Convenience Translation of a Report and Financial Statements Originally Issued in Turkish

Yazıcılar Holding Anonim Şirketi and its Subsidiaries

Consolidated Interim Financial Statements As of September 30, 2005

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Consolidated Interim Balance Sheet
As at September 30, 2005
(Currency– YTL unless otherwise indicated)

ASSETS	Notes	Unaudited September 30, 2005	Audited December 31, 2004
Current Assets		**1.515.649.231**	**1.045.319.632**
Cash and Cash Equivalents	4	162.111.295	200.323.485
Marketable Securities (net)	5	315.312.889	106.093.972
Reserve Deposits at Central Bank	44.1	59.956.000	52.751.000
Banking Loans (net)	44.2	684.728.273	506.223.000
Trade Receivables (net)	7.1	74.392.604	33.183.775
Lease Receivables (net)	8.1	53.815.692	42.738.041
Derivative Financial Instruments – assets	44.5	265.000	1.006.000
Due From Related Parties (net)	9.1	18.451.399	9.602.639
Other Receivables (net)	10.1	11.346.650	8.017.827
Biological Assets (net)	11	4.857.826	-
Inventories (net)	12	93.336.853	65.014.550
Receivables from Continuing Construction Contracts (net)		-	-
Deferred Tax Assets		-	-
Other Current Assets	15.1	37.074.750	20.365.343
Non-Current Assets		**913.831.433**	**1.003.956.931**
Marketable Securities (net)	5	96.130.000	217.830.000
Banking Loans (net)	44.2	80.313.000	64.770.000
Trade Receivables (net)	7.1	41.608	-
Lease Receivables (net)	8.1	39.748.000	25.484.000
Due from Related Parties (net)		-	-
Other Receivables (net)		-	-
Investments (net)	16	536.362.791	544.913.881
Positive/Negative Goodwill (net)	17	35.344.256	35.344.256
Investment Property (net)		-	-
Property, Plant and Equipment (net)	19	85.445.204	61.035.160
Intangible Assets (net)	20	11.033.438	12.282.024
Deferred Tax Assets	14	27.183.894	37.801.309
Other Non-Current Assets	15.2	2.229.242	4.496.301
TOTAL ASSETS		**2.429.480.664**	**2.049.276.563**

Consolidated Interim Balance Sheet
As at September 30, 2005
(Currency– YTL unless otherwise indicated)

LIABILITIES	Notes	**Unaudited September 30, 2005**	Audited December 31, 2004
Current Liabilities		**1.383.870.069**	**1.172.131.595**
Short-Term Borrowings (net)	6	89.089.704	35.235.434
Current Portion of Long-Term Borrowings (net)	6	340.031	7.135.076
Lease Obligations (net)	8.2	2.544.799	3.502.057
Other Financial Liabilities (net)		-	-
Trade Payables (net)	7.2	51.876.958	48.888.211
Deposits	44.3	838.969.457	713.993.042
Funds Borrowed	44.4	302.545.558	257.584.357
Blocked Accounts		39.361.000	16.112.000
Due to Related Parties (net)	9.2	1.929.276	36.889.935
Advances Received	21	4.234.771	1.013.664
Deferred Income from Continuing Construction Contracts (net)		-	-
Provisions	23	6.772.853	3.884.428
Derivative Financial Instruments – liabilities	44.5	5.834.000	1.878.000
Deferred Tax Liability		-	-
Other Liabilities (net)	15.3	40.371.662	46.015.391
Non-Current Liabilities		**43.856.678**	**33.946.598**
Long-Term Borrowings (net)	6	328.539	680.825
Lease Obligations (net)	8.2	4.424.588	6.199.584
Other Financial Liabilities (net)		-	-
Trade Payables (net)	7.2	44.024	-
Funds Borrowed	44.4	21.339.000	13.621.000
Due to Related Parties (net)		-	-
Advances Received		-	-
Provisions	23	13.476.457	10.879.892
Deferred Tax Liability	14	4.209.775	2.542.639
Other Liabilities (net)	15.3	34.295	22.658
MINORITY INTEREST		**194.686.845**	**147.404.389**
EQUITY		**807.067.072**	**695.793.981**
Capital	1, 25	**40.000.000**	**20.475.019**
Capital Subsidiaries Elimination		**-**	**-**
Capital Reserves		**233.853.830**	**253.377.640**
Share Premium	26	9.446.870	25.197.310
Income on Stock Disposals		-	-
Revaluation Fund		-	-
Financial Assets Value Increment Fund		-	-
Adjustment to Equity		224.406.960	228.180.330
Profit Reserves		**176.793.389**	**128.115.367**
Legal Reserves	27	23.718.956	16.568.189
Statutory Reserves	27	8.000	8.000
Extraordinary Reserves	27	192.033.838	147.240.812
Special Reserves	27	6.490.749	5.144.463
Gain on Sale of Investment and Property, Plant and Equipment to be Transferred to Capital		-	-
Currency Translation Difference		(45.458.154)	(40.846.097)
Net Income		**137.287.718**	**131.670.225**
Accumulated Profits	28	**219.132.135**	**162.155.730**
TOTAL LIABILITIES AND EQUITY		**2.429.480.664**	**2.049.276.563**

The explanatory notes on pages 8 through 64 form an integral part of these consolidated interim financial statements.

Consolidated Interim Income Statement
For the Nine-Month Period Ending on September 30, 2005
(Currency– YTL unless otherwise indicated)

		Unaudited		Audited	
	Notes	**01.01.2005 – 30.09.2005**	**01.07. 2005 – 30.09. 2005**	01.01.2004 – 30.09.2004	01.07. 2004 – 30.09. 2004
OPERATING REVENUE					
Sales (net)	36	**517.718.249**	**222.759.362**	345.334.590	135.545.618
Cost of Sales (-)	36	**(395.985.417)**	**(174.553.710)**	(245.997.527)	(96.618.654)
Interest Income (net)	36	**70.251.690**	**26.209.276**	54.245.916	31.625.263
Service Income (net)	36	**16.716.467**	**4.225.850**	11.577.605	4.949.216
Other Income from Operations (net)		**-**	**-**	-	-
GROSS OPERATING PROFIT		**208.700.989**	**78.640.778**	165.160.584	75.501.443
Operating Expenses (-)	37	**(118.155.279)**	**(42.829.290)**	(107.668.298)	(40.496.094)
PROFIT FROM OPERATIONS		**90.545.710**	**35.811.488**	57.492.286	35.005.349
Other Income	38.1	**142.680.007**	**62.942.667**	123.715.352	43.730.620
Other Expense (-)	38.2	**(17.805.609)**	**(4.875.607)**	(27.735.687)	1.039.558
Financial Expense (-)	39	**(12.284.820)**	**(4.041.470)**	(15.666.311)	(5.894.229)
OPERATING INCOME		**203.135.288**	**89.837.078**	137.805.640	73.881.298
Monetary Gain / (Loss)	40	**-**	**-**	7.331.088	(925.009)
Minority Interest	24	**(36.930.696)**	**(14.754.221)**	(20.206.355)	(12.280.773)
INCOME BEFORE TAX		**166.204.592**	**75.082.857**	124.930.373	60.675.516
Income Tax	14, 41	**(28.916.874)**	**(12.203.168)**	(19.985.857)	(14.368.228)
NET INCOME		**137.287.718**	**62.879.689**	104.944.516	46.307.288
Earnings Per Share (full YTL)	42	**3,43**		5,13	

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Convenience Translation of a Report and Financial Statements Originally Issued in Turkish
Yazıcılar Holding Anonim Şirketi and Its Subsidiaries

Consolidated Interim Shareholders' Equity Statement for the Nine-Month Period Ending on September 30, 2005
(Currency– YTL unless otherwise indicated)

	Historical Issued Capital	Adjustment to Equity	Treasury Shares	Share Premium	Legal, Special and Extraordinary Reserves	Currency Translation Differences	Net Income	Accumulated Profits	Total Equity
Balance at December 31, 2004	**20.475.019**	**228.180.330**	**-**	**25.197.310**	**163.822.001**	**(40.846.097)**	**134.881.546**	**164.083.872**	**695.793.981**
Change in accounting policy IAS 39 – (Note 2)	-	-	-	-	5.139.463	-	(3.211.321)	(1.928.142)	-
Restated balance at December 31, 2004	**20.475.019**	**228.180.330**	**-**	**25.197.310**	**168.961.464**	**(40.846.097)**	**131.670.225**	**162.155.730**	**695.793.981**
Transfer of net income to the accumulated profits	-	-	-	-	51.943.780	-	(108.920.185)	56.976.405	-
Dividend paid	-	-	-	-	-	-	(22.750.040)	-	(22.750.040)
Capital increase	19.524.981	(3.773.370)	-	(15.750.440)	-	-	-	-	1.171
Securities value increase fund	-	-	-	-	1.346.295	-	-	-	1.346.295
Currency translation differences	-	-	-	-	-	(4.612.057)	-	-	(4.612.057)
Net income for the period	-	-	-	-	-	-	137.287.718	-	137.287.718
Balance at September 30, 2005	**40.000.000**	**224.406.960**	**-**	**9.446.870**	**222.251.539**	**(45.458.154)**	**137.287.718**	**219.132.135**	**807.067.072**

	Historical Issued Capital	Adjustment to Equity	Treasury Shares	Share Premium	Legal, Special and Extraordinary Reserves	Currency Translation Differences	Net Income	Accumulated Profits	Total Equity
Balance at December 31, 2003	13.650.013	227.087.396	(4.566.394)	10.179.569	153.950.768	(26.821.3	138.334.940	55.550.260	567.365.240
Decrease in share premium	-	-	-	(671.925)		-	-	-	(671.925)
Capital increase	6.825.006	146.935	-	(2.932.346)	(4.039.595)	-	-	-	-
Dividend paid	-	(320.722)	-	-	(6.079.856)	-	(8.543.920)	-	(14.944.498)
Transfer of net income to the accumulated profits	-	-	-	-	25.865.958	-	(129.791.020)	103.925.062	-
Reclassification from gain on sale of treasury shares	-	-	(1.613.208)	1.613.208	-	-	-	-	-
Sale of treasury shares	-	-	1.189.393	11.747.962	-	-	-	-	12.937.355
Bonus Issue	-	-	(146.151)						(146.151)
Currency translation differences	-	-	-	-	-	(1.278.812)	-	-	(1.278.812)
Inflation adjustment differences	-	4.061.831	-	-	(4.061.831)	-	-	-	-
Net income for the period	-	-	-	-	-	-	107.995.182	-	107.995.182
Balance at September 30, 2004	20.475.019	230.975.440	(5.136.360)	19.936.468	165.635.444	(28.100.124)	107.995.182	159.475.322	671.256.391
Change in accounting policy IAS 39 – (Note 2)	-	-	-		5.058.637	-	(3.050.665)	(2.007.972)	-
Restated balance at September 30, 2004	20.475.019	230.975.440	(5.136.360)	19.936.468	170.694.081	(28.100.124)	104.944.517	157.467.350	671.256.391

The explanatory notes on pages 8 through 64 form an integral part of these consolidated interim financial statements.

Convenience Translation of a Report and Financial Statements Originally Issued in Turkish
Yazıcılar Holding Anonim Şirketi and Its Subsidiaries

Consolidated Interim Cash Flow Statement
For the Nine-Month Period Ending on September 30, 2005
(Currency – YTL unless otherwise indicated)

	Notes	Unaudited	Audited
		September 30, 2005	September 30, 2004
Cash flow from operating activities			
Net profit before minority interest, income tax and gain on monetary position		**203.135.288**	137.805.640
Adjustments for:			
Foreign exchange gain and losses		**(2.467.712)**	(3.849.661)
Gain from disposal of tangible and intangible assets	38	**304.771**	(722.277)
Depreciation and amortization (including goodwill)		**14.276.215**	22.750.118
Provision for possible loan losses and impairment in receivables		**19.617.528**	2.926.338
Provision for employee termination benfits		**3.321.556**	2.187.196
Interest expense		**21.870.326**	21.089.978
Gain on sale of shares in associates, joint ventures and other investments	38.1	**(4.365.422)**	(782.030)
Equity income of associates and joint ventures	16, 38.1	**(90.758.091)**	(73.731.786)
Operating profit before changes in operating assets and liabilities		**164.934.459**	107.673.516
Net (increase)/decrease in marketable securities		**(87.518.917)**	80.347.646
Net decrease in reserve deposits at Central Bank		**(7.205.000)**	(6.198.348)
Net (increase) in banking loans		**(209.382.273)**	(228.266.396)
Net (increase) in trade and other receivables and due from related parties		**(75.964.849)**	(62.097.335)
Net decrease/(increase) in derivative financial instruments – assets		**741.000**	(908.269)
Net (incerase)/decrease in inventories		**(33.180.129)**	(7.837.176)
Net changes in other assets		**(21.530.699)**	(15.348.263)
Net (decrease)/increase in trade and other payables and due to related parties		**(34.177.171)**	28.648.010
Net increase/(decrease) in banking customer deposits		**124.976.415**	122.872.508
Net incease in blocked accounts		**23.249.000**	2.879.020
Net increase in derivative financial instruments – liabilities		**3.956.000**	1.833.553
Retirement pay liability payment		**(724.991)**	(410.221)
Taxes paid		**(14.646.453)**	(9.389.940)
Net cash (used)/provided in operating activities		**(166.473.608)**	13.798.305
Cash flows from investing activities			
Purchase of property,plant anf equipment	19, 20	**(38.572.912)**	(5.830.645)
Proceeds from sales of property, plant and equipment		**830.469**	1.454.853
Proceeds from sale of investment		**293.044**	4.246.743
Payments to acqire minority interest		**(457.664)**	(826.995)
Capital increase os subsidiaries from minority shareholders		**11.117.402**	5.514.840
Net cash (used) / provided in investing activities		**(26.789.661)**	4.558.796
Cash flows from financing activities			
Dividends from equity participations		**44.746.301**	35.857.234
Dividend paid		**(22.750.040)**	(14.944.499)
Sale of treasury shares			12.791.202
Repayments of fund borrowed		**(27.064.000)**	-
Increase in share premium		**859.817**	(389.724)
İncrease / (decrease) in special reserves		**2.240.392**	2.796.454
Addition to borrowings from banks and other institution		**287.637.645**	106.420.760
Repayments of borrowings from banks and other institution		**(114.121.625)**	(60.831.101)
Interest paid		**(17.577.059)**	(19.705.573)
Net cash provided/ in financing activities		**153.971.431**	61.994.753
Currency translation on cash and cash transaction		**1.074.648**	(445.465)
Net decrease/increase in cash and cash equivalents		**-**	-
		(38.217.190)	79.906.389
Cash and cash equivalent at beginning of year	4	**200.323.485**	94.053.963
Cash and cash equivalent at the end of period	4	**162.111.295**	173.960.352

The explanatory notes on pages 8 through 64 form an integral part of these consolidated interim financial statements.

(Currency – YTL unless otherwise indicated)

1. ORGANIZATION AND NATURE OF ACTIVITIES

Yazıcılar Holding A.Ş., a company incorporated in İstanbul, Turkey (henceforth as "Yazıcılar" or the "Company") is a holding company of which majority shares are owned by three Yazıcı families. Three Yazıcı families consist of Mr. Kamil Yazıcı, his two deceased brothers, their wives and children. The Company controls its subsidiaries through AEH in which it has 67,91% stake. Certain shares of the Company are listed on the İstanbul Stock Exchange and Luxembourg Stock Exchange. The Company was incorporated in 1976. The registered office address of the Company is Ankara Asfaltı üzeri, PTT Hastanesi yanı, Umut Sok, İçerenköy, Kadıköy, İstanbul.

Nature of Activities of the Company / Group

The Company and its subsidiaries will be referred in this report as "the Group" henceforth for the purposes of the consolidated financial statements.

The Group is organized and primarily managed in four principal groups: beverage (including beer and soft drink products), automotive (including passenger vehicles, commercial vehicles, generators and spare and component parts), financial services (including banking, leasing, brokerage, portfolio management in capital markets and consumer finance) and writing instruments and stationery. In addition, AEH has interests in a number of other sectors, including tourism, trade, information technologies, food, consumer durables and restaurant chain management.

The average number of personnel of Yazıcılar Holding A.Ş. and its subsidiaries is 3.772 (December 31, 2004: 1.461).

List of Shareholders

As of September 30, 2005 and December 31, 2004 the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	September 30, 2005		December 31, 2004	
	Paid-in Capital	**%**	Paid-in Capital	%
Yazıcı Families	**17.889.533**	**44,72**	9.157.213	44,72
Kamil Yazıcı Yönetim ve Danışma A.Ş.	**13.399.988**	**33,50**	6.859.125	33,50
Publicly traded	**8.710.479**	**21,78**	4.458.681	21,78
Historical share capital	**40.000.000**	**100,00**	20.475.019	100,00

(Currency – YTL unless otherwise indicated)

1. ORGANIZATION AND NATURE OF ACTIVITIES (continued)

List of Subsidiaries

The subsidiaries included in consolidation and their shareholding percentages at September 30, 2005 and December 31, 2004 are as follows:

	Place of Incorporation	Principal Activities	Effective Shareholding and Voting Rights %	
			September 30, 2005	December 31, 2004
Anadolu Endüstri Holding A.Ş. (AEH)	Turkey	Holding company	67,91	67,91
Alternatifbank A.Ş. (A-Bank) (*)	Turkey	Banking services	61,15	61,15
Alternatif Yatırım A.Ş. (A Yatırım)	Turkey	Brokerage company	61,15	61,15
Alternatif Finansal Kiralama A.Ş. (A-Lease)	Turkey	Leasing company	64,44	64,44
Alternatif Yatırım Ortaklığı A.Ş. (A-Yatırım Ortaklığı) (*)	Turkey	Investment company	2,47	2,47
Çelik Motor Ticaret A.Ş. (Çelik Motor)	Turkey	Import, distribution and marketing of Lada and Kia motor vehicles	67,91	67,91
Anadolu Motor Üretim ve Pazarlama A.Ş. (Anadolu Motor)	Turkey	Production of industrial engines	67,72	67,72
Anadolu Otomotiv Dış Ticaret ve Sanayi A.Ş.	Turkey	Import of Lada and Kia motor vehicles	67,27	67,27
Anadolu Elektronik Aletler Pazarlama ve Ticaret A.Ş. (Anadolu Elektronik)	Turkey	Distrbution of Samsung-branded consumer durables in Turkey	34,54	-
Adel Kalemcilik Ticaret ve Sanayi A.Ş. (Adel) (*) (**)	Turkey	Production of writing instruments under Adel, Johann Faber and Faber Castell brand names	38,63	38,63
Ülkü Kırtasiye Ticaret ve Sanayi A.Ş. (Ülkü) (**)	Turkey	Distribution of the products of Adel, Bantex and other imported stationery products	49,70	49,70
Ana Gıda ve İhtiyaç Maddeleri Sanayi ve Ticaret A.Ş. (Ana Gıda)	Turkey	Production and marketing of vegetable oils and tea	67,91	67,91
Efes Turizm İşletmeleri A.Ş. (Efestur)	Turkey	Arrangement of traveling and organization facilities of the Group	51,53	51,53
Anadolu Bilişim Hizmetleri A.Ş. (ABH)	Turkey	IT, internet and e-commerce services	64,85	64,85
Oyex Handels GmbH (Oyex)	Germany	Trading of various materials used in the Group	67,23	67,23
AEH und Co.	Germany	Provides necessary market research of Products abroad	67,23	67,23
Mc Donald's Restaurantları Ltd. Şti.	Turkey	Restaurant chain management, ranch management	67,91	-
Hamburger Restaurant İşletmeleri A.Ş.	Turkey	Restaurant chain management	67,91	-

(*) Shares of A-Bank, Adel and A-Yatırım Ortaklığı are currently traded on the İstanbul Stock Exchange.
(**) AEH controls Adel and Ülkü through its shareholding of 56,89% and 68,78%, respectively. Moreover, Adel has 7,67% at Ülkü. As a result, Adel and Ülkü are controlled by Yazıcılar.
(***) Group's subsidiaries, Anadolu Motor and AEH, acquired Anadolu Elektronik established in January 2005, with shareholdings %50, %1 respectively. Group's effective shareholding in Anadolu Elektronik is %34,54.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

The financial statements of the Company and its subsidiaries have been prepared in accordance to the accounting and reporting standards as prescribed by CMB ("CMB accounting standards"). CMB has issued Communiqué no: XI-25 "Communiqué on Accounting Standards in Capital Markets", which sets out a comprehensive set of accounting principles. In this Communiqué, CMB stated that, application of accounting standards prescribed by the International Accounting Standards Board (IASB) and International Accounting Standards Committee (IASC) will be considered as an alternative compliant with CMB accounting standards.

With the decision taken on March 17, 2005, the CMB has declared that inflation accounting will not be applied for companies operating in Turkey which are reporting in accordance to CMB Accounting Standards effective from January 1, 2005. The consolidated interim financial statements have been prepared under the alternative application defined by the CMB as explained above. The consolidated interim financial statements and explanatory notes are presented using the compulsory standard formats as prescribed by the CMB.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (continued)

The Company and its subsidiaries in Turkey maintain their books of account and prepare their statutory financial statements in accordance with the principles of Capital markets Board of Turkey ("CMB"), Turkish Commercial Code, Tax Law, Banking Code and the Uniform Charts of Account issued by the Ministry of Finance. The foreign subsidiaries maintain their books of account and prepare their statutory financial statements in their local currencies and in accordance with the regulations of the countries in which they operate.

According to the Wholesale Price Index determined by State Institute of Statistics, the cumulative inflation rate, covering last three years is 69,7% and the annual inflation rate is 13,8% as of December 31, 2004. In connection with the announcement of CMB noted 7642 and dated March 18, 2005, the financial statements are lastly restated as of December 31, 2004 since the objective conditions required for the restatement have not been realized and the CMB predicts that the indication of the realization of these conditions in the future are mainly disappeared. As of September 30, 2005, the cumulative inflation rate, covering last three years is 39,5% and the annual inflation rate is 4,1%.

The restatement for the changes in the general purchasing power of YTL as of December 31, 2004 is based on IAS 29 ("Financial Reporting in Hyperinflationary Economies"). IAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the balance sheet date and the corresponding figures for previous periods be restated in the same terms.

Index and conversion factors used in the restatement of consolidated income statement for nine-month period ended September 30, 2004 in terms of the purchasing power of lira as of December 31, 2004, for comparison purpose are given below:

Date	Index	Conversion Factors
December 31, 2002	6.478,8	1,29712
December 31, 2003	7.382,1	1,13840
September 30, 2004	8.069,7	1,04140
December 31, 2004	8.403,8	1,00000

The main guidelines for the above mentioned restatement are as follows:

- Non-monetary items in the December 31, 2004 financial statements are restated in terms of the purchasing power of lira at December 31, 2004; after that, no restatement is done.

- Income statement for the January 1, 2005 and September 30, 2005 period is not restated. Previous year's income statement is expressed in terms of the purchasing power of lira at December 31, 2004.

The measurement and presentation currency of the Company is YTL. As a result of a long period of high inflation, the Turkish Lira (TL) has ended up in large denominations, creating difficulty in expressing and recording transactions. A new law was enacted on January 31, 2004 to introduce Yeni Türk Lirası (New Turkish Lira, YTL) the new currency unit of the Turkey. Conversion rate for TL against YTL is fixed at YTL 1 to 1.000.000 throughout the period until complete phase-out of TL. Accordingly the Company's measurement and presentation currency as of December 31, 2004 is YTL and comparative figures for the prior year(s) have also been presented in YTL, using the conversion rate of TL 1.000.000 = YTL 1,00.

(Currency – YTL unless otherwise indicated)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (continued)

Measurement and Reporting Currencies of Foreign Subsidiaries

Foreign Subsidiaries

The foreign subsidiaries maintain their books of account and prepare their statutory financial statements in their local currencies and in accordance with the regulations of the countries in which they operate. The financial statements of foreign subsidiaries are used in consolidation after adjustments and certain reclassifications made for the purpose of fair presentation in accordance with IFRS.

		September 30,2005	December 31,2004
	Local Currency	Functional Currency	Functional Currency
AEH und Co.	EUR	EUR	EUR
Oyex	EUR	EUR	EUR

Foreign subsidiaries are established as foreign corporate entities.

Comparative Information

To be consistent with current year consolidated financial statements prepared in accordance with the compulsory standard formats prescribed by the CMB for financial statements and explanatory notes with a resolution ,numbered 1604 and taken on December 12, 2004, the Company has made certain reclassifications in the consolidated financial statements and explanatory notes prepared in accordance with the CMB Accounting Standards as of December 31, 2004 and September 30, 2004.

Changes in accounting policies and restatement of prior years' figures

International Accounting Standard no: 39 ("IAS39"), Financial Instruments, has become effective as of January 1, 2005. The standard now requires that gains and losses related with available for sale investments are directly recognized in equity untill the derecognition of related investment from financial statements

The Company recognized gains and losses related with the available for sale investments in income statement till December 31, 2004. According to the amendment in the accounting policy, the Company restated the figures retrospectively as mentioned in the standard and this has caused a change in the comparative figures.

Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforcable right to set-off the recognised amounts and there is an intention to settle on a basis or realize the asset and settle the liability simultaneously.

Basis of Consolidation

The principal accounting policies adopted in preparing the consolidated interim financial statements of the Group are as follows:

The consolidated interim financial statements comprise the financial statements of the Company and its subsidiaries as at September 30, 2005.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (continued)

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

The consolidated interim financial statements of the Group include Yazıcılar Holding A.Ş and the subsidiaries, which it controls. This control is normally evidenced when the Group owns, either directly or indirectly, more than 50% of the voting rights of a company's share capital and is able to govern the financial and operating policies of an enterprise so as to benefit from its activities. The equity and net income attributable to minority shareholders' interests are shown separately in the consolidated interim balance sheet and income statement, respectively.

Intercompany balances and transactions, including intercompany profits and unrealized profits and losses are eliminated. Consolidated interim financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The purchase method of accounting is used for acquired business.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investment in Associates

The Group's investments in associates are accounted for under the equity method of accounting. There are entities in which the Group has 20% - 50% interest and/or significant influence and which are neither subsidiaries nor joint ventures of the Group. The investments in associates are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates, less any impairment in value. The income statement reflects the Group's share of the results of operations of the associates.

Unrealized profits from the intercompany transactions are restated with the Group's total shareholding ratio in the associate, while unrealized losses are only restated if the transferred asset does not indicate value impairment.

Investment in Joint Venture

Investments in companies where the Group collectively has a joint control with unrelated parties are classified as "investment in joint ventures". Investments in joint ventures are accounted for under the equity method of accounting.

Related parties

Shareholders, executive management, members of the board of directors, subsidiaries, associates and joint ventures are regarded as related parties with respect to the basis of presentation of consolidated financial statements.

Cash and Cash Equivalents

For the purposes of the consolidated cash flow statement, cash and cash equivalents comprise cash at bank and in hand, deposits at Central Bank and short-term deposits with an original maturity of three months or less. The amounts paid under the reverse repurchase agreements are included in the cash and cash equivalents.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Marketable Securities

All investments are initially recognized at cost, being the fair value of the consideration given and including acquisition charges associated with the investment. All regular way purchases and sales of financial assets are recognized on the settlement date i.e. the date the asset delivered to or by the Group. 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 marketplace. 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 i.e. for assets carried at cost or amortized cost, change in value is not recognized; for assets classified as trading or as available for sale, the change in value is recognized to profit and loss, and in equity respectively. The Group maintains three separate securities portfolio, as follows:

Trading securities

Trading securities are securities, which were either acquired for generating a profit from short-term fluctuations in price or dealer’s margin, or are securities included in a portfolio in which a pattern of short-term profit taking exists. After initial recognition, trading securities are remeasured at fair value based on quoted bid prices. All related realized and unrealized gains or losses are recognized in trading income / (loss), net.

Held- to- maturity securities

Investment securities with fixed or determinable payments and fixed maturity where management has both the intent and the ability to hold to maturity are classified as held-to-maturity. Management determines the appropriate classification of its investments at the time of the purchase.

Held-to-maturity investments are carried at amortized cost using the effective yield method, less any impairment in value. Amortized cost is calculated by taking into account any discount or premium on acquisition, over the period to maturity. For investments carried at amortized cost, gains and losses are recognized in income when the investments are derecognized or impaired, as well as through the amortization process. Interest earned whilst holding held-to-maturity securities is reported as interest income.

Available- for- sale securities

All other investments are classified as available-for-sale; Available-for-sale securities are subsequently carried at fair value. Gains or losses on remeasurement to fair value are recognized as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in income.

Interest earned on available-for-sale investments is reported as interest income. Dividends received are included in dividend income.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

For investments that are actively traded in organized financial markets, fair value is determined by reference to Stock Exchange quoted market bid prices at the close of business on the balance sheet date. For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net asset base of the investment. Equity securities for which fair values cannot be measured reliably are recognized at cost less impairment.

Trade Receivables

Trade receivables are recognized at original invoice amount and carried at amortized cost less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Originated Loans and Advances to Customers

Loans originated by the Group by providing money directly to the borrower or to a sub-participation agent at draw down are categorized as loans originated by the Group and are carried at amortized cost. Third party expenses, such as legal fees, incurred in securing a loan are treated as part of the cost of the transaction.

All loans and advances are recognized when cash is advanced to borrowers.

Provisions for Possible Loan Losses and Lease Receivable Losses

Based upon its evaluation of credits granted, management estimates the total credit risk provision that it believes is adequate to cover uncollectible amounts in the Group's loan and receivable portfolio and losses under guarantees and commitments. If there is objective evidence that the Group will not be able to collect all amounts due (principle and interest) according to original contractual terms of the loan, such loans are considered impaired and classified as "loans in arrears". The amount of the loss is measured as the difference between the loan's carrying amount and the present value of expected future cash flows discounted at the loan's original effective interest rate or as the difference between the carrying value of the loan and the fair value of collateral, if the loan is collateralized and foreclosure is probable.

Impairment and uncollectibility are measured and recognized individually for loans and receivables that are individually significant, and on a portfolio basis for a group of similar loans and receivables that are not individually identified as impaired.

The Group ceases to accrue interest on those loans that are classified as "loans in arrears" and for which the recoverable amount is determined primarily in reference to fair value of collateral.

The carrying amount of the asset is reduced to its estimated recoverable amount through use of an allowance for impairment account. A write off is made when all or part of a loan is deemed uncollectable or in the case of debt forgiveness. Write offs are charged against previously established allowances and reduce the principle amount of a loan. Recoveries of loans written off in earlier periods are included in income.

If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the release of the provision is credited to the provision for loan losses expense. Unwinding of the discount is treated as income and remaining provision is then reassessed.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are valued at the lower of cost and net realizable value.

Costs are accounted for weighted average method. Finished goods and work in progress – cost of direct materials and labour and aproportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realizable value is estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated cost necessary to make the sale.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Land is not depreciated.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Land improvements	5-50 years
Buildings	20-50 years
Machinery and equipment	5-10 years
Motor vehicles	5 years
Furniture and fixtures	5 years
Leasehold improvements	Rent period

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the income statement.

The profit/loss as a result of selling property, plant and/or equipment is worked out by comparing the book value and the collected amount. The difference is then reflected in the current income statement.

Intangible Assets

Intangible assets acquired separately from a business are capitalized at cost. Intangible assets acquired as part of an acquisition of a business are capitalized separately from goodwill if the fair value can be measured reliably on initial recognition, subject to the constraint that, unless the fair value is limited to an amount that does not create or increase any negative goodwill arising on the acquisition. Intangible assets, excluding development costs, created within the business are not capitalized and expenditure is charged against profits in the year in which it is incurred. Intangible assets are amortized on a straight-line basis over the best estimate of their useful lives.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill

Goodwill represents the excess of the cost of the acquisition over the fair value of identifiable net assets of a subsidiary, associate or joint venture at the date of acquisition. Goodwill arose from the acquisitions before March 31, 2004 is amortized on a straight-line basis over its useful economic life up to a presumed maximum of 20 years. Starting from January 1, 2005, the goodwill arising from the business combinations before March 31, 2004 is not amortized on a straight-line basis in accordance with IFRS 3.

Instead of amortization method, goodwill is reviewed at least annually for possible impairment and when events and changes in circumstances indicate that the carrying value may not be recoverable. Goodwill is stated at cost less accumulated amortization and any impairment in value.

In accordance with IFRS 3, goodwill will be reviewed and adjusted for impairment at year ends.

Repurchase and Resale Transactions

The Group enters into short-term sales of securities under agreements to repurchase such securities. Such securities, which have been sold subject to a repurchase agreement, continue to be recognized in the balance sheet and are measured in accordance with the accounting policy of the relevant security portfolio which they are part of. The counterparty liability for amounts received under these agreements is included in other money market deposits. The difference between sale and repurchase price is treated as interest expense and accrued over the life of the repurchase agreements.

Assets purchased with a corresponding commitment to resell at a specified future date (reverse repurchase agreements) are not recognized in the balance sheet, as the Group does not obtain control over the assets.

Amounts paid under these agreements are included in other money market placements. The difference between purchase and resale price is treated as interest income and accrued over the life of the reverse repurchase agreement.

Foreign Currency Denominated Transactions

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

The assets and liabilities of foreign subsidiaries are translated at the rate of exchange ruling at the balance sheet date. The income statements of foreign subsidiaries are also translated at year-end exchange rates, which are considered as a proxy to restate such income statement amounts at year end purchasing power of YTL. Differences resulting from the deviation between the inflation rate and the appreciation of foreign currencies against the New Turkish Lira related to equity accounts of consolidated subsidiaries were taken to equity as currency translation differences.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recognition and Derecognition of Financial Instruments

The Group recognizes a financial asset or financial liability in its balance sheet when and only when it becomes a party to the contractual provisions of the instrument. The Group derecognizes a financial asset or a portion of financial asset when and only when it loses control of the contractual rights that comprise the financial asset or a portion financial asset. The Group derecognizes a financial liability when and only when a liability is extinguished that is when the obligation specified in the contract is discharged, cancelled and expired

Borrowings from Banks and Other Institutions, Deposits and Funds Borrowed

All borrowings, deposits and funds borrowed are initially recognized at cost.

After initial recognition, all interest bearing liabilities, are subsequently measured at amortized cost using the effective interest rate method, less amounts repaid. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognized in net profit or loss when the liabilities are derecognized or impaired as well as through the amortization process.

Borrowing Costs

Borrowing costs generally are expensed as incurred.

Employee Termination Benefits

a) Defined benefit plan

In accordance with existing social legislation, the Group is required to make lump-sum termination indemnities to each employee who has completed one year of service with the Company and its Turkish subsidiaries and whose employment is terminated due to retirement or for reasons other than resignation or misconduct.

In the consolidated financial statements, the Group have reflected a liability calculated using the Projected Unit Credit Method and based upon estimated inflation rates and factors derived using the Company and its Turkish subsidiaries' experience of personnel terminating their services and being eligible to receive retirement pay and discounted by using the current market yield at the balance sheet date on government bonds.

b) Defined contribution plan

The Group pays contribution to the Social Security Institution of Turkey on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

Leases

The Group as Lessee

Finance Lease

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalized leased assets are depreciated over the estimated useful life of the asset. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset should be fully depreciated over the shorter of the lease term or its useful life.

Operating Lease

Leases where the lesser retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. These include rent agreements of premises, which are cancelable subject to a period of notice. Operating lease payments are recognized as an expense in the income statement on a straight-line basis over the lease term.

The Group as Lessor

Finance Lease

The Group presents leased assets as a receivable equal to the net investment in the lease. Finance income is based on a pattern reflecting a constant periodic rate of return on the net investment outstanding. Initial direct costs are recognized immediately as expenses.

Operating Lease

The Group presents assets subject to operating leases in the balance sheets according to the nature of the asset. Lease income from operating leases is recognized in income on a straight- line basis over the lease term. The aggregate cost of incentives provided to lessees is recognized as a reduction of rental income over the lease term on a straight-line basis. Initial direct costs incurred specifically to earn revenues from an operating lease are recognized as an expense in the income statement in the period in which they are incurred. Operating leases are amortised based on their cost after deducting their residual values.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income and Expense Recognition

Non-Banking

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably. Sales are recognized net of sales taxes and discounts when delivery has taken place and transfer of risks and rewards has been completed. Revenue from rendering services is recognized by reference to the stage of completion when it can be measured reliably. Revenues and expenses are recognized on accrual basis.

Banking

Interest income and expenses are recognized in the income statement for all interest bearing instruments on an accrual basis using the effective yield method based on the actual purchase price. Interest income also includes coupons earned on fixed income securities and accrued discount and premium on treasury bills and other discounted instruments.

Commission income, fee for various banking services and dividends are recorded as income when collected. Dividends are recognized when the shareholders' right to receive the payments is established.

Income Tax

Tax expense / (income) is the aggregate amount included in the determination of net profit or loss for the period in respect of current and deferred tax.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences:

- except where the deferred income tax liability arises from goodwill amortization or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilized:

- except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Derivative Financial Instruments

The Group enters into transactions with derivative instruments including forwards, swaps and options in the foreign exchange and capital markets. These derivative transactions are considered as effective economic hedges under the Group's risk management policies; however since they do not qualify for hedge accounting under the specific provisions of IAS 39, they are treated as derivatives held for trading. Derivative financial instruments are initially recognized in the balance sheet at cost and subsequently are remeasured at their fair value.

Fair values are obtained from quoted market prices, to the extent publicly available, discounted cash flows and options pricing models as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

For derivatives that do not qualify for special hedge accounting, any gains or losses arising from changes in fair value are taken directly to net profit or loss for the period.

Contingencies

Contingent liabilities are not recognized in the financial statements; they are disclosed only if they do not bear high probability of an outflow of resources embodying economic benefits. Contingent assets are explained in the footnotes only in case of a highly-probable inflow of economic benefit.

Segmental Information

Since the Group’s risk and return ratios are influenced by the differences in the goods and services it produces, segmental information is provided on the basis of business segments in the first layer. Information in geographical segments is not reported as second layer since the Group’s operations do not bear any significance in terms of general presentation of financial statements and monetary significance for foreign country operations. The Group is organized into four major operating businesses. Financial information on business segments is presented in Note 33.

Government Incentives

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attached to such grants, and that the grants will be received. They are recognized to income over the period to match them with the related costs that they are intended to compensate. Income relating to government grants is recognized as a deduction from the appropriate expense.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the balance sheet. Actual results may vary from the current estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in income statement in the periods in which they become known.

(Currency – YTL unless otherwise indicated)

4. CASH AND CASH EQUIVALENTS

	September 30, 2005	December 31, 2004
Non-Banking	**87.241.025**	22.986.563
Banking	**74.870.270**	177.336.922
Total	**162.111.295**	200.323.485

Non-Banking

The details of cash and cash equivalents are as follows:

	September 30, 2005	December 31, 2004
Cash on hand	**800.977**	57.305
Cash in banks	**86.440.048**	22.929.258
Total	**87.241.025**	22.986.563

YTL denominated time deposits are made for 3-47 days (31 December 2004: 3 and 77 days) periods and earn interest between 12%- 19% (31 December 2004: 17,5%-24%). USD denominated time deposits are made for 92 day periods (31 December 2004: 10 and 31 days) periods and earn interest at 4,8% (31 December 2004: 2%-4,25%). EUR denominated time deposits are made for 30 day periods and earn interest at 2% (31 December 2004: None).

Banking

	September 30, 2005	December 31, 2004
Cash on hand	**11.583.000**	8.656.000
Balances with the Central Bank	**6.862.000**	5.580.000
Cash and balances with the Central Bank	**18.445.000**	14.236.000
Deposits with banks and other financial institutions	**32.492.270**	143.254.922
Funds lent under reverse repurchase agreements	**6.508.000**	2.000.000
Interbank placements	**17.425.000**	17.586.000
Cheques given to collection		260.000
Other money market placements	**23.933.000**	19.846.000
Total	**74.870.270**	177.336.922

4. CASH AND CASH EQUIVALENTS (continued)

As of September 30, 2005 and December 31, 2004 the interest rate range of deposits and placements is as follows:

	September 30, 2005				December 31, 2004			
	Amount		Effective interest rate		Amount		Effective interest rate	
	New Turkish Lira	Foreign Currency	New Turkish Lira	Foreign Currency	New Turkish Lira	Foreign Currency	New Turkish Lira	Foreign currency
Balances with the Central Bank	**4.182.000**	**2.680.000**	**-**	**-**	4.563.000	1.017.000	14,5%	-
Deposits with banks and other financial institutions	**26.952.527**	**5.539.743**	**%14,72**	**%1,08**	109.991.165	33.263.757	20,12%	2,21%
Funds lent under reverse Repurchase agreements	**6.508.000**	**-**	**%15,70**	**-**	2.000.000	-	18%	-
Interbank placements	**1.326.000**	**16.099.000**	**%15,90**	**%2,00**	1.878.000	15.708.000	18,28%	1,05%
Total	**38.968.527**	**24.318.743**			118.432.165	49.988.757		

5. MARKETABLE SECURITIES

	September 30, 2005	December 31, 2004
Non-Banking	**12.880.889**	37.654.972
Banking	**398.562.000**	286.269.000
Total	**411.442.889**	323.923.972

Non-Banking

Maturities of debt instruments are October 3, 2005 for YTL denominated instruments (December 31, 2004: January 26, 2005 and July 27, 2005) and earn 13,70% (December 31, 2004: 24%-27%). There are not any debt instruments denominated in USD (December 31, 2004: maturity February 25, 2005 and 11,5% interest).

Banking

Trading Securities

	September 30, 2005		December 31, 2004	
	Amount	**Effective interest rate %**	Amount	Effective interest rate %
Trading securities at fair value				
Debt instruments				
Turkish government bonds	**4.601.000**	**15,42%**	54.066.000	24,14%
Turkish treasury bills	**286.000**	**14,70%**	976.000	24,14%
Foreign currency government bonds			-	-
Eurobonds issued by the Turkish government	**35.000**	**7,65%**	74.000	10,01%
Total	**4.922.000**		55.116.000	
Others				
Equity securities – listed (*)	**20.748.000**		11.286.000	-
Total	**20.748.000**		11.286.000	
Total trading securities	**25.670.000**		66.402.000	

(*) Equity securities include shares of the consolidated closed ended mutual fund amounting to YTL 6.374.000 that are actively traded. (December 31, 2004: YTL 2.417.000).

(Currency – YTL unless otherwise indicated)

5. MARKETABLE SECURITIES (continued)

Investment Securities:

	September 30, 2005		December 31, 2004	
	Amount	**Effective Interest rate**	Amount	Effective Interest rate
Available-for-sale securities at fair value				
Turkish treasury bills	**14.669.000**	**%16,24**	-	-
Turkish government bonds	**119.130.000**	**%15,61**	-	-
Eurobonds issued by the Turkish government	**12.400.000**	**%6,01**	-	-
Total available-for-sale securities at fair value	**146.199.000**	-	-	-
Originated loans and advances to government at amortized cost:				
Debt Instruments				
Foreign currency indexed Turkish government bonds	**226.693.000**	**%13,29**	219.867.000	12,24%
Originated loans and advances to government	**226.693.000**		219.867.000	
Total	**372.892.000**		219.867.000	

Carrying value of debt instruments given as collateral under repurchase agreements are:

	September 30, 2005	December 31, 2004
Trading securities	**1.433.000**	1.858.000
Held to maturity securities	**121.538.000**	118.738.000

As of September 30, 2005, the carrying value of government securities kept in the Central Bank of Turkish Republic (the Central Bank) and in İstanbul Stock Exchange Clearing and Custody Incorporation for legal requirements and as a guarantee for stock exchange and money market operations are YTL 122.516.000 (December 31, 2004: YTL 114.053.000).

As of September 30, 2005, current marketable securities are amounting to YTL 315.312.889 (December 31, 2004: YTL 106.903.972) and non-current marketable securities are amounting to YTL 96.130.000 (December 31, 2004: YTL 217.830.000)

6. BORROWINGS

	September 30, 2005	December 31, 2004
Bank borrowings	**89.089.704**	35.235.434
Finance lease liabilities	**340.031**	7.135.076
Short term borrowings	**89.429.735**	42.370.510
Bank borrowings	**328.539**	680.825
Long term borrowings	**328.539**	680.825
Total	**89.758.274**	43.051.335

As of September 30, 2005, Group does not have any secured bank borrowings (December 31, 2004: None).

(Currency – YTL unless otherwise indicated)

6. BORROWINGS (continued)

The effective interest rates at the balance sheet date are as follows:

	September 30, 2005	December 31, 2004
Bank borrowings		
Long term		
USD and EUR denominated borrowings	**3,52% - 3,90%**	1,38%
YTL denominated borrowings	**-**	-
Short term		
USD and EUR denominated borrowings	**3,78% - 5,10%**	1,38% - 5,9%
YTL denominated borrowings	**15,25% - 16,75%**	23% - 24%

Repayments of long-term borrowings are scheduled as follows:

	September 30, 2005	December 31, 2004
2005	**-**	7.135.076
2006	**340.031**	347.641
2007	**328.539**	333.184
Total	**668.570**	7.815.901

7. TRADE RECEIVABLES AND TRADE PAYABLES

7.1 TRADE RECEIVABLES

Non-Banking

	September 30, 2005	December 31, 2004
Trade receivable	**37.839.143**	20.317.157
Notes receivable and post-dated cheques	**37.885.189**	14.056.311
Provision for doubtful accounts	**(1.331.728)**	(1.189.693)
Total	**74.392.604**	33,183,775

As of September 30, 2005, the carrying value of long term trade receivables is YTL 41.608 (December 31, 2004: None)

7.2 TRADE PAYABLES

	September 30, 2005	December 31, 2004
Non-Banking	**50.364.958**	47.140.211
Banking	**1.512.000**	1.748.000
Total	**51.876.958**	48.888.211

As of September 30, 2005, the carrying value of long term trade payable is YTL 44.024 (December 31, 2004: None).

8. LEASE RECEIVABLES AND OBLIGATIONS

8.1 LEASE CONTRACTS RECEIVABLE

Gross investments in finance leases receivables:

	September 30, 2005	December 31, 2004
Next 1 year	**66.068.692**	52.849.041
1 years through 5 years	**44.609.000**	28.104.000
Minimum lease payments receivables, gross	**110.677.692**	80.953.041
Less: Unearned interest income	**(15.275.000)**	(10.644.000)
Net investment in finance leases	**95.402.692**	70.309.041
Less: Reserve for impairment	**(1.839.000)**	(2.087.000)
Minimum lease payments receivables, net	**93.563.692**	68.222.041

Net investment in finance leases may be analyzed as follows:

	September 30, 2005	December 31, 2004
Next 1 year	**53.815.692**	42.738.041
1 years through 5 years	**39.748.000**	25.484.000
Total	**93.563.692**	68.222.041

As of September 30, 2005 interest rates of minimum lease receivable denominated in foreign currency range between 8,39% – 18,66% for USD and 6,80% - 21,54% for EUR respectively (December 31, 2004: 7,51% - 19,4% for USD and 8% - 21,69% for EUR respectively) and effective interest rates of minimum lease receivable denominated in YTL range between 18,55% - 39,79% (December 31, 2004: 22,58% - 56,95%).

As of September 30, 2005, collaterals obtained by the Company from certain lease customers in relation to minimum lease payments receivables amount to YTL 33.926.566, USD 21.744.161 and EUR 10.324.594 (December 31, 2004: in historical terms – YTL 28.285.000, USD 21.207.490, EUR 5.062.581) which consist of mortgages, checks, letter of guarantees and liens on manufacturing equipments.

Movements in the reserve for impairment:

	September 30, 2005	December 31, 2004
Reserve at beginning of year	**2.087.000**	2.169.222
Provision for impairment	**524.000**	633.000
Collections	**(150.000)**	(451.000)
Write offs	**(622.000)**	-
Monetary gain	**-**	(264.222)
Reserve at end of year	**1.839.000**	2.087.000

(Currency – YTL unless otherwise indicated)

8.2 FINANCE LEASE LIABILITIES

	September 30, 2005	December 31, 2004
Current	**2.544.799**	3.502.057
Non-Current	**4.424.588**	6.199.584
Total	**6.969.387**	9.701.641

As of September 30, 2005, the effective interest rates are 4,5%-11,33%.

Future minimum lease payments for the above finance leases are as follows:

	September 30, 2005	December 31, 2004
Next 1 year	**3.016.631**	4.167.876
1 year through 5 years	**4.742.987**	6.838.722
Total minimum lease obligations	**7.759.618**	11.006.598
Net minimum obligations	**7.759.618**	11.006.598
Interest (-)	**(790.231)**	(1.304.957)
Present value of minimum obligations	**6.969.387**	9.701.641

9. RELATED PARTY BALANCES AND TRANSACTIONS

Balances with related parties

9.1 DUE FROM RELATED PARTIES

	September 30, 2005	December 31, 2004
Kamil Yazıcı Yönetim ve Danışma A.Ş.	**9.305.161**	1.709.457
Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (Anadolu Efes)	**820.023**	2.590.796
Efes Pazarlama Ticaret A.Ş. (Efpa)	**963.132**	736.155
Tarbes Tarım Ürünleri ve Besicilik San.Tic.A.Ş. (Tarbes)	**10.584**	47.134
Anadolu Isuzu Otomotiv Sanayi ve Ticaret A.Ş. (Anadolu Isuzu)	**992.694**	1.023.781
Efes Holland Technical Management Consultancy	**1.342.062**	382.813
ZAO Moscow Efes Brewery (Efes Moskow)	**2.182.113**	1.574.415
CJSC Efes Karaganda Brewery (Efes Karaganda)	**357.320**	501.789
Anadolu Eğitim ve Sosyal Yardım Vakfı Sağlık Tesis.	**1.228.048**	-
Other	**1.250.262**	1.036.299
Total	**18.451.399**	9.602.639

As of September 30, 2005 and December 31, 2004, loans given to related parties, which are included in "Banking Loans" in the financial statements, are YTL 4.271.695 ve YTL 820.000 respectively.

(Currency – YTL unless otherwise indicated)

9.2 DUE TO RELATED PARTIES

	September 30, 2005	December 31, 2004
Anadolu Efes	**35.490**	35.907.886
Anadolu Isuzu	**122.560**	337.803
Efes Sınai Yatırım Holding A.Ş. (Efes Sınai)	**1.608.826**	469.735
Anelsan	**140.174**	165.259
Others	**22.226**	9.252
Total	**1.929.276**	36.889.935

As of September 30, 2005 and December 31, 2004, related party deposits, which are included in "Deposits" in the financial statements, are YTL 112.871.239 ve YTL 108.524.000 respectively.

9.3 TRANSACTIONS WITH RELATED PARTIES

In the normal course of business, the Group undertakes arms-length basis transactions with its related parties consisting of:

	September 30, 2005	September 30, 2004
Sales of goods and services, net		
Anadolu Efes	**15.759.126**	7.493.277
Efpa	**6.249.551**	5.120.012
Tarbes	**59.386**	2.568.270
Anadolu Isuzu	**5.689.189**	5.277.058
Efes Holland Technical Management Consultancy	**2.736.802**	-
Efes Invest Holland B.V.	**576**	1.885.475
Efes Breweries International B.V.	**95.216**	1.581.115
Efes Sınai Yatırım Holding A.Ş. (Efes Sınai)	**501.450**	220.807
Anadolu Cetelem Tüketici Finansman A.Ş. (Anadolu Cetelem)	**218.449**	250.786
Anadolu Eğitim ve Sosyal Yardım Vakfı Sağlık Tesis.	**776.551**	661.439
Others	**848.447**	527.360
Total	**32.934.743**	25.585.599

	September 30, 2005	September 30, 2004
Purchases of goods and other charges		
Anadolu Isuzu	**2.598.710**	1.394.158
Anelsan	**356.390**	323.642
Efpa	**113.116**	241.760
Others	**24.935**	18.005
Total	**3.093.151**	1.977.565

	September 30, 2005	September 30, 2004
Interest and other financial income (included in banking revenues and banking foreign exchange losses)		
Anadolu Efes	**85.335**	2.924.857
Coca Cola Satış ve Dağıtım A.Ş.	**67.263**	-
Anadolu Isuzu	**56.609**	-
Anadolu Cetelem	**137.777**	16.662
Others	**35.887**	1.041
Total	**382.871**	2.942.560

9.3 TRANSACTIONS WITH RELATED PARTIES (continued)

(Currency – YTL unless otherwise indicated)

	September 30, 2005	September 30, 2004
Interest and other financial expense (included in banking direct cost and banking foreign exchange losses) paid to		
Anadolu Efes	**4.744.707**	11.623.085
Anadolu Isuzu	**1.555.430**	1.413.182
Efpa	**39.729**	163.500
Anadolu Eğitim ve Sosyal Yardım Vakfı Sağlık Tesis.	**232.492**	414.478
Tarbes	**214.093**	16.662
Kamil Yazıcı Yönetim ve Danışma	**4.462**	65.608
Others	**906.325**	916.434
Total	**7.697.238**	14.612.949

	September 30, 2005	September 30, 2004
Interest and other financial expense (included in financial income / expense and foreign exchange losses) paid to		
Anadolu Efes	**2.975.784**	7.047.253
Efes Sınai	**57.355**	65.325
Others	**111.375**	44.172
Total	**3.144.514**	7.156.750

	September 30, 2005	September 30, 2004
Miscellaneous sales included in other income (including dividend received)		
Anadolu Efes	**243.505**	35.508.518
Polinas	**309.062**	264.394
Coca Cola İçecek	**3.932.766**	1.861.223
Efpa	**421.186**	90.470
Anadolu Isuzu	**173.196**	304.361
Anadolu Eğitim ve Sosyal Yardım Vakfı Sağlık Tesis.	**76.914**	-
Others	**88.038**	84.174
Total	**5.244.667**	38.113.140

	September 30, 2005	September 30, 2004
Interest and other financial income (included in financial income/expense and foreign exchange losses) received from		
Anadolu Efes	**1.434.068**	2.965.888
Kamil Yazıcı Yönetim ve Danışma	**252.616**	319.974
Efes Sınai	**54.643**	97.458
Others	**22.376**	192
Total	**1.763.703**	3.383.512

9.3 TRANSACTIONS WITH RELATED PARTIES (continued)

(Currency – YTL unless otherwise indicated)

Intragroup loan purchase/sale

In the first half of 2004, AEH, one of the subsidiaries of the Company, signed Asset Sale Agreements with A-Bank, one of its subsidiaries, and in connection with these agreements AEH purchased loans in follow-up with a nominal value of YTL 41.128.167 for a cash consideration of YTL 24.459.410. After the agreement, totally YTL 5.418.063 of amount is collected. AEH realized a YTL 10.078.535 loss by providing impairment to these loans.

10. OTHER RECEIVABLES AND PAYABLES

10.1 OTHER RECEIVABLES

	September 30, 2005	December 31, 2004
Non-Banking	**11.346.650**	8.017.827
Banking	**-**	-
Total	**11.346.650**	8.017.827

Non-Banking

	September 30, 2005	December 31, 2004
Receivables from loans given (*)	**8.962.812**	7.605.379
Other	**2.383.838**	412.448
Total	**11.346.650**	8.017.827

(*) In the first half of 2004, AEH, one of the subsidiaries of the Company, signed Asset Sale Agreements with A-Bank, one of its subsidiaries, and in connection with these agreements AEH purchased loans in follow-up with a nominal value of YTL 41.128.167 for a cash consideration of YTL 24.459.410. After the agreement, totally YTL 5.418.063 of amount is collected. AEH realized a YTL 10.078.535 loss by providing impairment to these loans.

11. BIOLOGICAL ASSETS

Biological assets, worth YTL 4.857.826 (December 31, 2004: None), consist of stocks in the McDonald's ranch in Izmir, Turkey.

12. INVENTORIES

(Currency – YTL unless otherwise indicated)

	September 30, 2005	December 31, 2004
Raw materials	**14.570.606**	10.571.486
Work-in-progress	**7.207.149**	6.130.475
Finished goods	**9.657.446**	12.588.379
Merchandise	**37.309.601**	26.618.589
Supplies and others	**807.843**	601.493
Advances given	**23.784.208**	8.504.128
Total	**93.336.853**	65,014,550

13. RECEIVABLES AND DEFERRED INCOME FROM CONTINUING CONSTRUCTION CONTRACTS

None (December 31, 2004: None).

14. DEFERRED TAX ASSETS AND LIABILITIES

Deferred income tax

Components of deferred tax assets and liabilities are as follows:

	September 30, 2005	December 31, 2004
Deferred tax assets	**27.183.894**	37.801.309
Deferred tax liabilities (-)	**(4.209.775)**	(2.542.639)
Total deferred tax	**22.974.119**	35.258.670

Movements in deferred tax during the period are as follows:

	Balance January 1, 2005 as reported	Credited/ (charged) to income statement	**Balance September 30, 2005**
Fixed Assets	(9.163.344)	98.004	**(9.065.340)**
Inventory	33.648	(4.329)	**29.319**
Tax loss carryforward	54.236.436	(8.501.446)	**45.734.990**
Allowance for retirement pay liability	3.114.845	687.096	**3.801.941**
Financial Leases	10.734.924	(2.580.885)	**8.154.039**
Other	17.638.837	(512.179)	**17.126.658**
Net deferred tax asset/(liability)	76.595.346	(10.813.739)	**65.781.607**
Change in accounting policy			
IAS 39 – (Note 2)		740.853	
Allowance for deferred tax	(41.336.676)	(1.470.812)	**(42.807.488)**
Total	35.258.670	(11.543.698)	**22.974.119**

15. OTHER CURRENT / NON-CURRENT ASSETS AND OTHER LIABILITIES

(Currency – YTL unless otherwise indicated)

15.1 OTHER CURRENT ASSETS

	September 30, 2005	December 31, 2004
Non-Banking	**9.509.750**	4.039.343
Banking	**27.565.000**	16.326.000
Total	**37.074.750**	20.365.343

Non-Banking

	September 30, 2005	December 31, 2004
Prepaid taxes	**208.642**	1.233.184
Prepaid expenses	**6.072.082**	703.670
VAT receivables	**2.789.963**	2.057.954
Other receivables and others	**439.063**	44.535
Total	**9.509.750**	4.039.343

Banking

	September 30, 2005	December 31, 2004
Receivables from brokerage customers	**13.255.000**	7.437.000
Transitory accounts and prepaid expenses	**2.978.000**	3.035.000
Assets held for resale	**2.921.000**	5.137.000
Prepaid taxes	**12.000**	9.000
Other	**8.399.000**	708.000
Total	**27.565.000**	16.326.000

15.2 OTHER NON-CURRENT ASSETS

	September 30, 2005	December 31, 2004
Non-Banking	**1.208.242**	1.116.301
Banking	**1.021.000**	3.380.000
Total	**2.229.242**	4.496.301

(Currency – YTL unless otherwise indicated)

15. OTHER CURRENT / NON-CURRENT ASSETS AND LIABILITIES (continued)

15.3 OTHER CURRENT LIABILITIES

	September 30,2005	December 31, 2004
Non-Banking	**11.775.511**	6.230.905
Banking	**28.596.151**	39.784.486
Total	**40.371.662**	46.015.391

Non-Banking

	September 30, 2005	December 31, 2004
Taxes payable other than on income	**6.741.010**	4.643.817
Salaries and wages payable	**2.051.582**	593.399
Accrued expenses	**422.021**	718.220
Deferred income	**148.632**	-
Other payables and liabilities	**2.412.266**	275.469
Total	**11.775.511**	6.230.905

As of September 30,2005, other non-current liabilities are YTL 34.295 (December 31, 2004: YTL 22.658)

Banking

	September 30, 2005	December 31, 2004
Payment orders	**16.351.000**	11.462.000
Taxes payable other than on income	**3.467.000**	4.137.000
Transitory accounts	**282.000**	-
General provision (*)	**-**	7.100.000
Others	**8.496.151**	17.085.486
Total	**28.596.151**	39.784.486

(*) December As of December 31, 2004, Group has provided a reserve amounting to YTL 7.100.000 related to future unfavorable foreign exchange rate fluctuations between the rate used in translating the foreign currency indexed debt swap securities in to New Turkish Lira (the last 10 work days' average of foreign exchange selling rates of the Central Bank) and the Group's foreign exchange evaluation rate.
This provision amount is reversed as of September 30, 2005.

(Currency – YTL unless otherwise indicated)

16. INVESTMENTS

16.1 INVESTMENTS

	Ownership Interest (%)	September 30, 2005	December 31, 2004
Coca Cola İçecek A.Ş. (Coca Cola İçecek) (*)	**15,1**	**-**	44.626.697
Polinas Plastik Sanayi ve Ticaret A.Ş. (Polinas)	**10,57**	**6.275.510**	6.275.510
Doğu Yatırım Holding A.Ş. (Doğu Yatırım)	**0,48**	**94.767**	94.767
Efes Sınai Yatırım Holding A.Ş. (Efes Sınai)	**18,21**	**31.339**	31.339
Technology Leap Holding (Technology Leap)	**15,97**	**3.268.803**	3.268.803
Others		**76.565**	79.070
Impairment reserve for Technology Leap		**(3.268.803)**	(3.268.803)
Available for sale investments- non-current		**6.478.181**	51.107.383

(*) Coca-Cola İçecek A.Ş.'s shares are sold to Anadolu Efes in April 26, 2005.
(**) An impairment reserve of YTL 3.268.803 is provided for Technology Leap since it is in liquidation process.

16.2 INVESTMENTS IN ASSOCIATES

			September 30, 2005			December 31, 2004		
Entity	Principle Activities	Country of Business	**Carrying Value**	**Ownership Interest Rate %**	**Group's share of Income/ (Loss)**	Carrying Value	Ownership Interest Rate %	Group's share of Income/ (Loss)
Anadolu Efes (*)	Product. of beer	Turkey	**464.803.585**	**35,09**	**83.517.459**	427.829.927	35,09	87.385.645
Anadolu Cetelem	Provides consumer finance services	Turkey	**1.026.554**	**33,96**	**(751.929)**	1.778.483	33,96	(4.153.293)
			465.830.139		**82.765.530**	429.608.410		83.232.352

(*) Shares of Anadolu Efes are currently traded on the İstanbul Stock Exchange.

16.3 INVESTMENTS IN JOINT VENTURE

			September 30, 2005			December 31, 2004		
Entity	Principle Activities	Country of Business	**Carrying Value**	**Ownership interest rate %**	**Group's share of Income**	Carrying Value	Ownership interest rate %	Group's share of income
Anadolu Isuzu (*)	Manufacturing of Isuzu brand commercial vehicle	Turkey	**64.054.471**	**36,42**	**7.992.561**	64.198.088	36,42	10.102.212
			64.054.471		**7.992.561**	64.198.088		**10.102.212**

(*) Shares of Anadolu Isuzu are traded on the İstanbul Stock Exchange.

(Currency – YTL unless otherwise indicated)

16. INVESTMENTS (continued)

The Group has a 36,42% interest in Anadolu Isuzu, which is involved in production of Isuzu commercial vehicles in Turkey.

The Group's share of the assets, liabilities, revenue and expenses of the joint venture, which are included in the consolidated financial statements, are as follows at September 30, 2005 and December 31, 2004:

	September 30, 2005	December 31, 2004
Current assets	**59.186.515**	64.375.140
Non-current assets	**32.400.901**	35.753.280
Total	**91.587.416**	100.128.420
Current liabilities	**22.358.850**	30.110.465
Non-current liabilities	**5.180.735**	5.827.572
Total	**27.539.585**	35.938.037
Revenue	**101.534.722**	118.728.794
Cost of sales	**(80.444.279)**	(91.062.024)
Selling and marketing expense	**(6.465.403)**	(8.400.010)
Research and development expense	**(289.194)**	-
Administrative expenses	**(4.003.449)**	(5.388.160)
Finance cost	**(114.301)**	(121.186)
Other income, net	**1.100.719**	1.242.292
Income tax expenses	**(3.326.091)**	(4.327.266)
Monetary gain/(loss)	**-**	(1.481.744)
Extraordinary items	**-**	911.516
Minority Interest	**(163)**	-
Net profit	**7.992.561**	10.102.212

17. POSITIVE/NEGATIVE GOODWILL

	September 30, 2005	December 31, 2004
Cost	**138.103.925**	138.103.925
Accumulated Depreciation	**(102.759.669)**	(102.759.669)
Net carrying amount	**35.344.256**	35.344.256

Starting from January 1, 2005 , th group has ceased amortizing the goodwill arising from business combinations before March 31, 2004, in accordance with IFRS 3. Amortization of goodwill method is not applied for any acquisitions after March 31, 2004.

(Currency – YTL unless otherwise indicated)

18. INVESTMENT PROPERTY

None (December 31, 2004: None).

19. PROPERTY, PLANT AND EQUIPMENT

In the nine-month period ending on September 30, 2005, additions and disposals of property,plant and equipment are as follows:

	Additions	Disposals
Land and Land Improvements	**15.928**	**(142.973)**
Buildings	**49.144**	**(30.437)**
Machinery and equipment	**2.547.092**	**(3.137.986)**
Motor vehicles	**8.001.214**	**(965.535)**
Furnitures and fixtures	**834.197**	**(176.549)**
Other tangible assets	**630.798**	**(937.880)**
Leasehold improvements	**2.860.670**	**(6.810)**
Construction in progress	**107.612**	**-**
Advances Given	**204.671**	**(30.752)**
Total	**15.251.326**	**(5.415.302)**

Equipment under finance lease

The carrying value of property, plant and equipment under finance lease at September 30, 2005 is YTL 24.267.804 (December 31, 2004: YTL 5.603.988). Leased assets are pledged as securities for the related finance lease obligations.

20. INTANGIBLE ASSETS

In the nine-month period ending on September 30, 2005, additions and disposals of intangible assets are as follows:

	Additions	Disposals
Rights	**200.262**	**(30.671)**
Other intangible assets	**248.818**	**(62.000)**
Total	**449.080**	**(92.671)**

21. ADVANCES TAKEN

	September 30, 2005	December 31, 2004
Advances Taken	**4.234.771**	1.013.664

22. PENSION PLANS

None (December 31, 2004:None).

(Currency – YTL unless otherwise indicated)

23. PROVISIONS

	September 30, 2005	December 31, 2004
Income tax	**6.772.853**	3.884.428
Provision for retirepay pay	**13.476.457**	10.879.892
Total	**20.249.310**	14.764.320

Provision for retirement pay liability

In accordance with existing labor legislation, the Company and its subsidiaries incorporated in Turkey are required to make lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are calculated on the basis of 30 days' pay (limited to a maximum of YTL 1.727,15 at September 30, 2005 and YTL 1.574,74 at December 31, 2004 respectively) per year of employment at the rate of pay applicable at the date of retirement or termination.

For the companies established in Turkey, as of September 30, 2005 and December 31, 2004, the financial statements reflect a liability calculated using the Projected Unit Credit Method and based upon factors derived using their experience of personnel terminating their services and being eligible to receive retirement pay and discounted by using the current market yield at the balance sheet date on government bonds.

The principal actuarial assumptions used at the balance sheet dates are as follows:

	September 30, 2005	December 31, 2004
Discount rate	**16%**	16%
Expected rates of salary/limit increases	**10%**	10%

In addition, as of September 30, 2005 retirement pay liability provision was calculated by considering the increase of maximum liability of YTL 1.727,15 for the related year in accordance with inflation rate according to actuarial assumption.

Retirement pay liability provision movement is as follows :

	September 30, 2005
January 1, 2005	**11.327.724**
Interest cost	**1.136.360**
Actuarial loss	**-**
Charge for the year	**1.737.364**
Paid	**(724.991)**
September 30, 2005	**13.476.457**

	December 31, 2004
January 1, 2004	10.771.176
Interest cost	1.521.279
Actuarial loss	114.460
Charge for the year	544.683
Paid	(731.398)
Monetary gain	(1.340.308)
December 31, 2004	10.879.892

(Currency – YTL unless otherwise indicated)

24. MINORITY INTEREST

Minority interest is seperately classified in the financial statements.

25. ISSUED CAPITAL / ADJUSTMENTS OF INTERCOMPANY BALANCES

	September 30, 2005		December 31, 2004	
	Paid-in Capital	**%**	Paid-in Capital	%
Yazıcı Families	**17.889.533**	**44,72**	9.157.213	44,72
Kamil Yazıcı Yönetim ve Danışma A.Ş.	**13.399.988**	**33,50**	6.859.125	33,50
Publicly traded	**8.710.479**	**21,78**	4.458.681	21,78
Historical share capital	**40.000.000**	**100,00**	20.475.019	100,00
Restatement effect	**68.908.784**		72.682.154	
Total restated share capital	**108.908.784**		93.157.173	

Movement of paid in capital as at September 30, 2005 ve December 31, 2004 are as follows (historical amounts):

	September 30, 2005		December 31, 2004	
	Share	**Amount (YTL)**	Share	Amount (YTL)
Beginning (January 1)	**20.475.019**	**20.475.019**	13.650.012,787	13.650.013
Issued shares				
-Adjustments to equity	**3.773.371**	**3.773.371**	-	-
-Extraordinary reserves	**-**	**-**	4.039.591,394	4.039.591
-Income from sales of Treasury shares	**15.751.610**	**15.751.610**	2.785.415,000	2.785.415
Ending	**40.000.000**	**40.000.000**	20.475.019,181	20.475.019

Kamil Yazıcı Yönetim ve Danışma A.Ş. (henceforth as Management Company) is a professional management company established by members of the Kamil Yazıcı Family to manage their investments. Management Company owns 33.50% of Company but, by way of the special board nomination rights granted to Class A and Class B shares (1 + 3), it is entitled to nominate four of the six directors to the board of directors of the Company.

Yazıcılar common shares are divided into four classes, each class of shares having identical voting rights on all matters except for the election of directors. Three of these classes of shares – Classes B, C and D – consist of registered shares and are owned by members of the Yazıcı Family. Class A shares are divided into two sub-classes, one consisting of registered and the other, bearer shares. Bearer shares are held by public and the other ones are held by three Yazıcı families. (see note 1)

(Currency – YTL unless otherwise indicated)

25. ISSUED CAPITAL / ADJUSTMENTS OF INTERCOMPANY BALANCES (continued)

The following chart shows certain information with respect to the four classes of shares of Yazıcılar:

Class	Number	% of Capital	Number of Members on Board	Owned By
A (Bearer and Registered)	17.864.988	45	1	Kamil Yazıcı Yönetim ve Danışma, two Yazıcı Families and Public
B (Bearer)	9.999.991	25	3	Kamil Yazıcı Yönetim ve Danışma and one Yazıcı Family
C (Bearer)	5.701.762	14	1	Two Yazıcı Families
D (Bearer)	6.433.259	16	1	One Yazıcı Family
Total	**40.000.000**	**100**	**6**	

26. CAPITAL RESERVES

As of September 30, 2005, restated values of capital reserves which are included in equity and their restatement differences, are as follows:

	Historic Amount	Equity Restatement Differences	Restated Amount
Share Premium	9.446.870	-	9.446.870

27. PROFIT RESERVES

Legal Reserves

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code (TCC). The first legal reserve is appropriated out of the statutory profits at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's restated share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's restated share capital.

As required by the Capital Markets Board (CMB) Communiqué Serial XI, No : 25 "Communiqué for the Accounting Standards in Capital Markets"; beginning from the year 2003 profits, the net profit in the financial statements which are prepared in accordance with International Financial Reporting Standards will be taken as the base for dividend appropriation.

Publicly held companies perform their dividend appropriation in accordance with CMB regulations as follows:

Based on the CMB communiqué XI-25 section fifteen article 399, the amount included in "Prior Year Losses" account resulting from the first application of inflation accounting should be considered as a deduction during the identification of the profit to be distributed based on the inflation adjusted financial statements. Accordingly, the amount followed under "Prior Year Losses" account, may be offset against period income and retained earnings if it exists, and the remaining losses against extraordinary reserves, legal reserves and reserves resulted from inflation adjustment of equity accounts, respectively.

(Currency – YTL unless otherwise indicated)

27. PROFIT RESERVES (continued)

Regarding the profit resulting from 2004 operations resulted from the financial statements prepared in accordance with the Communiqué Serial: XI No: 25 or IFRS, dividend distribution of at least 30% (2003 - 20%) of the distributable profit is obligatory. Based on the General Assembly's decision of the Company, its subsidiaries, joint ventures and participations, this appropriation may be on cash basis or through the distribution of free shares not less than 30% of the distributable profit, or may be distributed both as cash and free shares. For the accounting period ending by December 31, 2004, all of the amount which will be calculated according to the regulations associated with the CMB's minimum profit distribution necessity has to be provided from the distributable profit existing in the financial statements prepared according to Tax Law, over the net distributable profit calculated from the financial statements prepared according to the CMB communiqué XI-25.The explanation is based on CMB decision 7/242, dated February 25, 2005.

The statutory accumulated profits and statutory current year profit are available for distribution, subject to the reserve requirements referred to above.

As of September 30, 2005, restated values of, legal reserves and extraordinary reserves, which are included in equity and their restatement differences, are as follows:

	Historic Amount	Equity Restatement Differences	Restated Amount
Legal Reserves	23.718.956	58.946.465	82.665.421
Statutory Reserves	8.000	63.000	71.000
Extraordinary Reserves	192.033.838	96.485.711	288.519.549
Special Reserves	6.490.745	3.000	6.493.745

28. ACCUMULATED PROFITS

Accumulated profits are seperately classified in the financial statements.

29. FOREIGN CURRENCY POSITION

Net foreign currency exposure for the Group (excluding banking) as of September 30, 2005 is approximately YTL 49.121.526 (December 31, 2004: YTL 87.815.719).

30. GOVERNMENT INCENTIVES AND GRANTS

Group uses 40% of its capital expenditure as allowance in the determination of the tax base within legal framework.

As of September 30, 2005, the Company has recognized 40% of capital expenditure as investment incentive amounting to YTL 4.691.908 as deduction from the tax base.

(Currency – YTL unless otherwise indicated)

31. COMMITMENTS AND CONTINGENCIES

Non-Banking:

Letters of guarantee given to banks, supplies, and custom offices are YTL 7.205.985 (December 31, 2004: YTL 5.898.822)

Letters of guarantee given to banks on the loans of associates and other related parties are YTL 33.715.055 (December 31, 2004: YTL 20.605.496)

Letters of guarantee given to banks, supplies, and custom offices by the joint venture are YTL 4.836.072 (December 31, 2004: YTL 5.669.628)

There has been granted YTL 12.804.828 total letter of credit for taking resin from suppliers of the company (December 31, 2004: YTL 5.001.029).

Banking

In the normal course of business activities, A-Bank and its consolidated subsidiaries undertake various commitments and incur certain contingent liabilities that are not presented in the financial statements including:

	September 30, 2005	December 31, 2004
Letters of guarantees		
- issued by A-Bank	**431.164.348**	368.691.084
Letters of credit	**136.290.173**	123.981.464
Acceptance credits	**15.613.000**	4.855.000
Other	**-**	-
Total non-cash loans	**583.067.521**	497.527.548
Other commitments	**102.148.000**	97.058.000
Total	**685.215.521**	594.585.548

As of September 30, 2005, A-Lease obtained letters of guarantee amounting to YTL 4.784.946 (December 31, 2004: YTL 3.127.800) and submitted to various institutions for various leasing transactions and funds borrowed from banks.

Blocked Assets

As of September 30, 2005, the nominal values of the YTL denominated assets held by the Group in fiduciary, agency or custodian capacities amounted to YTL 272.385.000 (December 31, 2004: YTL 217.749.000) and foreign currency denominated assets amounted to YTL 39.567.000 (December 31, 2004: YTL 39.966.000).

Litigation

Damages claimed in the suits filed against the Group amount to YTL 105.000 (December 31, 2004: YTL 3.225.000), as of September 30, 2005. These mainly include matters relating to personal claims of customers and ex-employees of A-Bank. Although the outcome of these matters can not always be ascertained with precision, management, based on professional advice, and also considering A-bank's insurance coverage believes that no material liabilities are likely to result. Consequently no provision has been made.

31. COMMITMENTS AND CONTINGENCIES (continued)

Other

Abank manages six open-ended investment funds which were established under the regulations of the Turkish Capital Board. In accordance with the funds' charters, Abank purchases and sells marketable securities on behalf of funds, markets their participation certificates and provides other services in return for a management fee and undertakes management responsibility for their operations.

32. BUSINESS COMBINATIONS

Group has acquired Anadolu Elektronik which is the distributor of durable consumer goods under the trademark of 'Samsung' as of January, 2005 with %51 nominal share and effective control in management. The Group's effective control rate over Anadolu Elektronik is 34,54%.

Group has sold all Coca Cola İçecek shares on hand (which held 5% nominal) to Anadolu Efes in April 26, 2005 and recognized income amounting to YTL 4.365.424 has been reflected to 'other income' in Group's income statement as of September 30, 2005.

Group has acquired 99,99% shares of Hamburger Restoran İşletmeleri A.Ş. and McDonald's Restaurantları Ltd. Şti. on May 4, 2005

33. SEGMENTAL INFORMATION

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group is organized into four major operating businesses.

Segmental Information

Thousands of YTL	Financial Institutions		Automotive & Machinery		Writing Instruments & Stationery		Other Operations		Unallocated		Consolidated	
Business Segments	**30.09.2005**	**30.09.2004**	**30.09.2005**	**30.09.2004**	**30.09.2005**	**30.09.2004**	**30.09.2005**	**30.09.2004**	**30.09.2005**	**30.09.2004**	**30.09.2005**	**30.09.2004**
Total Revenue	**70.252**	54.246	**375.456**	245.756	**49.546**	42.501	**100.891**	62.642	**8.616**	6.011	**604.685**	411.156
Segment Result	**70.252**	54.246	**85.099**	70.460	**24.898**	20.796	**19.912**	14.166	**8.540**	5.492	**208.701**	165.160
Operating Profit	**28.624**	13.244	**47.605**	43.330	**13.725**	10.818	**862**	3.241	**(270)**	(13.141)	**90.546**	57.492
Other income	**13.548**	21.248	**13.468**	12.542	**1.862**	949	**758**	916	**113.044**	88.060	**142.680**	123.715
Other expenses	**(1.179)**	(49)	**(11.519)**	(5.437)	**(1.906)**	(1.731)	**(238)**	(1.269)	**(2.964)**	(19.250)	**(17.806)**	(27.736)
Finance expenses	**(2.614)**	(2.025)	**(1.219)**	(4.244)	**(1.390)**	(1.663)	**(1.664)**	(1.534)	**(5.399)**	(6.200)	**(12.286)**	(15.666)
Income tax expense	**(9.462)**	(5.203)	**(13.110)**	(14.140)	**(3.045)**	(2.077)	**(243)**	(328)	**(3.057)**	1.762	**(28.917)**	(19.986)
Minority interest	**(5.655)**	(3.763)	**1.678**	1.267	**(3.091)**	(1.742)	**(189)**	(258)	**(29.673)**	(15.710)	**(36.930)**	(20.206)
Gain/(loss) on net monetary position	**-**	(7.249)	**-**	(1.411)	**-**	138	**-**	10.704	**-**	5.149	**-**	7.331
Net profit	**23.262**	16.203	**36.903**	31.907	**6.155**	4.692	**(714)**	11.472	**71.681**	40.670	**137.287**	104.944
Total assets	**1.470.416**	1.438.475	**170.975**	135.465	**53.598**	57.881	**82.785**	36.773	**651.706**	605.951	**2.429.480**	2.274.545
Segment liabilities	**1.244.750**	1.254.773	**76.678**	56.949	**19.690**	27.200	**39.549**	31.658	**47.060**	91.393	**1.427.727**	1.461.973

(Currency – YTL unless otherwise indicated)

33. SEGMENTAL INFORMATION (continued)

a) Substantially all of the consolidated revenues are obtained from operations located in Turkey. Similarly, substantially all of the consolidated assets are located in Turkey .

b) Investment in associates and joint ventures: Company's effective participation rate for Anadolu Efes is 35,09%. The operations of Anadolu Efes and its subsidiaries consist of production, distribution and marketing of beer under a number of trademarks and bottling of soft drinks under Coca Cola trademark principally in Turkey, East Europe and Middle Asia. The result of these operations, as of September 30, 2005 and September 30, 2004 are reflected in "other income and expenses" line of the consolidated income statement as YTL 83.517.459 and YTL 70.692.536 respectively.

	Place of Incorporation	Principal Activities	Effective Shareholding and Voting Rights %	
			30.09.2005	31.12.2004
Efes Breweries International N.V. (EBI)	The Netherlands	Facilitating investments in breweries	**24,64**	24,64
ZAO Moscow-Efes Brewery (Efes Moskow)	Russia	Production and distribution of beer	**17,50**	17,50
OAO Amstar (Amstar)	Russia	Production of beer	**17,50**	17,50
ZAO Efes Entertainment	Russia	Entertaintment	**14,87**	14,87
Efes Vitanta Moldova Brewery S.A. (Efes Vitanta)	Moldova	Production and marketing of beer, softdrinks, low alcoholic drinks and mineral water	**23,78**	23,78
Efes Weifert Brewery d.o.o (Efes Weifert)	Serbia	Production and marketing of beer	**20,58**	15,49
Efes Zajecar d.o.o (Efes Zajecar)	Serbia	Office administration and marketing	**17,98**	15,87
Efes Commerce d.o.o Belgrade (Efes Commerce)	Serbia	Production and marketing of beverages	**24,64**	24,64
CJSC Efes Karaganda Brewery (Efes Karaganda)	Kazakhstan	Production and marketing of beer	**24,64**	24,64
Efes Ukraine Brewery (Efes Ukraine)	Ukraine	Production and marketing of beer	**24,64**	14,52
Interbrew Efes Brewery S.A. (Interbrew Efes)	Romania	Production of beer	**12,32**	12,32
Efes Romania Industrie Si Comert S.A. (ERIC)	Romania	Distribution of beer	**24,64**	24,64
Efes Productie S.R.L (Efes Productie)	Romania	Distribution of beer	**27,78**	27,78
Efpa	Turkey	Marketing and distribution of beer	**35,09**	35,09
ATK Dış Ticaret Ltd Şti (ATK)	Turkey	Foreign Trade	**35,09**	-
Tarbes	Turkey	Production of hops	**35,00**	35,00
Euro-Asian Brauereien Holding GMBH (Euro-Asian)	Germany	Investment company	**24,64**	24,64
Cypex Co. Ltd. (Cypex)	Cyprus	Marketing and distribution of beer	**35,09**	33,34
Tonus Open Joint Stock Company (Tonus)	Kazakhstan	Investment company	**16,92**	16,92
Anadolu Efes Technical and Management Consultancy N.V. (AETMC)	Netherlands Antilles	Consultancy	**35,00**	35,00
Efes Holland Technical Management Consultancy B.V. (EHTMC)	The Netherlands	Consultancy	**35,00**	35,00
Efes Sınai	Turkey	Facilitating investments in soft drinks in foreign countries.	**18,20**	18,20
Efes Invest Holland B.V (Efes Holland)	The Netherlands	Investment company of Efes Sınai	**18,20**	18,20
Azerbaijan Coca-Cola Bottlers LCC (Azerbaijan CC)	Azerbaijan	Production, bottling, distribution and selling of soft drinks under Coca Cola trademark	**16,37**	16,37
J.V.Coca-Cola Almaty Bottlers Limited Liability Partnership (Almaty CC)	Kazakhstan	Production, bottling, distribution and selling of soft drinks under Coca Cola trademark and distribution of Efes products	**15,93**	15,93
Coca-Cola Bishkek Bottlers C.J.S.C. (Bishkek CC)	Kırgızistan	Production, bottling, distribution and selling of soft drinks under Coca Cola trademark and distribution of Efes products	**16,38**	16,38
Efes Sınai Dış Ticaret A.Ş. (EST)	Turkey	Foreign Trade	**18,02**	18,02
Rostov Beverage C.J.S.C. (Rostov)	Russia	Ceased production in 2000 and leased its plant to Efes Moskow.	**18,20**	18,20
The Coca Cola Bottling Company of Iraq FZCO (JV Dubai)	U.A.E	Investment company of Efes Sınai	**9,10**	-

(Currency – YTL unless otherwise indicated)

34. SUBSEQUENT EVENTS

Increase in share capital

The board of directors of Anadolu Endustri Holding A.Ş., on October 12, 2005, decided to increase the paid-in capital of the company to 110.000.000 YTL from 100.000.000 YTL.

Other

Anadolu Efes has sold 51,87% shares of Efes Sınai to Coca-Cola İçecek A.Ş. for YTL 196.045.010 in November 2005.

CCI has announced the start of the procedure for IPO at Istanbul Stock Exchange and its intention to merge with Efes Sınai, following the IPO.

Atlantic Industries, an indirect subsidiary of The Coca-Cola Company and Efes Holland have signed a "Share Purchase Contract" concerning the 90% shares of The Coca-Cola Bottling Company of Jordan, which is totally owned by Atlantic Industries and exclusively in charge of Coca-Cola operations in Jordan. The aforementioned contract requires Efes Holland to pay USD 6.360.000 in exchange for the shares.

35. DISCONTINUING OPERATIONS

None (December 31, 2004:None).

36. OPERATING INCOME

	September 30, 2005	September 30, 2004
Non-banking –net	**138.449.299**	110.914.668
Banking – interest inome- net	**70.251.690**	54.245.916
Total	**208.700.989**	165.160.584

37. OPERATING EXPENSES

	September 30, 2005	September 30, 2004
Non-banking	**74.878.279**	66.584.998
Banking	**43.277.000**	41.083.300
Total	**118.155.279**	107.668.298

(Currency – YTL unless otherwise indicated)

37. OPERATING EXPENSES (continued)

Non-banking

	September 30, 2005	September 30, 2004
General Administration expenses	**40.573.935**	40.987.464
Selling and marketing expenses	**34.183.755**	25.597.534
Research and Development expenses	**120.589**	-
Total	**74.878.279**	66.584.998

Banking

	September 30, 2005	September 30, 2004
General Administration expenses	**34.063.000**	21.403.234
Foreign exchange loss, net	**9.214.000**	19.680.066
Total	**43.277.000**	41.083.300

38. OTHER OPERATING INCOME/EXPENSE AND GAIN/LOSS

38.1 OTHER OPERATING INCOME AND GAIN

	September 30, 2005	September 30, 2004
Income from associates and joint ventures	**91.510.020**	77.903.051
Trading income	**8.744.571**	20.116.758
Foreign exchange gain	**13.511.579**	9.667.126
Dividend income	**4.954.963**	2.783.061
Income from sales of associates	**4.365.422**	782.030
Interest income	**9.139.679**	1.909.543
Gain on sale of fixed assets	**304.771**	722.277
Gain from valuation of marketable securities	**-**	523.215
Gain from sale of marketable securities	**513.444**	443.693
Reversal of provision for ‘receivables from loans given’	**3.118.031**	-
Other	**6.517.527**	8.864.598
Total	**142.680.007**	123.715.352

(Currency – YTL unless otherwise indicated)

38.2 OTHER OPERATING EXPENSE AND LOSS

	September 30, 2005	September 30, 2004
Foreign exchange loss	**9.251.239**	7.869.011
Donations	**2.452.550**	1.477.485
Loss from associates	**751.929**	4.171.265
Provision for 'receivables from loans given'	**695.476**	9.334.568
Other	**4.654.415**	4.883.358
Total	**17.805.609**	27.735.687

39. FINANCIAL EXPENSES

	September 30, 2005	September 30, 2004
Interest expense	**8.313.797**	8.120.821
Foreign exchange loss	**3.465.823**	5.126.373
Other	**505.200**	2.419.117
Total	**12.284.820**	15.666.311

40. MONETARY GAIN/LOSS

CMB has ceased the application of inflation accounting as of January 1, 2005. Therefore there is no monetary gain or loss recognised in the consolidated income statement for the nine-month period ended September 30, 2005. (September 30, 2004: YTL 7.415.098)

41. INCOME TAXES

	September 30, 2005	September 30, 2004
Current tax expense	**17.373.176**	17.027.746
Deferred tax expense	**11.543.698**	2.958.111
Total	**28.916.874**	19.985.857

The Group is subject to taxation in accordance with the tax procedures and the legislation effective in the countries in which the Group companies operate.

Corporate tax rate is declared as 30% as of January 1, 2005. (2004: 33%). Corporate tax returns are required to be filed until the fifteenth day of the fourth month following the balance sheet date and paid in one installment until the end of the fourth The tax legislation provides for a temporary tax of 30% (2004: 33%) to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset against the final corporate tax liability for the year.

41. INCOME TAXES (continued)

In 2003 and prior years, corporation tax was computed on the statutory income tax base without any adjustment for inflation accounting. Starting from January 1, 2004, taxable income will be derived from the financial statements which are adjusted for inflation accounting. Accumulated earnings arising from the first application of inflation accounting on December 31, 2003 balance sheet will not be subject to corporation tax, and similarly accumulated deficits arising from such application will not be deductible for tax purposes. Moreover, accumulated tax loss carry-forwards related with 2003 and prior periods will be utilized at their historical (nominal) values in 2004 and future years. Inflation accounting application has been ceased effective from January 1, 2005.

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

10% withholding applies to dividends distributed by resident corporations to resident real persons, those who are not liable to income and corporation tax, non-resident real persons, non-resident corporations (excluding those that acquire dividend through a permanent establishment or permanent representative in Turkey) and non-resident corporations exempted from income and corporation tax. Dividend distributions by resident corporations to resident corporations are not subject to a withholding tax. Furthermore, in the event the profit is not distributed or included in capital, no withholding tax shall be applicable.

Capital gains derived from cash sales of participation shares that have been held for at least two years are exempt from corporation tax if the gains are added to share capital. Furthermore, in the event the profit arising from the dividend receipt is not distributed or included in capital, no withholding tax shall be applicable.

Effective from April 24, 2003, investment allowances provides a deduction from the corporate tax base of 40% of the purchase price of purchases of the brand-new fixed assets having economic useful life and exceeding YTL 10,000 (2004: YTL 6,000) and directly related with the production of goods and services. Investment allowance that arose prior to April 24, 2003 are taxed at 19.8% (withholding tax) unless they are converted to new type at companies' will. All investment allowances can be carried forward indefinitely.

In Turkey, the tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

42. EARNING PER SHARE

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

In Turkey, companies can increase their share capital by making a pro rata distribution of shares ("Bonus Shares") to existing shareholders without consideration for amounts resolved to be transferred to share capital from retained earnings and revaluation surplus. For the purpose of the EPS calculation such Bonus Share issues are regarded as stock dividends Dividend payments, which are immediately reinvested in the shares of the Company, are regarded similarly.Therefore, for the calculation of weighted average number of shares, it is assumed that the shares are in ciculation. Accordingly the weighted average number of shares used in EPS calculation is derived by giving retroactive effect to the issue of such shares with consideration.

42. EARNING PER SHARE (continued)

(Currency – YTL unless otherwise indicated)

	September 30, 2005	September 30, 2004
Net profit for the period	**137.287.718**	104.944.517
Number of shares	**40.000.000**	20.475.019
Earnings per share	**3,43**	5,13

There have been no other transactions involving ordinary shares or potential ordinary shares since the financial statements preparation date and before the completion of these financial statements.

43. CASH FLOW STATEMENT

Cash flow statement is seperately represented in the complete set of financial statements.

(Currency – YTL unless otherwise indicated)

44. OTHER ISSSUES

44.1 RESERVE DEPOSITS AT CENTRAL BANK

	September 30, 2005	December 31, 2004
Reserve Deposits		
- New Turkish Lira	**10.235.000**	8.107.000
- Foreign Currency	**49.721.000**	44.644.000
	59.956.000	52.751.000

According to the regulations of the Central Bank, banks are obliged to reserve a portion of certain liability accounts as specified in the related decree. Such reserves are deposited with the Central Bank.

As of September 30, 2005 and December 31, 2004, reserve deposit rates applicable for new Turkish lira deposits are 6% and 11% for foreign currency deposits.

As of September 30, 2005, the interest rates applied for new Turkish lira and foreign currency reserve deposits are 10,3% ve 1,8% (December 31, 2004: 12,5% ve 1,04%) respectively.

44.2 BANKING LOANS

	September 30, 2005						
	Amount				**Effective interest rate**		
	New Turkish Lira	**Foreign Currency**	**Foreign Currency Indexed**	**Total**	**New Turkish Lira**	**New Turkish Lira**	**Foreign Currency**
Corporate loans	**433.711.458**	**193.955.615**	**109.431.200**	**737.098.273**	**20,7%**	**6,7%**	**7,6%**
Consumer loans	**3.425.000**	**-**	**96.000**	**3.521.000**	**29,4%**	**-**	**-**
Total performing loans	**437.136.458**	**193.955.615**	**109.527.200**	**740.619.273**			
Restructured	**90.000**	**654.000**	**9.076.000**	**9.820.000**			
Loans in arrears	**43.912.000**	**-**	**-**	**43.912.000**			
Less: Reserve for possible loan losses	**(29.310.000)**	**-**	**-**	**(29.310.000)**			
Total	**451.828.458**	**194.609.615**	**118.603.200**	**765.041.273**			

	December 31, 2004						
	Amount				Effective interest rate		
	New Turkish Lira	Foreign Currency	Foreign Currency Indexed	Total	New Turkish Lira	New Turkish Lira	Foreign Currency
Corporate loans	318.936.000	157.473.000	61.699.000	538.108.000	27,64%	7,11%	7,93%
Consumer loans	4.642.000	-	-	4.642.000	35,88%	-	-
Total performing loans	323.578.000	157.473.000	61.699.000	542.750.000			
Restructured	5.805.000	1.223.000	13.599.000	20.627.000			
Loans in arrears	29.730.000	-	-	29.730.000			
Less: Reserve for possible loan losses	(22.114.000)	-	-	(22.114.000)			
Total	336.999.000	158.696.000	75.298.000	570.993.000			

(Currency – YTL unless otherwise indicated)

44.2 BANKING LOANS (continued)

Movements in the reserve for possible loan losses:

	September 30, 2005	December 31, 2004
Reserve at beginning of year	**22.114.000**	44.833.699
Provision for possible loan losses	**14.977.000**	8.237.000
Collections	**(7.671.000)**	(7.283.000)
Provision net of recoveries	**7.306.000**	954.000
Loans written off and sold during the year	**(110.000)**	(18.223.000)
Monetary gain	**-**	(5.450.699)
Reserve at the end of year	**29.310.000**	22.114.000

A-Bank classified separately loans that have been restructured through medium to long-term agreements signed by related borrowers.. As of September 30, 2005 interest accrued on the restructured loans amounted to YTL 1.664.000 (December 31, 2004: YTL 1.180.000)

Reserve for impairment also includes YTL 4.533.000 (December 31, 2004: YTL 3.403.000) provided on a portfolio basis as of September 30, 2005.

As of September 30, 2005, loans and advances on which interest is not being accrued or where interest is suspended, amounted to YTL 43.912.000 (December 31, 2004: YTL 29.730.000).

The YTL 684.728.273 amount of 'Banking Loans' covers (December 31, 2004: YTL 506.223.000) current loans and YTL 80.313.000 amount covers (December 31, 2004: YTL 64.770.000) non-current loans.

44.3 DEPOSITS

Deposits from other banks

	September 30, 2005				December 31, 2004			
	Amount		Effective interest rate		Amount		Effective interest rate	
	New Turkish Lira	Foreign Currency	New Turkish Lira	Foreign currency	New Turkish Lira	Foreign currency	New Turkish Lira	Foreign Currency
Demand	**31.000**	**5.428.000**	**-**	**-**	11.000	3.112.000	-	-
Time	**-**	**24.133.000**	**-**	**%3,97**	-		-	-
Total	**31.000**	**29.561.000**			11.000	3.112.000		

(Currency – YTL unless otherwise indicated)

44.3 DEPOSITS (continued)

Customer deposits

	September 30, 2005				December 31, 2004			
	Amount		Effective interest rate		Amount		Effective interest rate	
	New Turkish Lira	Foreign Currency	New Turkish Lira	Foreign currency	New Turkish Lira	Foreign currency	New Turkish Lira	Foreign currency
Saving								
Demand	**7.381.000**	**19.389.000**	**-**	**-**	5.482.000	30.140.000	-	-
Time	**111.054.000**	**222.942.000**	**%17,56**	**%3,99**	89.781.000	224.148.000	21,21%	4,01%
	118.435.000	**242.331.000**			95.263.000	254.288.000		
Commercial and other								
Demand	**39.584.437**	**56.536.801**	**-**	**-**	25.911.355	48.732.281	-	-
Time	**124.993.025**	**75.294.194**	**%14,23**	**%3,31**	97.904.690	52.095.716	17,96%	2,97%
Total	**164.577.462**	**131.830.995**			123.816.045	100.827.997		
Total	**283.012.462**	**374.161.995**			219.079.045	355.115.997		

Other money market deposits

	September 30, 2005				December 31, 2004			
	Amount		Effective interest rate		Amount		Effective interest rate	
	New Turkish Lira	Foreign Currency	New Turkish Lira	Foreign currency	New Turkish Lira	Foreign currency	New Turkish Lira	Foreign currency
Obligations under repurchase agreements:								
-Due to customers	**4.585.000**	**-**	**%10,50**	**-**	3.658.000	-	13,77%	-
-Due to banks	**120.911.000**	**-**	**%11,74**	**-**	111.975.000	-	14,05%	-
	125.496.000				115.633.000	-		
Interbank deposits	**26.707.000**	**-**	**%14,64**	**-**	19.634.000	-	17,78%	-
Other money market deposits	**-**	**-**	**-**	**-**	1.408.000	-	18,51%	-
Total	**152.203.000**	**-**			136.675.000	-		

44.4 FUNDS BORROWED

	September 30, 2005				December 31, 2004			
	Amount		Effective interest rate		Amount		Effective interest rate	
	New Turkish Lira	Foreign Currency	New Turkish Lira	Foreign currency	New Turkish Lira	Foreign currency	New Turkish Lira	Yabancı Para
Short-term	**29.016.358**	**265.441.416**						
Fixed interest	**29.016.358**	**234.101.374**	**%14,12**	**%4,41-%5,76**	30.190.000	210.295.558	18,76%	3,67%-7,50%
Floating interest	**-**	**31.340.042**	**-**	**%5,74**	-	16.496.927	-	4,38%-6,50%
Medium-long term	**-**	**29.426.784**						
Fixed interest	**-**	**-**	**-**	**-**	-	-	-	-
Floating interest	**-**	**29.426.784**	**-**	**%3,89-%5,01**	-	14.222.872	-	2,18%-4,65%
Total	**29.016.358**	**294.868.200**			30.190.000	241.015.357		
Total funds borrowed	**323.884.558**				271.205.357			

(Currency – YTL unless otherwise indicated)

44.4 FUNDS BORROWED (continued)

Repayments of medium-long-term borrowing as per original contractual terms are as follows:

	September 30, 2005		December 31, 2004	
	Fixed rate	**Floating rate**	Fixed Rate	Floating Rate
2005	**-**	**-**	**-**	602.000
2006	-	**342.0**	-	13.620.872
2007	-	**15.325.0(**	-	-
2008	-	**10.959.445**	-	-
Later	-	**2.800.339**	-	
Total	-	**29.426.784**	-	14.222.872

Letters of guarantee denominated in foreign currency, YTL equivalent of which amounts to YTL 4.784.946 (December 31, 2004: YTL 6.462.000) were given to the lending institutions as collateral against the loans obtained.

As of September 30, 2005 EUR 1.767.610 (December 31, 2004: EUR 1.743.142) of the short-term foreign currency borrowing equivalent of YTL 2.856.634 (December 31, 2004:YTL 3.184.000) is borrowed by issuing promissory note to the related bank.

The YTL 302.545.558 amount of 'Deposits' covers (December 31, 2004: YTL 257.584.357) current deposits and YTL 21.339.000 amount covers (December 31, 2004 : YTL 13.621.000) non-current deposits.

44.5 DERIVATIVES

In the ordinary course of business, the Group enters into various types of transactions that involve derivative financial instruments. A derivative financial instrument is a financial contract between two parties where payments are dependent upon movements in price in one or more underlying financial instruments, reference rates or indices. Derivative financial instruments include forwards, swaps and futures.

The table below shows the favorable (assets) and unfavorable (liabilities) fair values of derivative financial instruments together with the notional amounts analyzed by the term to maturity. The notional amount is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at year-end and are neither indicative of the market risk nor credit risk.

The fair value of derivative financial instruments is calculated by using forward exchange rates at the balance sheet date. In the absence of reliable forward rate estimations in a volatile market, current market rate is considered to be the best estimate of the present value of the forward exchange rates.

	September 30, 2005								
	Fair value assets	Fair value liabilities	Notional amount in New Turkish Lira equivalent	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	More than 5 years
Derivatives held for trading									
Forward purchase contract	99.000	87.000	18.683.000	2.503.000	15.928.000	252.000	-	-	-
Forward sale contract	-	541.000	19.310.000	2.537.000	16.498.000	275.000	-	-	-
Currency swap purchase	113.000	409.000	175.737.000	148.926.000	26.811.000	-	-	-	-
Currency swap sale	-	4.328.000	181.598.000	149.222.000	32.375.000	1.000	-	-	-
Futures purchase	-	443.000	12.149.000	-	12.149.000	-	-	-	-
Futures sale	-	-	12.590.000	-	12.590.000	-	-	-	-
Option purchase	25.000	22.000	28.616.000	28.616.000	-	-	-	-	-
Option sale	-	4.000	28.774.000	28.774.000	-	-	-	-	-
Derivatives held for trading	-	-	-	-	-	-	-	-	-
Forward purchase contract	28.000	-	2.011.000	-	2.011.000	-	-	-	-
Total	**265.000**	**5.834.000**	**479.468.000**	**360.578.000**	**118.362.000**	**528.000**	**-**	**-**	**-**

	December 31, 2004								
	Fair value assets	Fair value liabilities	Notional amount in New Turkish Lira equivalent	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	More than 5 years
Derivatives held for trading									
Forward purchase contract	939.000	833.000	33.335.000	373.000	8.895.000	6.915.000	17.152.000	-	-
Forward sale contract	-	-	33.221.000	376.000	8.840.000	6.906.000	17.099.000	-	-
Currency swap purchase	54.000	1.030.000	139.861.000	113.690.000	-	-	26.171.000	-	-
Currency swap sale	-	-	146.087.000	113.712.000	-	-	32.375.000	-	-
Futures purchase	13.000	15.000	5.318.000	-	5.318.000	-	-	-	-
Futures sale	-	-	5.376.000	-	5.376.000	-	-	-	-
Option purchase	-	-	1.919.000	1.919.000	-	-	-	-	-
Option sale	-	-	2.106.000	2.106.000	-	-	-	-	-
Total	1.006.000	1.878.000	367.223.000	232.176.000	28.429.000	13.821.000	92.797.000	-	-

44.6 FINANCIAL INSTRUMENTS

Banking

Financial Risk Management

General

To maintain and improve the soundness of its operations, A-Bank accords top management priority to upgrading its risk management systems and capabilities. According to A-Bank's "Risk Management Policy", Financial Risks are composed of Market, Credit and Liquidity risks. These risks are supervised by the "Bank Risk Committee" while the various Risk Committees and Risk Control Unit carry out the risk management related tasks.

Risk Management Policy includes details about the framework for defining, measuring, monitoring and managing the risks taken by the business units across A-Bank. Risk Management Policy covers,

- Sound and optimum capital allocation
- Quantification of the actual risks
- Establishment of dynamic risk limits

Building a capital management system lies at the core of A-Bank's Risk Management Policy. In addition to fully complying with regulatory capital requirements, A-Bank has its own estimate of required economic capital. This figure is believed to reflect a more realistic picture of A-Bank's risk profile. Based on the capital management tool, A-Bank conducts RaRoC (Risk-adjusted Return on Capital) analysis for different lines of business and uses the outcome as a performance measurement tool.

In order to obtain an accurate grasp of the A-Bank's exposures, A-Bank quantifies the actual risks using its own in-house models.

As a last step of Risk Management Policy, A-Bank determines risk-based limits, with respect to available economic capital and monitors actual risks against these limits.
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Credit Risk

Seeking to maintain a sound asset portfolio and prevent non-performing loans, the A-Bank has clearly seperated its sales-related departments and credit management department. A-Bank has its own score-sheet and rating scale and uses the output of this internal rating tool in managing the credit portfolio, setting limits, pricing and collateralizing.

(Currency – YTL unless otherwise indicated)

44.6 FINANCIAL INSTRUMENTS (continued)

Sectoral break down of cash and non-cash loans is as follows:

	September 30, 2005		December 31, 2004	
	Cash	**Non-cash**	Cash	Non-cash
Automotive	**10.295.145**	**6.733.545**	4.720.000	8.131.000
Chemical	**19.975.462**	**14.751.717**	20.151.000	12.116.000
Construction	**63.585.038**	**87.969.771**	38.303.000	77.950.000
Electrics and electronics	**5.820.412**	**4.565.117**	5.090.000	4.470.000
Finance	**37.173.596**	**43.187.820**	42.469.000	30.888.000
Food and beverage	**47.962.782**	**36.737.541**	39.615.000	28.196.000
Forest products and agriculture	**26.590.439**	**3.681.489**	14.066.000	2.692.000
Iron and steel, non-metal	**46.680.257**	**48.581.337**	32.116.000	41.051.000
Machinery	**23.921.032**	**14.278.315**	29.200.000	12.170.000
Mining	**24.460.502**	**18.682.297**	8.511.000	18.071.000
Paper	**10.480.380**	**15.446.126**	7.698.000	15.000.000
Petroleum	**6.158.066**	**26.810.488**	5.112.000	9.037.000
Production	**35.778.436**	**28.578.770**	35.570.000	19.884.000
Textile	**130.215.499**	**42.912.357**	111.952.000	46.352.000
Tourism	**18.484.039**	**1.326.646**	14.112.000	1.808.000
Trade	**117.383.648**	**122.324.379**	68.048.000	98.512.000
Transportation	**32.270.768**	**17.789.296**	14.689.000	15.725.000
Others	**81.952.976**	**48.831.328**	59.146.000	55.475.000
Corporate loans	**739.188.477**	**583.188.339**	550.568.000	497.528.000
Consumer loans	**3.906.178**	**-**	4.642.000	-
Interest accruals	**7.344.762**	**-**	8.167.000	-
Loans in arrears	**43.911.886**	**-**	29.730.000	-
Provision for possible losses	**(29.310.030)**	**-**	(22.114.000)	-
Total	**765.041.273**	**583.188.339**	570.993.000	497.528.000

44.6 FINANCIAL INSTRUMENTS (continued)

Liquidity Risk

Liquidity risk refers to the possibility of an institution being unable to access necessary funds due to declining fund-raising capacity. The Group closely monitors its overall liquidity level and operates under strict limits based on stress conditions. To address liquidity risk, Group has adopted a unified approach to YTL and foreign currency fund-raising opportunities.

The table below analyses assets and liabilities (in thousands of YTL) of Group into relevant maturity groupings based on the remaining period at balance sheet date to contractual maturity date

Thousands YTL	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Over 1 year	Total
As at September 30, 2005						
Assets						
Cash and balances with the Central Bank	18.894	-	-	-	-	18.894
Deposits with banks and other financial						
	32.043	-	-	-	-	32.043
Other money market placements	23.933	-	-	-	-	23.933
Reserve deposits at the Central Bank	59.956	-	-	-	-	59.956
Trading securities	20.798	1.107	121	597	3.048	25.671
Investment securities	238	7.417	229	272.066	93.112	373.062
Originated loans and advances	485.040	83.104	54.599	61.985	80.313	765.041
Minimum lease payments receivable	9.192	9.277	13.299	22.148	40.769	94.685
Derivative financial instruments	-	-	-	-	-	-
Assets held for resale	142	123	-	-	-	265
Tangible assets	-	-	-	-	-	-
Intangible assets	-	-	-	-	3.611	3.611
Deferred tax assets	-	-	-	-	1.665	1.665
Other assets	-	-	-	-	27.146	27.146
	15.705	-	-	-	11.860	27.565
Total assets	**665.941**	**101.028**	**68.248**	**356.796**	**261.524**	**1.453.537**
Liabilities						
Deposits from other banks	29.592	-	-	-	-	29.592
Customers' deposits	599.772	51.339	4.387	1.677	-	657.175
Other money market deposits	152.203	-	-	-	-	152.203
Funds borrowed	41.842	123.136	72.839	64.728	21.339	323.884
Derivative financial instruments	482	5.342	10	-	-	5.834
Other liabilities and provisions (*)	63.982	67	1.871	101	10.055	76.076
Income taxes payable	-	-	-	-	-	-
	-	-	-	-	-	-
Total liabilities	**887.873**	**179.884**	**79.107**	**66.506**	**31.394**	**1.244.764**
Net liquidity gap	**(221.932)**	**(78.856)**	**(10.859)**	**290.290**	**230.130**	**208.773**
As at December 31, 2004						
Total assets	585.618	74.405	70.338	126.600	364.456	1.221.417
Total liabilities	728.632	140.276	54.096	108.154	18.097	1.049.255
Net liquidity gap	(143.014)	(65.871)	16.242	18.446	346.359	172.162

(*) Includes blocked accounts

44.6 FINANCIAL INSTRUMENTS (continued)

Market Risk

Market risk is defined as the decrease in the market value of ABank due to relevant price fluctuations. This risk group is handled in two broad categories. Trading and Structural Interest Rate Risk, which requires different models and assumptions. Trading Risk refers to the daily volatility of values of tradeable assets, such as Foreign Exchange, Fixed Income Securities, Stocks, and related derivative instruments. Value-at-Risk (VaR) is the primary tool for day-to-day monitoring of trading-related market risk. VaR is a statistical measure of the potential losses that could occur due to movements in market rates and prices under normal market circumstances. Secondly, Structural Interest Rate Risk, addresses the risk which stems from sensitivity of the relatively illiquid items of the balance sheet to the shifts of the yield curve. Market risk exposure of ABank as a whole is bound by the economic capital allocated by the Board.

Currency Risk

A-Bank centralized its currency risk and assigned Treasury Department to manage this risk. In principal, the balance sheet is assumed to be currency risk free. Any residual currency risk is treated as trading risk and it is subject to Value-at-Risk limits and nominal limits set by the Board.

As of September 30, 2005 the ABank's on balance sheet foreign currency short position is YTL 49.744.000 (December 31, 2004: YTL 35.629.000-short position)

(Currency – YTL unless otherwise indicated)

44.6 FINANCIAL INSTRUMENTS (continued)

The concentrations of assets, liabilities and off balance sheet items of Group are as follows:

Thousands YTL	New Turkish Lira	US Dollars	EUR	Japanese Yen	Others	Total
As at September 30, 2005						
Assets						
Cash and balances with the Central Bank	9.661	6.870	2.190	-	173	18.894
Deposits with banks and other financial institutions	26.446	4.460	856	1	280	32.043
Other money market placements	7.835	16.098	-	-	-	23.933
Reserve deposits at the Central Bank	10.235	49.721	-	-	-	59.956
Trading securities	25.636	35	-	-	-	25.671
Investment securities	133.969	239.071	22	-	-	373.062
Originated loans and advances	465.720	212.628	86.688	-	5	765.041
Minimum lease payments receivable	22.262	35.423	37.000	-	-	94.685
Derivative financial instruments	265	-	-	-	-	265
Tangible assets held for resale	-	-	-	-	-	-
Tangible assets	3.611	-	-	-	-	3.611
Intangible assets	1.665	-	-	-	-	1.665
Deferred tax assets	27.146	-	-	-	-	27.146
Other assets	22.415	5.149	1	-	-	27.565
Total assets	**756.866**	**569.455**	**126.757**	**1**	**458**	**1.453.537**
Liabilities						
Deposits from other banks	31	24.727	751	3.566	517	29.592
Customers' deposits	283.012	271.630	90.497	10.655	1.381	657.175
Other money market deposits	152.203	-	-	-	-	152.203
Funds borrowed	29.017	222.897	71.970	-	-	323.884
Derivative financial instruments	5.834	-	-	-	-	5.834
Other liabilities and provisions (*)	58.028	10.119	7.485	-	444	76.076
Income taxes payable						
Total liabilities	**528.125**	**529.373**	**170.703**	**14.221**	**2.342**	**1.244.764**
Net on-balance sheet position	**228.741**	**40.082**	**(43.946)**	**(14.220)**	**(1.884)**	**208.773**
Off-balance sheet position						
Net notional amount of derivatives	(43.053)	(52.651)	72.358	14.223	2.035	(7.088)
Non- cash loans	298.822	183.162	95.902	23.480	986	602.352
As at December 31, 2004						
Total assets	609.355	523.820	87.672	171	399	1.221.417
Total liabilities	431.643	479.182	134.214	3.181	1.035	1.049.255
Net on balance sheet position	177.712	44.638	(46.542)	(3.010)	(636)	172.162
Off –balance sheet position, net nominal amount	194.646	170.074	119.143	14.149	2.139	500.151

(*) Includes blocked accounts

44.6 FINANCIAL INSTRUMENTS (continued)

Interest Rate Risk

The net present value assets and liabilities are driven by interest rates different in terms of maturity and market characteristics. Trading securities are sensitive to treasury bill rates; therefore they are treated in the trading book and subject to Value-at-Risk limits. Items such as loans, deposits and other interest rate sensitive assets and liabilities are assumed to be sensitive to the structural changes in the interest rates and thus classified in the banking book. The relevant risk is measured with simulation based interest rate models. Applied limits on the risks posed by the asset- liability mismatches are derived from the capital set aside by the Board for Asset- Liability Management purposes.

The table below summarizes Group's exposure to interest rate risk (in thousands of YTL) on the basis of the remaining period at the balance sheet date to the re-pricing date.

Thousands YTL	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	No interest	TOTAL
As at September 30, 2005							
Assets							
Cash and balances with the Central Bank	4.177	-	-	-	-	14.717	18.894
Deposits with banks and other financial institutions	27.601	-	-	-	-	4.442	32.043
Other money market placements	23.933	-	-	-	-	-	23.933
Reserve deposits at the Central Bank	59.956	-	-	-	-	-	59.956
Trading securities	50	1.195	118	512	3.047	20.749	25.671
Investment securities	238	10.214	226.959	42.576	93.075	-	373.062
Originated loans and advances	504.351	83.027	54.063	61.279	56.494	5.827	765.041
Minimum lease payments receivable	6.756	9.277	13.299	22.148	39.748	3.457	94.685
Derivative financial instruments	142	123	-	-	-	-	265
Tangible assets held for resale	-	-	-	-	-	3.611	3.611
Tangible assets	-	-	-	-	-	1.665	1.665
Intangible assets	-	-	-	-	-	27.146	27.146
Deferred tax asset	-	-	-	-	-	-	-
Other assets	13.255	-	-	-	-	14.310	27.565
Total assets	**640.459**	**103.836**	**294.439**	**126.515**	**192.364**	**95.924**	**1.453.537**
Liabilities:							
Deposits from other banks	24.133	-	-	-	-	5.459	29.592
Customers' deposits	476.881	51.339	4.387	1.676	-	122.892	657.175
Other money market deposits	152.203	-	-	-	-	-	152.203
Funds borrowed	65.805	133.231	85.424	37.326	2.094	4	323.884
Derivative financial instruments	482	5.342	10	-	-	-	5.834
Other liabilities and provisions (*)	7.377	67	97	97	63	68.375	76.076
Income taxes payable	-	-	-	-	-	-	-
Total liabilities	**726.881**	**189.979**	**89.918**	**39.099**	**2.157**	**196.730**	**1.244.764**
On balance sheet interest sensitivity gap	(86.422)	(86.143)	204.521	87.416	190.207	(100.806)	208.773
Off balance sheet interest sensitivity gap	(489)	(8.585)	(26)	(2)	-	-	(9.102)
Total interest sensitivity gap	**(86.911)**	**(94.728)**	**204.495**	**87.414**	**190.207**	**(100.806)**	**199.671**

(*) Includes blocked accounts

44.6 FINANCIAL INSTRUMENTS (continued)

The table below summarizes Group's exposure to interest rate risk (in thousands of YTL) on the basis of the remaining period at the balance sheet date to the repricing date.

Thousands YTL	Up to 1 montrh	1-3 months	3-6 months	6-12 months	1-5 years	Non interest bearing	Total
As at December 31, 2004							
Assets							
Cash and balances with the Central Bank	4	-	-	-	-	9.674	14.236
Deposits with banks and other financial institutions	138	-	-	-	-	5.047	143.255
Other money market placements	19	-	-	-	-	-	19.846
Reserve deposits at the Central Bank	52	-	-	-	-	-	52.751
Trading securities	193	322	1.141	45.095	8.362	11.289	66.402
Investment securities	-	-	219.867	-	-	-	219.867
Originated loans and advances	338	69.642	50.973	53.354	48.687	9.760	570.993
Minimum lease payments receivable	4	7.635	10.331	18.645	25.484	1.164	68.222
Derivative financial instruments	-	-	-	-	-	1.006	1.006
Tangible assets held for resale	-	-	-	-	-	5.025	5.025
Tangible assets	-	-	-	-	-	3.793	3.793
Other assets	7	-	-	-	-	48.938	56.021
Total assets	566	77.599	282.312	117.094	82.533	95.696	1.221.417
Liabilities							
Deposits from other banks	-	-	-	-	-	3.123	3.123
Customers' deposits	357	87.035	3.601	10.645	799	114.521	574.195
Other money market deposits	136	-	-	-	-	-	136.675
Funds borrowed	79	57.093	52.464	82.141	-	-	271.205
Derivative financial instruments	-	-	-	-	-	1.878	1.878
Other liabilities and provisions (*)	1	45	69	139	123	58.790	60.751
Income tax payable	-	-	-	-	-	1.343	1.343
Deferred tax liabilities	-	-	-	-	-	85	85
Total liabilities	575	144.173	56.134	92.925	922	179.740	1.049.255
On balance sheet interest sensitivity gap	1	(60.305)	231.247	8.779	56.127	-	236.937
Off balance sheet interest sensitivity gap	(215	-	11	-	-	-	(204)
Total interest sensitivity gap	874	(60.305)	231.258	8.779	56.127	-	236.733

(*) Includes blocked accounts

(Currency – YTL unless otherwise indicated)

44.6 FINANCIAL INSTRUMENTS (continued)

Operational Risk

Operational risk is defined as the risk of direct or indirect loss resulting from inadequate or failed internal process, people and systems or from external events.

Operational risk which is inherent in all business activities is associated with human error, system failure and inadequate controls and procedures. Operational risk includes errors and omissions in business activities, internal and external fraud and natural disasters.

Group has Risk Management and Internal Control practices, to keep operational risks under control and minimize it by operating under detailed written procedures. All documents, including Risk Management policies and contingency procedures, are kept up-to-date and accessible to all staff in electronic media.

Capital Adequacy

To monitor the adequacy of its capital, A-Bank uses ratios established by BRSA. These ratios measure capital adequacy (minimum 8% as required by BRSA) by comparing A-Bank's eligible capital with its balance sheet assets, off-balance sheet commitments and market and other risk positions at weighted amounts to reflect their relative risk. As of September 30, 2005 A-Bank's capital adequacy ratio calculated on consolidated basis based on statutory financial statements is 16,57% (December 31, 2004: 19,21%)

Non-Banking

Financial risk management objectives and policies

The Group's principal financial instruments, other than derivatives, comprise bank borrowings, finance leases, cash and short-term deposits and marketable securities. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, foreign currency risk, and credit risk. The board / management reviews and agrees policies for managing each of these risks and they are summarized below. The Group also monitors the market price risk arising from all financial instruments.

1) Foreign currency risk

The Group's operations are predominantly performed in Turkey where the economy experiences high and variable levels of inflation.

The following table summarizes the exchange rate of New Turkish lira to 1 USD and 1 EUR :

		Exchange buying rate at January 1, 2005	Average exchange buying rate in the period	Exchange buying rate at September 30, 2005
YTL /USD	Turkey	1.3363	1.3377	1.3406
YTL /EUR	Turkey	1.8233	1.6907	1.6161

44.6 FINANCIAL INSTRUMENTS (continued)

		Exchange selling rate at January 1, 2005	Average exchange selling rate in the period	Exchange selling rate at September 30, 2005
YTL /USD	Turkey	1.3427	1.3441	1.3471
YTL /EUR	Turkey	1.8321	1.6989	1.6239

The Group does not hedge investments, receivables, accounts payables, lease obligations and borrowings denominated in a foreign currency. The Group does not hedge their estimated foreign currency exposure in respect of sales and purchases.

2) Liquidity Risk

Liquidity risk arises from the possibility that customers may not be able to settle within the normal terms of trade. To manage this risk the Group periodically assesses the financial viability of customers. Liquidity risk arises from the possibility that a market for derivatives may not exist in some circumstances.

3) Credit Risk

The Group is generally raising funds by liquidating their short-term financial instruments such as collecting their receivables. The Group's proceedings from these instruments generally approximate their fair values.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and the current economic environment.

4) Price Risk

The Group is exposed to exchange rate fluctuations due to the nature of their businesses. The Group's imports are in US Dollars and European currencies. These currencies strengthening against the subsidiaries' local currencies have an adverse effect on the Group's results. Certain parts of the interest rates related to borrowings are based on market interest rates; therefore the Group is exposed to interest rate fluctuations on domestic and international markets. The Group does not have any hedging transactions to limit currency and interest rate risks.

(Currency – YTL unless otherwise indicated)

44.6 FINANCIAL INSTRUMENTS (continued)

5) Interest Rate Risk

The Group mainly enters into fixed based contracts in its financial borrowings. As of September 30, 2005, overwhelming majority of the Group's (non-banking) long-term debt was at fixed rates.

The effective interest rate range which are calculated from different types of currencies other than New Turkish Lira, is as follows:

Fixed rate bank loans	3,78% - 5,10%
Fixed rate financial lease payables	4,5% - 11,33%

As of June 30, 2005 the effective interest range of ABanks' credit loans is as follows:

Short term YTL ;	
Fixed rate loans	14,12%
Variable rate loans	-
Short term foreign exchange denominated;	
Fixed rate loans	4,41% - 5,76%
Variable rate loans	5,74%
Long term foreign exchange denominated;	
Variable rate loans	3,89% - 5,01%

Fair Values

Fair value of trade receivables, other current assets, trade payables and other current liabilities are equal to their carrying values in the balance sheet due to their short term nature.

Due to the unavailability of market prices and insufficiency of other methods to be used in determining the fair value, investments are carried on their cost values.

Short term and long term financial lease liabilities, and other current liabilities are presented with their carrying values in the balance sheet owing to their foreign exchange denominated structure and revalued by the year end foreign exchange rates.

It's accepted that, banking loans are all deemed to represent their carrying values because of the fact that, lender updates the interest rate applied on loans aiming to reflect the active market rates.