained in note IV.4 and IV.6.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION FIVE (Cont'd)

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS
(Cont'd)

VII. Explanations on the Risk Group of the Parent Bank

1. Information on the Volume of Transactions Related to the Parent Bank's Own Risk Group, Outstanding Loan and Deposit Transactions and Income and Expenses of the Period:

1.a Current Period:

Risk Group of the Parent Bank (*)	Subsidiaries and Associates		Direct and Indirect Shareholders of the Parent Bank		Other Entities Included in the Risk Group (**)	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and other receivables						
Balance at the beginning of the period	56.130	5	-	141.759	66.812	226
Balance at the end of the period	64.271	167	-	141.759	60.848	226
Interest and commission income	1.995	-	-	153	1.227	-

(*) Defined in the Paragraph 2 of the Article 20 of the "Regulation on the Establishment and Operations of Banks".

(**) Other entities included in the risk group; covers the financial lease receivables amounting to TRY 2.939 Thousand.(December 31, 2008: TRY 2.776 Thousand).

1.b Prior Period:

Risk Group of the Parent Bank (*)	Subsidiaries and Associates		Direct and Indirect Shareholders of the Parent Bank		Other Entities Included in the Risk Group (**)	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at the beginning of the period	16.560	168	-	24.347	65.319	225
Balance at end of the period	56.130	5	-	141.759	66.812	226
Interest and commission income received (***)	218	-	37	6	253	-

(*) Defined in the Paragraph 2 of the Article 20 of the "Regulation on the Establishment and Operations of Banks".

(**) Other entities included in the risk group; covers the financial lease receivables amounting to TRY 2.776 Thousand.(December 31, 2007: TRY 3.240 Thousand).

(***) The information is related to March 31, 2008.

1.c Information on deposit held by Parent Bank's own risk group

The Parent Bank is not authorized to accept deposits.

2. Information on Forward and Option Agreements and Other Similar Agreements made with Related Parties:

The Parent Bank has no forward, option and others similar agreements with Parent Bank's own risk group.

TÜRKİYE SINAI KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009

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

SECTION SIX

OTHER EXPLANATIONS AND FOOTNOTES

I. Other Explanations Related to the Operations of the Group

1.a Brief Information Related to Rating Carried Out By International Rating Firms:

FITCH RATINGS

Foreign Currency	
Long-term Maturity	BB
Outlook	Stable
Short-term Maturity	B
Turkish Lira	
Long-term Maturity	BB+
Outlook	Stable
Short-term Maturity	B
National	
Long-term Maturity	AA+(tur)
Outlook	Stable
Individual	C/D
Support	3

Information above is received from Fitch Ratings report dated September 17, 2008.

MOODY'S

Financial Rating Note	D+
Outlook	Stable
Foreign Currency	
Long-term Maturity	B1
Outlook	Stable
Short-term Maturity	N/P

Information above is received from Moody's Investors Service report as of January 3, 2008.

2. Significant Events and Matters Arising Subsequent to Balance Sheet Date

In the current period, there is no increase in the paid-in capital. However, in the meeting of the General Assembly held on March 25, 2009; it has been resolved that, paid-in capital of the Parent Bank will be increased from TRY 500.000 Thousand to TRY 600.000 Thousand by TRY 100.000 Thousand. In respect of the resolution of the General Assembly, TRY 96.000 Thousand of this increase will be incorporated from the profit of the year 2008 and TRY 4.000 Thousand from extraordinary reserves. The increase in paid-in capital was approved by BRSA on April 29, 2009; but registration transactions have not been completed, yet.

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1, 2009 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION SEVEN

INDEPENDENT AUDITORS' REPORT

I. Explanations on the Independent Auditors' Limited Review Report

The consolidated financial statements and notes to the consolidated financial statements as at March 31, 2009 have been reviewed by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. ("Member of Deloitte Touche Tohmatsu").

The independent auditors' limited review report is presented at the beginning of the consolidated financial statements and related notes.

II. Explanations and Notes Prepared by Independent Auditor

There are no other explanations and notes not expressed in sections above related with Group's operations.

