JCR Eurasia Rating

TURKEY

Corporate Credit Rating
Updated

Banking

aktif bank	Long-Term	Short-Term
International – Foreign currency	BB	B
International – Local currency	BB	B
International – Outlook	Stable	Stable
National – Local Rating	A+ (Trk)	A–1 (Trk)
National – Outlook	Positive	Stable
Sponsor Support	3	-
Stand Alone	AB	-
Sovereign* – Foreign currency	BB	B
Sovereign* – Local currency	BB	B
Sovereign* – Outlook	Stable	Stable

* Affirmed by Japan Credit Rating Agency, JCR on February 21, 2011

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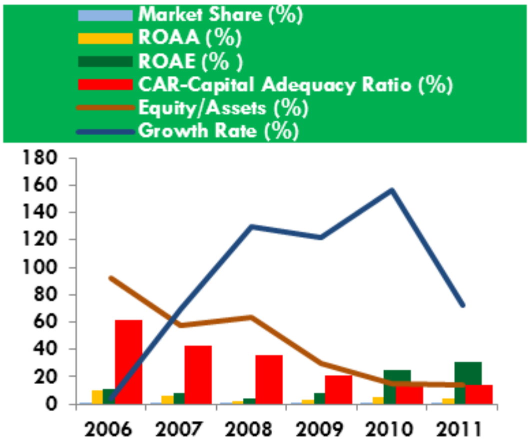


AKTIF YATIRIM BANKASI A.Ş.

Financial Data	2011*	2010*	2009*	2008*	2007*	2006*
Total Assets (000 USD)	1,339,003	956,916	383,248	171,337	74,599	57,184
Total Assets (000 TL)	2,552,810	1,479,392	577,057	260,090	113,242	66,819
Equity (000 TL)	348,049	225,752	173,193	164,441	65,346	61,234
Net Profit (000 TL)	65,546	43,515	3,155	4,953	4,111	5,228
Market Share (%)	0.210	0.147	0.069	0.034	0.011	0.013
Gross ROAA (%)	4.444	4.735	3.149	2.477	5.701	10.153
Gross ROAE (%)	31.227	24.408	7.808	4.024	8.110	11.382
Equity/Assets (%)	13.634	15.260	30.013	63.225	57.705	91.642
CAR-Cap.Adequacy Ratio (%)	13.937	12.645	21.290	35.636	42.190	61.402
Growth Rate (%)	72.56	156.37	121.87	129.68	69.48	4.12

*End of year

Overview

Aktif Yatırım Bankası A.Ş. (hereinafter "Aktif Bank" or the "Bank") was incorporated as an investment bank under the name Çalık Yatırım Bankası A.Ş. in July, 1999. On August 1, 2008, the Bank transformed its name to Aktif Yatırım Bankası A.Ş. in line with its redefined mission, vision and strategy. The Bank was set up as a subsidiary of Çalık Holding, one of the prominent conglomerates in Turkey with stakes in various industries with a primary focus in the construction, textiles, finance, media, telecom, energy and mining sectors. As of December 31, 2011, the total asset size of the Holding was USD 6.4bn and total revenue was USD 2.9bn.

The Bank operates in the fields of corporate banking, retail banking, leasing, factoring, trade finance and consulting through a network of seven branches located in İstanbul, Bursa, Kayseri, Gaziantep, Düzce, Sakarya and Kütahya. In addition, through alternative delivery channels involving over 4,000 workplaces, the Bank has enlarged its geographical outreach to areas where its own branch network has not yet been established, creating the largest banking network in Turkey.

Principally, during the last two consecutive years Aktif Bank displayed exceptional performance in all core banking activities and posted a transformative growth during the previous five years, showing cumulative net profit, asset, loans and equity growths of 1,154%, 3,720%, 3,605% and 468%, respectively in TRY basis while preserving its asset quality. Although Aktif Bank is not entitled to receive deposits, the Bank has succeeded in expanding and diversifying its fund resources through unsecured bank bonds and asset backed securities issues. Aktif Bank successfully arranged unsecured bond issuances in the amount of TRY 3.5bn since 2009 and with TRY 569mn of asset backed securities issuances since October 2011.

Strengths

- Exceptional growth performance in asset size, loans and net profit fields, which are well beyond the sector averages
- Competency in generating net fee and commission income, which has the largest share in total income
- Well established organizational structure and successful management practices
- Notable low level of impaired loans and 100% provisioning against non-performing loans
- Success of expanding and diversifying fund sources through innovative streams, in this regard the Bank is leading and acting as a model
- Retention of profits policy contributes to Bank's capital adequacy
- Effective usage of innovative alternative delivery channels and having largest network therein
- Parent company's tendency to support the Bank

Constraints

- Below sector average capital adequacy ratios, despite improvement and compliance with BRSA regulations
- Remarkable percentage of the Bank's cash and non-cash loans granted to group companies
- Sector-wide structural maturity mismatches exerting adversities on the liquidity management of the Banks
- High operating expenses share in total income
- Commitments and contingencies as a proportion of equity above the development and investment banking sectors ratio
- Low market presence

Publication Date: May 23, 2012

"Global Knowledge supported by Local Experience"

1. Rating Rationale

Aktif Bank has signed another year full of success during FY2011, recording growths in asset size, net profit, loans and equity of 72.56%, 50.63%, 130.75% and 54.17%, respectively, along with attained asset quality. With these impressive outcomes, the Bank demonstrated an outstanding performance compared to both the entire Turkish banking and the investment & development banking sectors.

Since 2007 Aktif Bank has been the fastest growing bank in the Turkish banking system and its cumulative asset base growth reached 3,412.59% during the last five year period. With this fast expansion, the Bank ranked 26th out of 44 banking institutions at the end of September 2011, moving from 41st of 46 banking institutions at the end of FY2007 according to Turkish Banking Association's figures.

The Bank has also demonstrated similar performance in the profitability field. In the context of net profit, the Bank moved to 16th of the 44 banking institutions at the end of September 2011 from 36th out of 46 banking institutions at the end of FY2007.

At the end of FY2011 Aktif Bank:

- Outperformed the sector in the indices of ROAA and ROAE,
- Showed growth figures well beyond the sector in asset size, loans, equity and augmentation in its net profit were well beyond the sector's growth figures,
- Throughout the last seven year period, the Bank's cumulative growth performance was approximately 9.5 times of the sector's growth,
- Generated internal and external funding at rates above sector averages,
- Had below sector average capital adequacy ratio, although demonstrates an improvement,
- Posted a Net Interest Margin (NIM) ratio markedly higher than the sector,
- Had a lower NPLs to gross loans ratio and higher loan loss reserves than the sectors,
- Showed significantly higher operating expenses to total income and average total assets ratios,
- Posted net fee and commission income to total operating expenses of 91.57% while the development & investment banking sector's 49.05% and entire sector's was 64.97%
- Had a total income to total expense ratio lower than the sector averages,
- Was markedly above development and investment banks' ratio external liabilities to shareholder's equity of 169.58% at 633.46%.

Aktif Bank was the first Turkish bank to issue a bank bond (Aktif Bond) and successfully arranged unsecured bond issuances in the amount of TRY 3.5bn since 2009. Aktif Bond offers flexible maturity, high interest returns and low taxes to its investors. The Aktif Bond was offered as a "commercial paper" facility. This bond issue is an important and innovative product for the Bank as it provides a fixed-income investment alternative to customers, as Aktif Bank is not entitled to accept deposits from customers.

The Bank had great success in issuing Turkey's first asset backed securities on the Istanbul Stock Exchange (ISE) on October 20, 2011 in the amount of TRY187mn.. Thanks to this method, the Bank provided funds to grant new loans as well as obtained a new instrument for the management of risks on its balance sheet. The Bank provided new funds in the amount of TRY 569.46mn with Asset Back Securities (ABS) in 7 tranches on October 20 2011, in 8 tranches on January 25 2012 and in 10 trances on May 02 2012.

JCR-ER upgraded the Bank's Long-Term National Local Rating from **'A' (Trk)** to **'A+' (Trk)** with a **'Positive'** outlook for the year. In addition, the Bank's International notes have been affirmed as **'BB'** in the long term and **'B'** in the short term with a 'Stable' outlook.

These assigned ratings are supported by (i) high profit generation capacity through resilient income components with minimum incidental and nonrecurring parts, (ii) the capability to diversify fund resources through generation of alternative funding sources such as bond issues and through asset backed securities, (iii) loan quality and a lower non-performing loans ratio (iv) well-established managerial practices along with cautious management policy (v) level of compliance with respect to corporate governance best practices (vi) extraordinary growth rates in all core banking activity fields (vii) sturdiness of the Turkish banking system in general and (viii) cash equity injection with an amount of TRY 67mn.

On the contrary, (i) a higher operating expenses to total income ratio, (ii) a lower capital adequacy ratio in comparison to the sector although above the legal requirements, (iii) prevalent sector-wide structural maturity mismatch and, (iv) a sector-wide squeeze in the profit margin contribute to underpin the ratings to their current levels.

For this assignment, JCR-ER utilized the independent consolidated audit report of Aktif Bank, based on the guidelines of International Financial Reporting Standards (IFRS), along with the unconsolidated report submitted to the Banking Regulation and Supervisory Authority (BRSA).

2. Outlook

JCR-ER has affirmed a **"Positive"** outlook for the long term national ratings and a "stable" outlook for the short term national as well as international ratings perspectives of Aktif Bank, considering the sustainability of the net profit increase, continuity in asset quality, the effects of parent company activities, an enhancement in the granularity of granted cash loans, long term based external funds, an increase in the equity base along with alleviation in liquidity needs and the continuity of growth.

The constraining factors of the ratings are a downgrading in the sovereign rating of Turkey, increasing tension in international politics concerning Turkey's neighboring countries, downside pressure exercised on the profitability of the banking system, short maturity funds structure, slower recovery in developed countries as well as an ongoing laxity in the European debt crisis despite alleviation after ECB liquidity easing operations.

Upgrades in Turkey's country ceiling ratings, future profit generation, and improvement in both the domestic and global financial climate, the management of additional risks combined with the growth of the Bank and equity injection when required are the significant factors that may be taken into consideration for any future change in ratings and outlook status.

3. Sponsor Support and Stand Alone

The parent Company Çalık Holding A.Ş. one of the leading conglomerates in Turkey, As of December 31, 2011, the total asset size of the group was USD 6.4bn and total revenue was USD 2.9bn. Çalık Holding has stakes in various industries with a primary focus in the construction, textiles, finance, media, telecom, energy and mining sectors.

Çalık Holding A.Ş. is expected to be capable of providing financial support to the Bank when liquidity needs arise in both the short and long term horizons, although some uncertainties, depending on economic conditions, exist.

It is also expected that the Legal Authorities are likely to provide assistance to the Bank to meet any immediate financial needs if required considering the sector stability. However, the Bank is expected to be able to manage its balance sheet risks successfully in the absence of assistance from the shareholders or public authorities due to its sturdy balance sheet structure, adequate liquidity and capitalized level, sustainable profit generating capacity, high growth performance, expansion and fund diversification capacity and access to external funds.

The Sponsor Support and Stand Alone Notes of the Bank have been determined as **"3"** and "**AB**" respectively, after assessing all factors stated above. A Sponsor Support Note of **"3"** denotes an adequate external support possibility despite same uncertainties, and adequate levels of tendency to support the company and capability. A Stand Alone Note "**AB**", signifies strong company, sustainable profitability, sound balance sheet composition and good management, operating environment and expectations.

4. Company Background

a) History

Aktif Yatırım Bankası A.Ş. was incorporated under the name of Çalık Yatırım Bankası A.Ş. in July, 1999 as an investment bank. Since its establishment, the Bank mainly offers corporate banking, retail banking, financial leasing, factoring, trade finance and consulting services. It has a network of seven branches in addition to the Head Office.

On August 1, 2008, the Bank publicized its new name as Aktif Yatırım Bankası A.Ş, and the head office was shifted to a new location to a group owned premise located in Zincirlikuyu, the financial center of Istanbul, Turkey. The Bank has since carried out its operations under the new name, new corporate profile and a new vision strategy coined as "local, global". The Bank has shown stark growth performance during last five year period and attained a 39-fold increase in asset size TRY basis.

Aktif Bank's main activities are defined a 'Direct Banking', Regional Banking' and 'City Banking' under the New Generation Banking Model.

Direct Banking Model allows business to be conducted through electronic (internet banking, call center and mobile banking) and physical (both the Bank and ADC (Alternative Delivery Channels), merchant networks, Aktif points and Aktif Kiosks) alternative delivery channels in order to reach the customer at the point of sale, instead of at branches. In August 2009, the Bank activated “KreAktif” a credit system offering online loans from the dealer to customers who purchase goods and services from branded retail stores. Thanks to KreAktif, the Bank provided loans in the amount of TL 844mn to approximately 140,000 customers through contracted dealers and ADC during the FY2011.

With the concept of alternative service channels, the Bank put into service the Universal Money Transfers (UPT) system in January 2010. This allows cheap and rapid nationwide money transfers to many locations within Turkey, including 1,200 towns, without the need for bank branches. 446,000 transactions have been realized since 2010.

Due to alternative delivery channels involving 4,000 workplaces, the Bank has become the largest banking network of Turkey. It provides a variety of banking services including cash deposit and withdrawals and a money transfer program.

City Banking Model offers a wide range of services such as the collection of invoices, ticket office operation and project finance of city infrastructure investments. In metropolitan areas the needs of modern lives has increased as a parallel to rapid urbanization. To respond to these needs, Aktif Bank has created a structure called “City Bank”. In city banks, only commercial banking services are provided. When opening branches, the Bank prefers cities in which its group firm E-Kent A.Ş operates. E-Kent A.Ş. is the largest leading operators of Electronic Fare Collection Systems (EFCS) in public transport services.

Regional Banking Model: to give financial services through new licenses, subsidiaries and partnerships in close regions is the main target of the regional banking strategy, which is based on the intensive know-how of the Turkish banking sector, developing economic ties and business volume of targeted countries. In parallel to its regional banking strategy, the Bank plans to expand into the Balkans (particularly Albania and Kosovo), Eastern Europe, the Arabian Peninsula and North Africa while also aiming to transfer banking knowledge to less developed countries. In the financial arena, BKT, a Group financial entity, operated with a network of 59 branches/agencies in Albania and 23 branches in Kosovo at the end of FY2011. In parallel to its Regional Banking strategy in the corporate banking field, Aktif Bank became the only local and regional agent of the ITFC and ICIEC, both subsidiaries of the Islamic Development Bank in FY2009. Furthermore, the Bank signed contract with Saudi Export Program and Asia Development Bank on extending the volume of trade between Turkey and those countries.

Other Major Service Areas of Aktif Bank: The Bank has focused on bringing novelty to the corporate and retail banking areas. The Bank offers corporate banking services to its group companies and third party clients of cash credits, non-cash credits, foreign trade financing, investment and project financing, leasing, factoring and insurance as well as consumer loans in retail banking services. The Bank has also focused on trade finance solutions between Turkey, Albania, and Kosovo in addition to other near region countries.

Through its expertise in project and corporate finance, the Bank provides the services of mergers & acquisitions, advisory on energy efficiency, strategic partnership, restructuring, regional development and industrial strategies. Project feasibilities, business plans and investment evaluations are also provided.

Aktifbank signed franchise contracts with Euler Hermes, Coface Sigorta A.Ş. and Atradius. As a consequence of this cooperation, the Bank was able to widen product diversity, offering “Export, Investment and Documentary Credit Insurance” products to investors.

b) Organization & Employees

As of December 31, 2011, the Bank operated with a total network of seven branches; located in İstanbul, Bursa, Kayseri, Gaziantep, Sakarya, Düzce and Kütahya. However, the Bank has the largest network through efficient use of ADC.

The Board of Aktif Bank consists of six members. One member is non-executive and none are independent. The senior management team of the Bank is comprised of the CEO, seven executive vice presidents, four managing directors and one chief legal counsel. These managers are highly educated in their respective fields and have relevant prior work experience making them highly competent to manage the affairs of the Bank. These managers meet all the requirements set by the Banking Regulation and Supervisory Authority (BRSA). The Bank has established its organizational structure and committees as stated under the Turkish Banking Law No: 5411.

As of December 31, the Bank employed 373 employees (FY2010:316 and FY2009:236) with an average age of 32 years. The Bank's work force is expanded by 58% at the end of FY2011 in comparison to FY2009.

c) Shareholders, Subsidiaries and Affiliates

Çalık Holding A.Ş. holds a 98.99% share of Aktif Bank while the remaining 1.01% share is owned by GAP Güneydoğu Tekstil A.Ş., Başak Enerji Elektrik Üretim San.ve Tic. A.Ş., Irmak Enerji Elektrik Üretim Madencilik A.Ş. and Ahmet ÇALIK. The Bank's paid-capital was increased with a cash equity injection by Çalık Holding A.Ş from TRY 163mn to TRY 230mn during FY2011. The shareholding pattern is detailed in the following table.

Shareholding Structure	2009	2010	2011
	Share (%)	Share %	Share %
Çalık Holding A.Ş.	98.51	98.58	98.99
GAP Güneydoğu Tekstil Sanayi ve Tic.A.Ş.	0.79	0.75	0.53
Ahmet ÇALIK	0.35	0.33	0.24
Başak Enerji Elektrik Üretim San.ve Tic.A.Ş.	0.18	0.17	0.12
Irmak Enerji Elektrik Üretim Madencilik San.ve Tic.A.Ş.	0.18	0.17	0.12
Total	100.00	100.00	100.00
Paid Capital-TRY (000)	155,040	163,000	230,000

Çalık Holding A.Ş., a prominent conglomerate in Turkey, operates in fifteen countries across three Continents, with prime business activities based in Turkey, the Balkan States and Turkic Republics. The Holding has diversified its geographical and business risks by having interests in finance, construction, textile, mining, energy, telecom, marketing and media.

5. Financial Foundation

a) Stability of the Financial System

The Turkish banking sector remained unaffected by the daunting global crisis thanks to its strong equity structure, robust liquidity profile, low level of leveraging, widespread deposit-based funding structure and prudent stance without any requirement of budget aids. The Turkish economy and banking sector, which was restructured subsequent to the crisis in 2000 and 2001, positively differentiated in several aspects from the EU, USA and other developed countries considering the increasingly deepening grounds of the latest intractable global crisis of 2008. The banks in Turkey maintained their sustainable activity trajectory activities through traditional functions owing to the continuity of corporate and retail banking potential. Hence, the Turkish banking sector could abstain from the sub-prime mortgages and complicated derivative instruments which triggered the crisis.

The magnitude of the banking sector, based on widespread deposit funding, relatively abates the dependency on external funds and the contagion probability and significance of the global crisis. The credit boom and a decline in profitability resulted in a deterioration of capital adequacy ratios. However, the sector's capital adequacy has remained considerably above the required and targeted ratios.

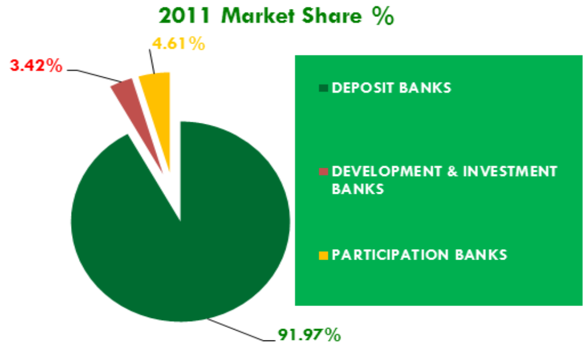
The banking system forms the basis of the financial sector in Turkey. Considering the scale differentiation of the state and private banks and the concentration of market dominance in a few banks, an exorbitant and typical oligopolistic structure is identifiable in the Turkish banking system. Within the meaning of the current legislation, the sector is classified under the following 3 functional categories; deposit banks, participation banks and development and investment banks.

2011 DECEMBER TURKSIH BANKING SECTOR	NUMBER OF BANKS	NUMBER OF BRANCHES	NUMBER OF STAFF
DEPOSIT BANKS	**31**	**9.792**	**176.600**
State Banks	3	2.909	50.239
Private Banks	11	4.944	89.049
SDIF Bank	1	1	243
Foreign Banks	16	1.938	37.069
DEVELOPMENT & INVESTMENT BANKS	**13**	**42**	**4.843**
PARTICIPATION BANKS	**4**	**685**	**13.972**
TOTAL	**48**	**10.519**	**195.415**

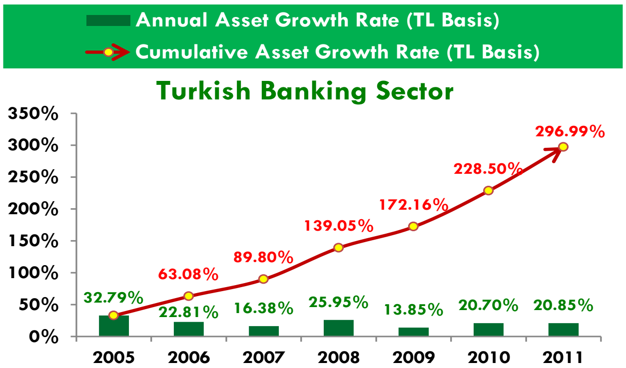
The share of the Turkish banking sector within the financial system was 77.81% as of FYE2011 and has been on the increase since 2002. The Turkish banking sector still contains a high growth potential. The section of the population not receiving banking services who are expected to become bank customers within the medium term is considered to be sizeable.

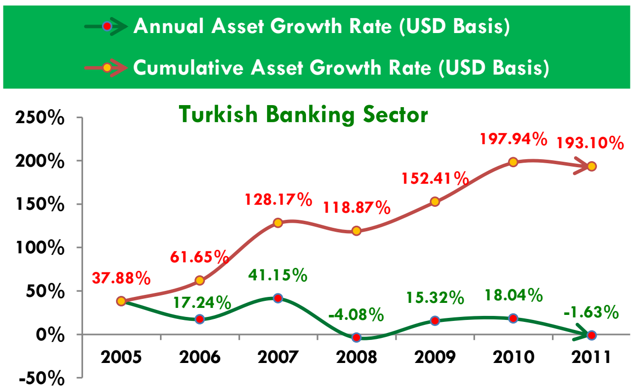
Regulation, supervision and monitoring activities disciplined the sector. In recent years, a greater importance has been attached to budgeting, flow of funds, grading, generation of internal collateralization and risk methodologies. In addition, rational pricing policies have been implemented and objective loan criteria have been developed.

Shares of deposit banks, development and investment banks and participation banks in the sector stood at 91.97%, 4.61% and 3.42%, respectively as of FYE2011.

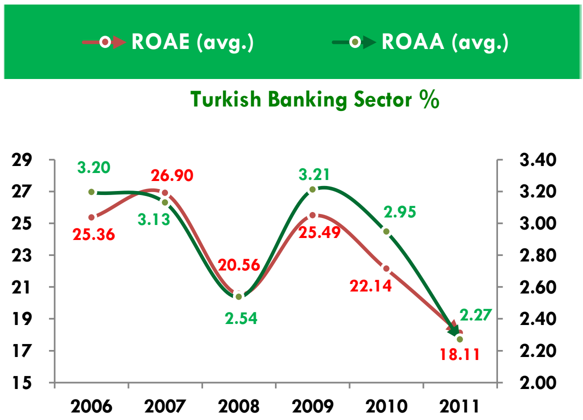


The banking sector grew cumulatively by 457.03% on TRY basis and 297.07% on USD basis in the period between 2003 and 2011. Compared to the previous year, the sector grew by 20.85% on TRY basis but contracted by 1.63% on USD basis due to the devaluation of Turkish lira against the US dollar. According to BDDK data, the total asset size of the sector reached USD 644bn (TRY1.217bn) as of FYE2011 from USD 163.5bn FYE2003.

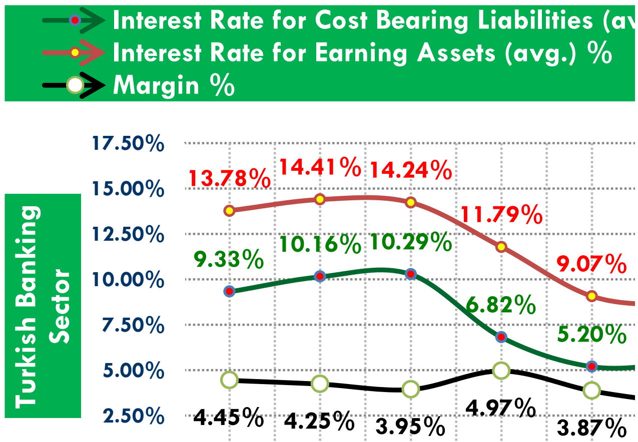




Participation banks outperformed the other banking groups. During the period between 2004 and 2011, deposit banks grew 5.38 times, development and investment banks 6.85 times, while participation banks grew 12.64 times.



As for equity returns over the previous 3 years, deposit banks, participation banks and development and investment banks were ranked in descending order. Participation banks descended from the second rank before 2009 to the third due to harsh competition. In asset returns, the rankings stood with development and investment banks first, followed by deposit banks and participation banks. The reasoning behind the low equity returns of the development and investment banks was the low level of leverage utilization and operating through high level of capital.



The primary reasons for the subpar returns in the Turkish banking sector during 2011 were;

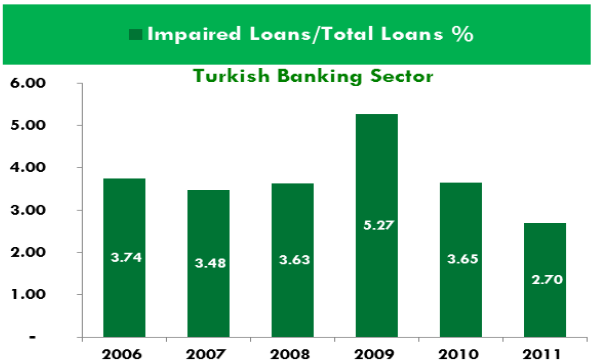
- Total interest income posting an increase of 13.87% as it did not countervail the 26.03% increase in total interest expense incurred for sources, and this situation in turn tightening net interest margins,
- Arising additional expenses due to the swell in general provisions despite revocation of a quarter

of provisions for impaired loans and transfer of these to 2011 revenues,

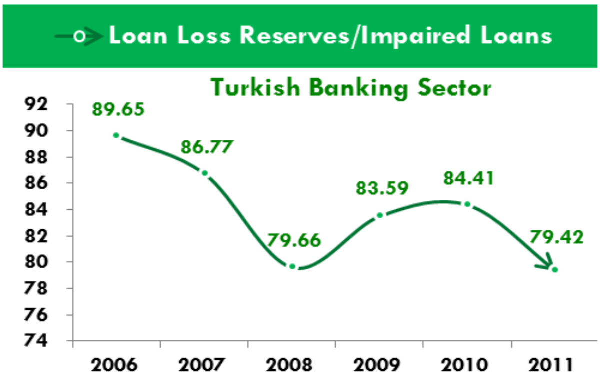
- Increases in foreign exchange losses exceeding increases in capital market transaction profits,
- 10.12% YoY increase in staff costs.

The primary reasons for low net interest margins were declining gains on shrinking securities portfolio and declining interest revenues obtained from and increasing interest expenses paid to TCMB due to the widening interest rate corridor policy by TCMB.

The share of the impaired loans within total loans gradually decreased after 2005 despite write-offs, sale of receivables, the restructuring of blanketed risk weighted loan amounts and possible increases in impaired loan ratios. This ratio, at 4.72% in 2005, followed a downward trend despite an increase in 2009 and declined to 2.70% in 2011. Acceleration in economic activity and improvement in employment reduced impairments in all types of loans and contributed to the improvement in the quality of loan portfolios.



Loan provisioning ratios followed a downward trend after 2006. While provisions were allowed for 89.65% of impaired loans, this ratio decreased to 79.42% in 2011. However, this decrease is assumed to be compensated by the increase in general provisioning ratios.



On the other hand, the low level of exchange and interest rate risks on retail loans is another factor that improves credit quality.

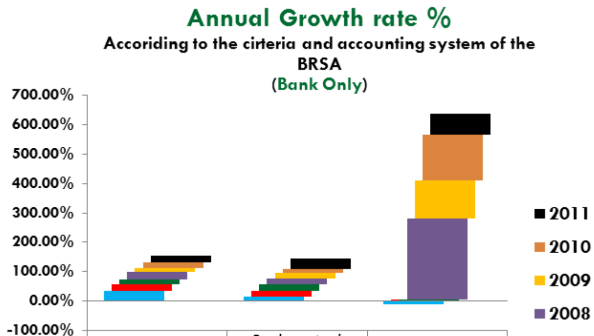
The BDDK published Capital Adequacy regulations within the framework of Basel II on February 24, 2011 and projected a transition period between July 1, 2011 and June 30, 2012. In extenso implementation of the program is planned for June, 2012, thus utilizing a standard method for measuring credit risk.

b) Financial Indicators

- **Indices relating to size**

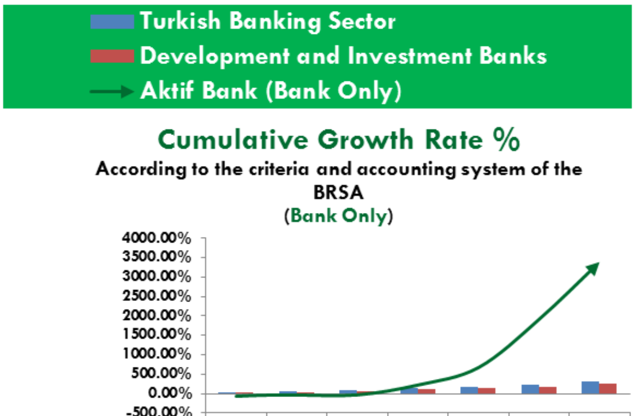
Aktif Bank sustained its exciting asset size growth during FY2011 with a cumulative growth of 3,876%, an approximately 39-fold increase on a TRY basis starting from the beginning of the restructuring efforts in 2007.

During FY2011, the Bank exhibited a 72.56% growth in total asset size, higher than both the development and investment banking sector and the entire Turkish banking sector's growth rates of 34.48% and 20.85%, respectively. The graphs below display the growth of the Bank's asset base in comparison to the sector. The Bank's growth performance remained below the sector averages until the end of 2007 when asset size figures diverged from the sector and rose like a rocket. Under the reviewed period the overall asset base growth performance of the Bank leaped above the sector average.



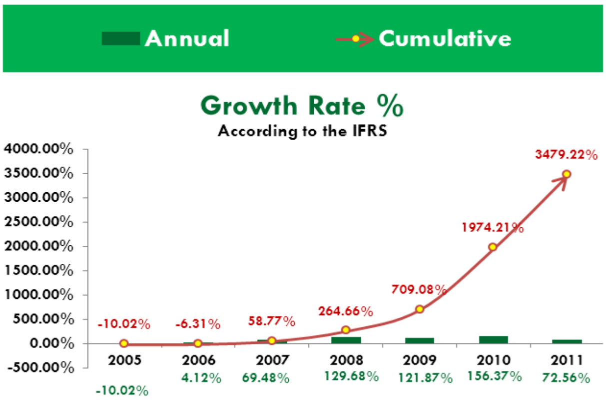
	Turkish Banking Sector	Development and Investment Banks	Aktif Bank (Bank Only)
2011	20.85%	34.48%	72.56%
2010	20.81%	14.57%	155.93%
2009	13.82%	17.81%	129.68%
2008	25.99%	21.47%	276.81%
2007	16.38%	23.09%	4.03%
2006	22.81%	19.26%	0.01%
2005	32.79%	13.59%	-11.66%

Aktif Bank's cumulative growth performance during the period of FY2005 to FY2011 was approximately 11.48 times that of the average cumulative growth of the Turkish Banking Sector. The Turkish Banking Sector's growth was 297.34% while Aktif Bank's was 3,412.59%.



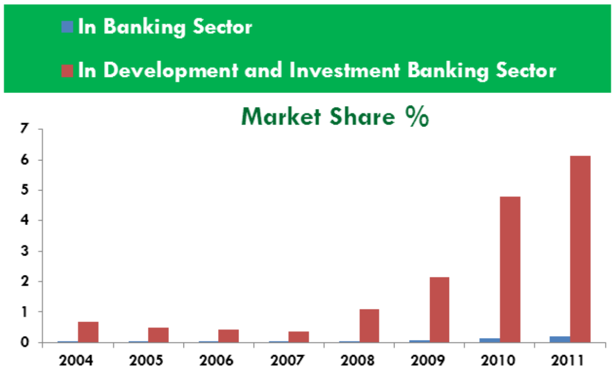
	2005	2006	2007	2008	2009	2010	2011
Turkish Banking Sector	32.79%	63.08%	89.80%	139.12%	172.16%	228.79%	297.34%
Development and Investment Banks	13.59%	35.47%	66.75%	102.55%	138.62%	173.38%	267.64%
Aktif Bank (Bank Only)	-11.66%	-11.65%	-8.10%	246.30%	695.38%	1935.60%	3412.59%

According to the IFRS compliant financials, the Bank demonstrated a similar performance in asset base growth.



With respect to the Bank's impressive growth performance since 2008, its market share of the entire banking sector steadily increased year by year and reached 0.21% at the end of 2011. At the end ofFY2007, Aktif Bank ranked 41th of 46banking institutions in terms of total assets and 26th of 44 banking institutions at the end of September 2011, according to the Turkish Banking Association. Assuming the continuation of the over sector's growth, we, as JCR-ER, are of the opinion that this momentum will continue and the Bank will increase its total asset market share in the following year.

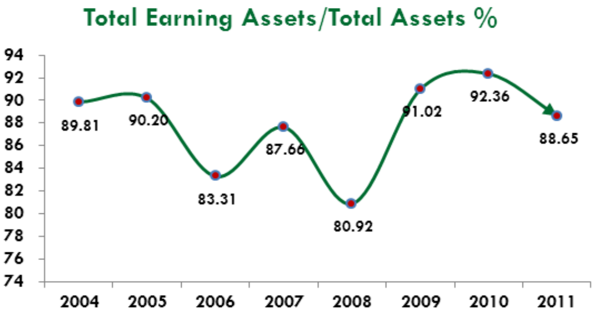
Furthermore, the Bank's asset size market share amongst all 13 development and investment banks increased to 6.13% FY2011 from 4.78% FY2010. (FY2007:0.35%)



Market Share %	2004	2005	2006	2007	2008	2009	2010	2011
In Banking Sector	0.024	0.016	0.013	0.011	0.034	0.069	0.147	0.210
In Development and Investment Banking Sector	0.64	0.50	0.42	0.35	1.10	2.14	4.78	6.13

The Bank's 2011total assets growth rate of 72.56% was substantially financed by cost bearing resources. The resource dispersion profile of the growth comprised 60.46% of cost bearing, 3.84% of non-cost bearing and 8.26% of equity shares.

The Bank's total earning assets to total asset ratio fluctuated between 80% and 92% and decreased to 88.65% FY2011 as a result of expanding unrestricted balances with the Central Bank after two consecutive year increases from the lowest level of 80.92% in FY2008. The high level of this ratio indicates the effective usage of the banks' resources. A continuing decrease in the ratio will be assumed to have a negative effect on profitability ratios.



- **Indices relating to profitability**

Aktif Bank sustained a solid net profit increase during FY2011, although the Turkish banking sector's net profit contracted. The Bank booked a net profit of TRY 65.5mn at the end of FY2011 (FY2010: TRY43.5mn). Compared to the previous year, this figure increased by 50.63%, while the Turkish Banking sector's net profit decreased by 10.27% YoY in the same period. However, according to the BRSA-compliant financials, the Bank recorded a relatively lower net profit of TRY 50mn in FY2011 (FY2010:TRY35.1mn).

As of December 31, 2011, 93.24% of the total income was contributed by net interest income (43.35%) and net fee & commission income (49.89%) while 6.76% of income was attained from incidental and non-recurring components. It is assumed that the profitability level will be maintained due to higher levels of sustainable income streams generated from fundamental banking activities.

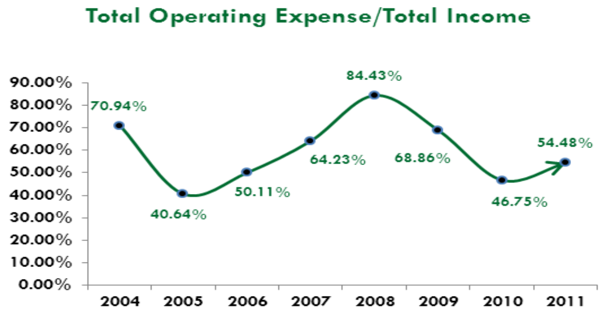
The interest income from loans and advances increased by 166.36% year-on-year during FY2011 while the loans base increased by 130.75% during the same term. The Bank succeeded in expanding its interest margin during a sector contraction.

The net interest margin is crucial for the banking sector for the continuity of sustainable growth. The ratio for the entire banking sector and development &investment banks stood at 3.86% and 4.28%, respectively at the end of FY2011, decreased from 4.61% and 4.67% in FY2010. The net interest margin ratio of the Bank stood at an above sector average 4.94% at the end of FY2011, increasing from 4.05% FY2010. While the sector's net interest margin decreased, the Bank's interest margin increased as a result of management success.

Net fees and commission income of the Bank comprise the largest share of total income at 49.89%, an increase of 264.13% at the end of FY2011 year-on-year basis. This increase was essentially the result of a remittance fee increase (TRY 50,450k), which comprised 44.74% of the total fee and commission income (TRY 112,756k). Furthermore, the growths of commission and fees from financial guarantee contracts, intermediary operations and insurance activities were 144.05%, 520.39% and 607.88% respectively, indicating that this increase was provided different fields. This is crucial for sustaining commission income and fee. From this point forward, fee and commission income will be a major and crucial profit item for the Bank. Throughout the entire Turkish banking sector, revenues based on net fees and commission comprised 22.96% of core banking revenues while this figure stood at a higher 49.89% for the Bank.

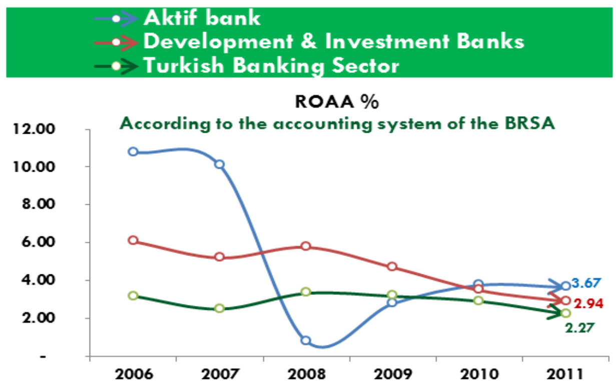
The Bank's total operating expenses increased by 113.93% at the end of FY2011 YoY, mainly supported by personnel expenses increase (86.35%) and other operating increases (948.67%), principally the result of provisions for possible losses in the amount of TRY 30mn, pursuant to the cautious management policy for any loss arising from market conditions.

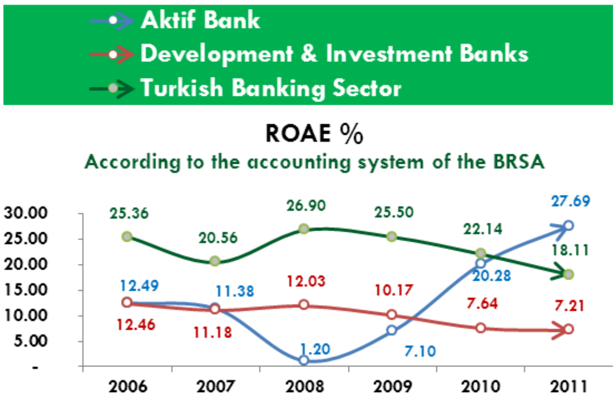
The Bank's total operating expenses as a proportion of total income reached a peak level of 84.43% at the end of FY2008 and from then showed a decreasing trend and fell to 46.75% at the end of FY2010. During FY2011 the ratio again increased due to the reasons previously explained. With these ratios the Bank remained above the average market indicator for the periods mentioned below. Excluding provision for potential losses, the ratio would be 39.97%, falling to the entire banking sector average and above the development & investment banking sector's average.



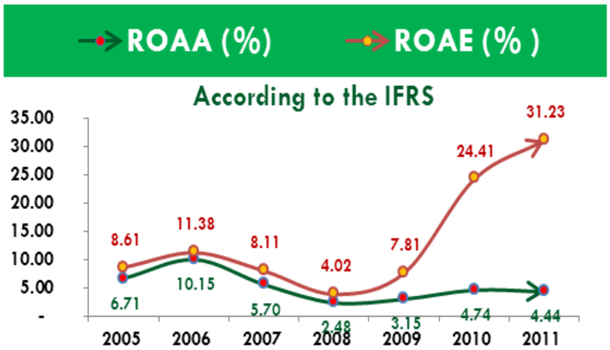
Aktif Bank's key profitability ratios of ROAA and ROAE leapt over sector averages in the last year. The Bank's ROAE ratio diverged into upward trend while sector's ratio initiated a decreasing trend over the last three year period. The Bank ROAE ratios in particular performed much better than the sector's during FY2011. Resultantly, the Bank's ROAE ratio stood at almost 3.8 times that of the development & investment banking sector as of FY 2011.

In line with the expectation of a decrease in profitability of the banking sector and with the prospect of having no extraordinary development in the sector as well as world economic outlook, the decrease in the Bank's profitability is also probable in the future as parallel to the sector.

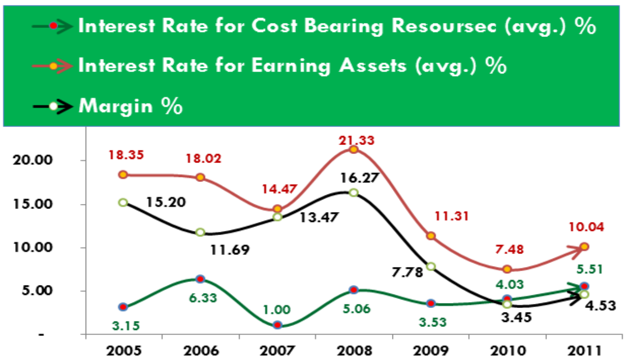




On the other hand, according to the consolidated IFRS audit report, the Bank's ROAA and ROEA ratios stood at 4.44% and 31.23%, respectively at the end of FY2011. These figures are markedly higher than those of the unconsolidated BRSA audit report. The ROAE ratios of the Bank retained its increasing trend and reached its highest level for the period under review, while the ROAA ratio displayed a slight decrease.



In the adverse banking sector, Aktif Bank's interest margin increased to 4.53% at the end of FY2011 from 3.45% FY2010, after a decreasing three year period. With the exception of FY2010, the Bank's interest margin remained above the sector average under the period reviewed.



Aktif Bank booked a net profit of TRY 18.6mn for the three month period ending March 31, 2012, a decrease of 35.43% in comparison to the same period in FY2011. However, the Bank reached 37.23% of its previous year's net profit in the first quarter of the ongoing year. This result is in line with the Bank's FY2012 targets.

6. Risks and Risk Management, Organization

Aktif Bank is exposed to market risk, liquidity risk, operational risk and primarily credit risk from its use of financial instruments. Its objectives and policies are to define, measure and manage risks in order to protect equity as well as support profitable and sustainable growth. Within the context of its Risk Management Policies, the Board of Directors has the overall responsibility for establishing and supervising the Bank's risk management framework. The Bank has set up the following committees and departments in order to establish a thorough and comprehensive risk management system under its risk management framework.

Corporate Governance Committee was established to supervise, evaluate and enhance the compliance level of the corporate governance principles and make proposals to the BoD as well as provide the maintenance of governance processes and their effectiveness. The Committee has three members, two of them board members. None of the members are independent or non-executive, although at least the chairman should be a non-executive board member pursuant to the Communiqué on Corporate Governance Principles of Banks' published on November 1, 2006 by BRSA.

Audit Committee was set up to assist the Board of Directors in its auditing and supervisory activities. The Committee submits an 'Audit Committee Report' to the Board at least every six months and describes in detail the results of the internal audit, internal control and risk management systems functioning throughout the Bank.

Credit Committee secures compliance of the Bank's credit activities with the overall Bank strategy and assesses credit proposals across the Bank within the delegated authorities by the Board of Directors.

Asset and Liability Committee: The Committee consists of eighteen members in addition to the CEO. The Committee, an advisory board, establishes the financial policies and strategies required for the management of the Bank's assets and liabilities, assess liquidity risk, market risk and capital adequacy and makes decisions to be implemented by department as well as monitors the practices.

The Bank has also set up a **Remuneration Committee** and **Promotion Committee** to respond to arising needs of the Bank and enhance the quality in their related fields.

Internal System Group: Internal Control, Internal Audit and Risk Management Departments were established in line with BRSA regulations dated November 1st, 2006. The Internal System Group operates under the Audit Committee and reports directly to the Audit Committee.

a) Credit Risk

Credit risk is an essential risk in the banking sector and managing this risk is a priority of management. The Bank's credit risk management policy, perceiving the principles of safety, liquidity and productivity, is based on three pillars; customer selection, allocation limits and credit pricing with considerations of maximizing risk-adjusted returns. In addition, the Bank executes its credit risk by the allocation of loan limits for customers and customer groups as well as the definition of limits for sectors.

The Bank continuously monitors credit assessment of its customers, takes necessary precautions and allocated limits are reviewed at least once every year. Credit limit reviews are done as and when deemed necessary before the one year period due to the changes in overall economic conditions. In accordance with lending policies, collaterals such as cash, bank guarantees, mortgages, pledges, bills and personal or corporate guarantees are required in line with the financial position of the debtor and its creditworthiness.

When assessing the credit worthiness of corporate customers, the Bank uses an in-house developed credit risk assessment system. The Internal credit risk assessment system of the Bank grades loans in 12 categories in a wide range from the highest (AAA) to the lowest (D3). The Bank's internal rating system has not yet been assessed by the BRSA for compliance with Basel processes due to the absence of related regulations within this framework. The concept of and the requirements for externality have not yet been defined in the local legislation and the external validation of the system has not been obtained from an independent rating agency.

Furthermore, as stated in the unconsolidated audit report which has been submitted to BRSA, the Bank has graded all cash loans and non-cash loans in three categories; low risk, medium risk and high risk. The Bank rated 76.24% of its outstanding cash loans as low risk (FY2010: 49.76%), 20.99% at medium risk (FY2010: 35.70%) and 1.09% (FY2010: 0.08%) at high risk. A similar structure is observed in the non-cash loans portfolio in which the Bank graded 76.22% of its non-cash loans (FY2010: 76.08%) low risk, 23.52% (FY2010:23.02%) medium risk and 0.25% (FY2010: 0.5%) high risk.

During FY2011 and 2010, Aktif Bank demonstrated better performance in cash loans growth than both the entire Turkish banking sector and development & investment banking sector. The Bank's total cash loan portfolio expanded by 130.75% (FY2010: 159.18%) year-on-year at the end of FY2011. In the same period, the loans of the entire banking sector and development & investment banks exhibited a growth of 29.86% (FY2010: 33.44%) and 43.51% (FY2010: 15.99%).

The breakdown of the total loans of the Bank as of the end of FY2011 were as follows; corporate loans to total performing loans of the Bank was 66.73% (FY2010: 85.83%) and consumer loans were 33.18% (FY2010:13.41%). The increase of consumer loans portion in total loans afford customer base expansion as well as risk diversifications.

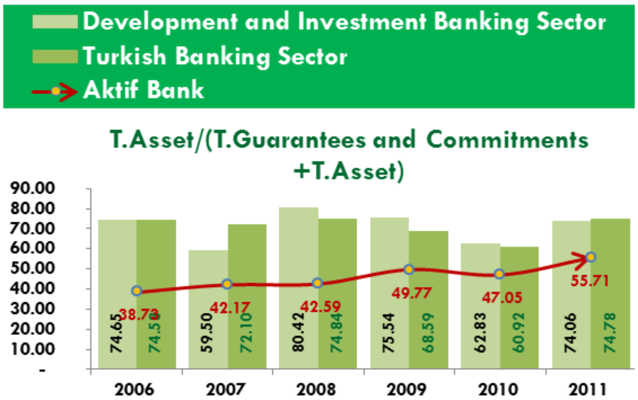
The distribution within the loans portfolio displays concentration principally in general services which composes 41% of the total outstanding loan portfolio. In comparison to the year before, concentration in this field has markedly increased.

Non-cash loans of the Bank have contracted by 13.77% in TL basis during FY2011. The distribution within the non-cash loans portfolio indicates a concentration in the electricity industry and construction sectors which composes 31% and 26% of the total outstanding non-cash loan portfolio, respectively, similar to the previous year.

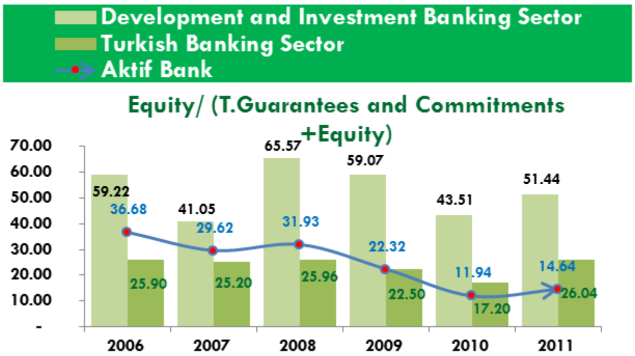
On the other hand, 48.50% (FY2010:48.02%) and 64.50% (FY2010: 65.10%) of the Bank's cash and non-cash loans directly or indirectly are given to group companies; these credits are assumed to have no repayment risk.

1.40%, 5.15% and 0.06% of the total outstanding cash loans of the Bank are secured with cash blockage, pledge on assets and cheques &notes. The markedly lower collateralized level put pressure on the asset quality and may generate threat on return on loans in case of the strong volatile in financial market and downturn in the economy. However, up to now the bank succeeded to preserve its asset quality.

Aktif Bank's off-balance sheet commitments and contingencies as a proportion of total assets showed an increasing trend between the FY2006 and FY2011 and approached sector averages.



The Bank's off-balance sheet commitments & contingencies to total equity ratio was below development & investment banks sector average for the period under reviewed. Till 2009 the ratio stood over the entire banking sector average before falling below the sector average during the last three years. Although the Bank appears to have taken on more risk in the field of off-balance sheet commitments & contingencies in comparison to the sector, the risk exposure of the Bank is limited keeping in mind that 64.50% of it is allocated to the group companies.



b) Market Risk

Market risk arises from changes in market and equity prices and interest and foreign currency exchange rates related with the Bank's on and off balance sheet position. The Bank manages and monitors its market risk activities and takes the necessary measurements in accordance with the Communiqué on "'Communiqué on Measurement and Evaluation of Capital Adequacy of Banks'.

The Bank's market risk exposure is calculated by the Standard Method and reported on a monthly basis. In addition to the 'Standard Method', Aktif Bank daily measures and monitors its market risk with the value at risk (VaR) methods in the context of the 'Internal Model'. VaR is calculated using the 'Historical Simulation' and 'Parametric' methods, and is supported with back-tests & stress tests. The results are shared with the related units and risks are closely monitored.

In the scope of market risk, the Bank is principally exposed to interest rate risks. To manage any particular interest rate risk, pre-approved limits of re-pricing bands have been set and interest rate gaps are continuously monitored. The Bank measures the interest rate sensitivity of assets, liabilities and off-balance sheet items and assessed in the weekly meetings of the Asset- Liability Committee.

The Bank's foreign currency risk exposure is restricted on par with BRSA regulations. The Bank's total foreign currency position to assets and equity ratios were 0.08% and 0.61%, respectively at the end of FY2011. These rates confirmed the Bank's limited foreign currency risk.
Minimizing all market risks, a Financial Emergency Procedure was prepared and approved by the Board of Directors. The Board of Directors has vested the entire authority of market risk to the Asset and Liability Committee (ALCO). The Committee is also assisted by the Risk Management Department of the Bank in its day-to-day monitoring activities. The Bank does not face any commodity, stock or settlement risk at the end of the same period.

As of 31December 2011, the market risk of the Bank had a share of 2.73% (0.38 points) in the total CAR of the Bank, a decrease of 336pbs.

c) Liquidity Risk

Aktif Bank executes its liquidity risk using the framework defined under the 'Communiqué on Measurement and Evaluation of Liquidity Adequacy of Banks' published on November 1, 2006 by BRSA. As per the framework, weekly and monthly liquidity ratios on a bank-only basis for foreign currency assets/liabilities and total assets/liabilities should stand at a minimum of 80% and 100%, respectively. The

Bank's liquidity ratios remained compliant with BRSA's parameters during FY2011.

Funds for short-term liquidity needs are provided through either internal sources or interbank lines, while long term liquidity needs are managed by utilizing capital market instruments through both domestic and foreign markets. The Bank's main liquidity needs arise to meet obligations in the up to three months category, which is a sector wide issue. However, overall liquidity is balanced.

In order to avoid any liquidity related risk, the Bank demonstrated great effort to diversify its funding resources to debt securities issues, current balances of its loan customers, funds borrowed from domestic & international institutions, obligations under repurchase agreement as well as asset back securities.

d) Operational Risk

Operational risks arise principally from human errors, fraud, embezzlement, system errors & failure and other external events such as earthquake, floods, terrorist attacks and fire. If necessary precautions are not taken in time, these risks cause a loss and may dampen the value of the institutions brand value.

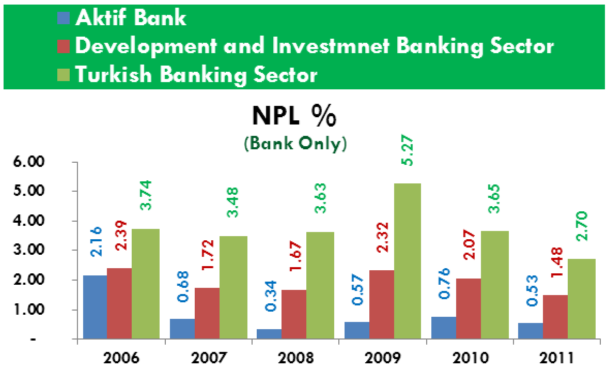
For that reason the Bank seeks to minimize operational risk and its potential impact by strictly implementing human resources, network security, back-up and disaster recovery policies. The Bank has additionally set-up an 'Internal Systems Group' to ensure that the activities of the Bank remain within the framework of the designated banking laws.

The Bank has calculated its value at operational risk by utilizing the basic indicator approach since the beginning of 3Q2007 on a monthly basis according to the 'Communiqué on Measurement and Evaluation of Capital Adequacy of Banks'. Operational risk constituted 3.23% (0.45 points) of the total 13.94% capital adequacy ratio of the Bank for FY2011.

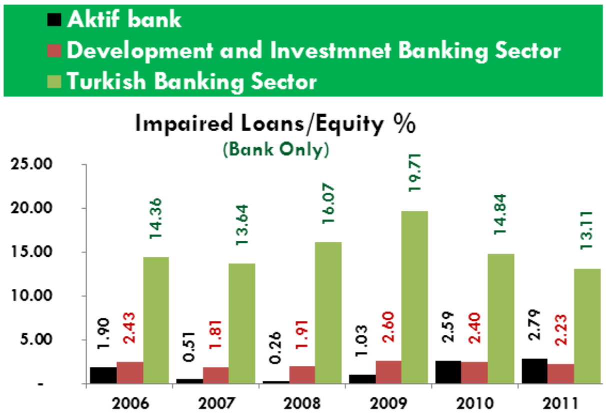
e) Asset Quality

Over the period reviewed, the Bank preserved its asset quality despite demonstrating exceptional growth both in asset and loans size.

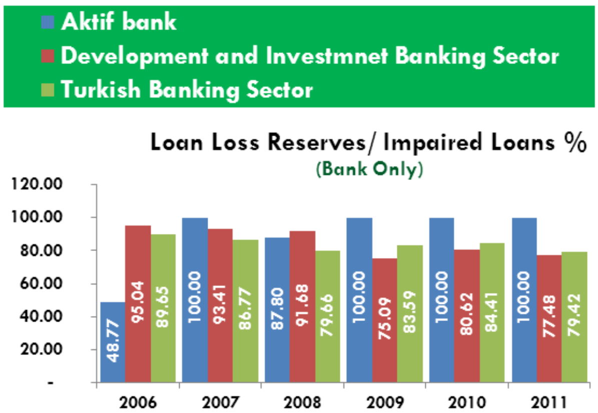
The Bank's non-performing loans to gross loans (NPL) ratios stood markedly below the averages of both the Turkish Banking Sector as a whole and development & investment banks between FY2006 and FY2011. The Bank's NPLs ratio displayed a decrease from 0.76% FY2010 to 0.56% FY2011 thanks to sturdy loans growth, although NPLs increased by 61.66% in absolute terms in the same period.



The Bank's impaired loans to equity ratio remained higher than that of the development & investment banking sector for the last two years, although significantly lower than the Turkish banking sector over the under reviewed period. The Bank's stated ratio was almost a fifth of the sector's average.

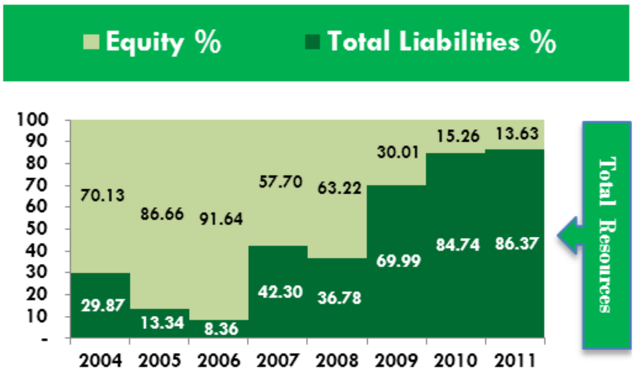


Since FY2007, The Bank fully provisioned impaired loans as part of cautious its management approach. Full provision is considered optimum and contributes to the Bank's asset quality.



f) Funding and Adequacy of Capital

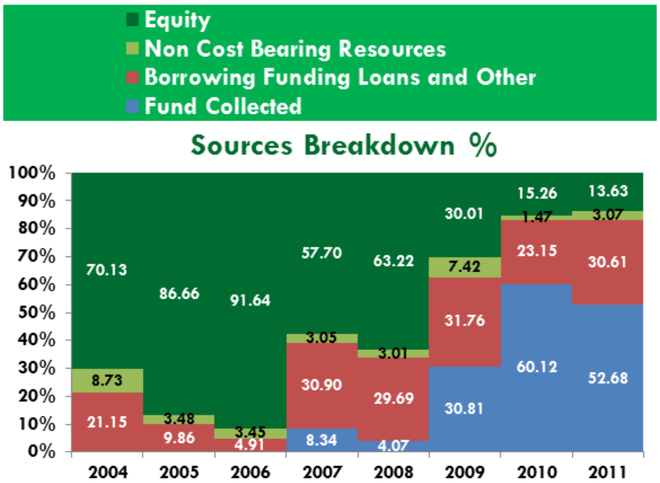
Aktif Bank's total resources structure displayed an essential transformation over the previous six years. The share of equity in total resources was 91.64% in 2006 and steadily decreased and dropped to its lowest level of 13.63% FY2011 in parallel with the exceptional growth performance. The same ratio for development & investment banks was 37.09% at the end of FY2011 and 11.88% for the entire Turkish banking sector.



The Bank is not entitled to collect customer deposits. Therefore, The Bank's funding sources are principally composed of debt securities issues (Aktif Bonds), current balances of its loan customers, funds borrowed from domestic & international institutions, obligations under repurchase agreement and equity.

During the last three year period, the Bank enhanced and diversified its funding resources with its great efforts and innovative solutions. Aktif Bank was the first Turkish bank to issue bank bond and successfully arranged unsecured bond issuances in the amount of TRY3.5bn since 2009. The Bank also issued Asset Back Securities (ABS); 7 tranches on October 20 2011, in 8 tranches on January 25 2012 and in 10 trances on May 02 2012 for a total amount of TRY 569.46mn.

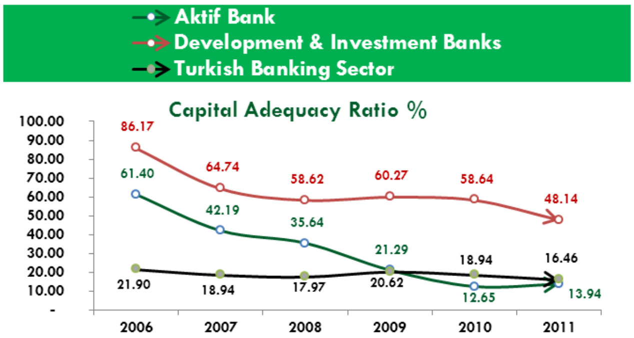
As indicated in the graph below, collected funds comprise 52.68%, the largest share, of the Bank's total resources (debt securities 32.80% and current balances of loan customers 19.88%). Funds borrowed from overseas markets are the second largest source and obligations under repurchase agreements are the third. Although equity comprised the largest share of total resources at the end of FY2006, it fell to its lowest level at the end of FY2011 along with the effective utilization of equity and the expansion and diversification of external resources. The Bank folded approximately three times of its debt securities (Aktif Bonds) in comparison to FY2010, becoming the bank's main fund source.



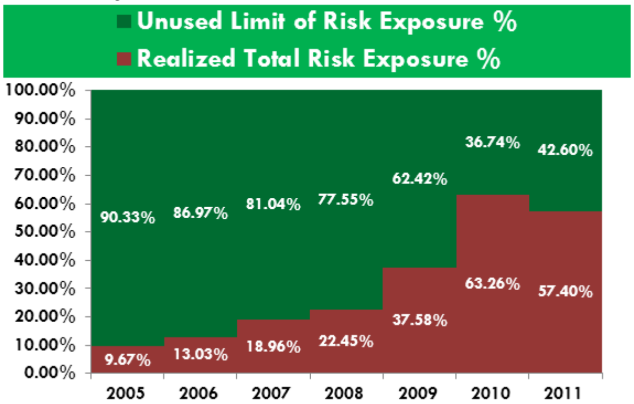
Over 60% of the Bank's total liabilities were positioned in the less than one month maturity bracket, meaning that the short maturity structure of the liabilities, prevalent in Turkish banking sector, exerts pressure on liquidity management. On the other hand, the Bank finances relatively long term loans with short term based resources to benefit higher yields. Thus maturity mismatch may give rise to liquidity needs in the event of a withdrawal on demand funds or renewal risk of funds. Nevertheless, it is believed that this situation does not pose any meaningful risk to Bank operations, given its past performance, asset quality and equity base and if it matches its obligation via external and internal fund resources and there are no major fluctuations in the financial markets.

With a cash injection by Çalık Holding A.Ş., the paid in capital of the Bank increased by TRY 18.5mn and 48.5mn on 24 November 2011 and 30 December 2011, respectively. This paid in capital increase contributed positively to the Bank's Capital Adequacy Ratio.

Aktif Bank's Capital Adequacy Ratio was calculated at 13.94% at the end of FY2011, demonstrating an increase of 129 base points compared to the previous year after a long course of decline. Although the ratio was beyond the minimum CAR requirements set by the Basel Accord (8%) and required by BRSA (12%), it still remained below the averages of the banking sector as a whole (16.46%) and of development & investment banks' (48.14%).



The Unused Limit of Risk Exposure ratio of the Bank steadily decreased from 90.33% (FY2005) to 36.74% at the end of FY2010. With the cash equity injection in FY2011 the ratio reversed and provides room for growth.



7. Ability to Generate Income and Level and Stability of Profitability

In line with its target of becoming the world's most profitable bank, Aktif Bank has focused on profitability along with exceptional asset size growth figures. Over the last eight year period, the Bank made profit and recorded a cumulative net income increase of 1,627%. Principally during last consecutive years, recorded profit level and ROAE ratios showed a bounce as a result of restructuring and strong growth efforts, as well as set in new financial services; retail loans, money transfers through ADC, innovative cash management system and other services.

The Bank recorded a net profit of TRY 65.5mn at the end of FY2011, an increase of 50.63% compared to FY2010 (TRY 43.5mn) according to the financials prepared according to IFRS rules. A large proportion (93.24%) of the Bank's total income was attained from sustainable channels which were composed of interest income (43.35%) and fee and commission income (49.89%) generated from core banking activities.

Well-established management practices, coherent strategies, sound balance sheet composition, effective usage of alternative delivery channels and the Bank's operational structure have been designated to generate profitability. JCR-ER assumes that the continuity of the European Union debt crisis, although alleviated after ECB liquidity easing operations, difficulties in growth in developed countries, decreasing profit margin in the Turkish Banking sector, and increasing tension in international politics particularly concerning Turkey's neighboring countries will exert pressure on the Turkish Banking Sector's profits. Although it will be influenced by these negative circumstances, Aktif Bank may generate profit during the ongoing year as in previous years.

8. Corporate Governance

Aktif Bank is not a publicly traded company and as such is not subject to Capital Market Law. However, the Bank carries out its operations under the Banking Regulation and Supervision Authority (BRSA) regulations. The Bank complies with the Communiqué on Corporate Governance Principles of Banks' published on November 1, 2006 by BRSA.

Aktif Bank exhibited a great transformation in all aspects over the last four year period, resulting in an ultimately new, dynamic bank offering innovative solutions along with talented management team and improved organizational structure.

Transparency and public disclosure; the Bank effectively utilizes its web site which provides sufficient information and documentation and contains the shareholder structure, vision, mission, curriculum vitaes of the BoD and top management, articles of association, annual reports, periodic independent audit reports, and organization chart. The Bank has embraced the same ethical rules adopted by the Turkish Banking Association. Conversely, The Bank has not set up a disclosure policy, social responsibility policy or human resources policy.

Board of Directors; The Board is composed of six members, one of which is non-executive. None are independent and no member represents the stakeholders in the Board. Audit, Credit, Remuneration and Corporate Governance Committees have been established under the authority of the Board.

Right of Shareholders; Çalık Holding A.Ş. holds a 98.99% share of Aktif Bank while the remaining 1.01% share is owned by family members. Thus, there is no regulation of shareholders rights in reality. However, there are no privileges on the Bank's shares. Voting rights and dividend policy are defined in the Bank's Article of Associations. On the other hand, shares transfers are subject to approval of the Board of Directors.

Rights of Stakeholders; There is no stakeholders policy disclosed to the public. In the general legal frame work, the stakeholder's rights are protected. Furthermore, the Bank has set up remuneration and promotion committees to secure and improve employee rights. The Bank's Call Center offers services 24/7 days of week and responds to requests of investors, customers and stakeholders.

AKTİF BANK BALANCE SHEET (000)	(Year-end) 2011 USD (Converted)	(Year-end) 2011 TRY (Original)	(Year-end) 2011 TRY (Average)	(Year-end) 2010 TRY (Original)	(Year-end) 2010 TRY (Average)	(Year-end) 2009 TRY (Original)	(Year-end) 2009 TRY (Average)	(Year-end) 2008 TRY (Original)	As % of 2011 Assets (Original)	As % of 2010 Assets (Original)	As % of 2009 Assets (Original)	2011 Growth Rate	2010 Growth Rate	2009 Growth Rate
A-TOTAL EARNING ASSETS (I+II+III)	**1,187,010.23**	**2,263,035.00**	**1,814,674.00**	**1,366,313.00**	**935,899.50**	**505,486.00**	**357,972.00**	**210,458.00**	**88.65**	**92.36**	**87.60**	**65.63**	**170.30**	**140.18**
I- LOANS AND LEASING RECEIVABLES (NET)	**880,034.62**	**1,677,786.00**	**1,202,449.00**	**727,112.00**	**503,829.00**	**280,546.00**	**193,534.50**	**106,523.00**	**65.72**	**49.15**	**48.62**	**130.75**	**159.18**	**163.37**
a) Short Term Loans	880,018.36	1,677,755.00	1,200,530.00	723,305.00	497,605.50	271,906.00	188,540.00	105,174.00	65.72	48.89	47.12	131.96	166.01	158.53
b) Lease Assets	16.26	31.00	1,919.00	3,807.00	5,540.50	7,274.00	3,811.50	349.00	0.00	0.26	1.26	-99.19	-47.66	1,984.24
c) Medium & Long Term Loans	0.00		0.00		0.00		0.00		n.a	n.a	n.a	n.a	n.a	n.a
d) Over Due Loans	4,696.04	8,953.00	7,245.50	5,538.00	3,646.00	1,754.00	1,102.00	450.00	0.35	0.37	0.30	61.66	215.74	289.78
e) Others	0.00		0.00		0.00		0.00		n.a	n.a	n.a	n.a	n.a	n.a
f) Receivable from Customer Due to Brokerage Activities	0.00		0.00		683.00	1,366.00	1,214.00	1,062.00	n.a	n.a	0.24	n.a	-100.00	28.63
d) Allowance for Loan Losses (-)	-4,696.04	-8,953.00	-7,245.50	-5,538.00	-3,646.00	-1,754.00	-1,133.00	-512.00	-0.35	-0.37	-0.30	61.66	215.74	242.58
II-OTHER EARNING ASSESTS	**57,542.09**	**109,704.00**	**171,655.00**	**233,606.00**	**166,524.00**	**99,442.00**	**76,163.00**	**52,884.00**	**4.30**	**15.79**	**17.23**	**-53.04**	**134.92**	**88.04**
a) Balance With Banks-Time Deposits	10,556.52	20,126.00	101,498.00	182,870.00	123,706.00	64,542.00	56,264.50	47,987.00	0.79	12.36	11.18	-88.99	183.33	34.50
b) Money Market Placements	0.00		0.00		13,252.50	26,505.00	13,252.50		n.a	n.a	4.59	n.a	-100.00	n.a
c) Reserve Deposits at CB	46,985.58	89,578.00	70,157.00	50,736.00	29,565.50	8,395.00	6,646.00	4,897.00	3.51	3.43	1.45	76.56	504.36	71.43
d) Balance With CB- Demand Deposits	0.00		0.00		0.00		0.00		n.a	n.a	n.a	n.a	n.a	n.a
III-SECURITIES AT FAIR VALUE THROUGH P/L	**249,433.52**	**475,545.00**	**440,570.00**	**405,595.00**	**265,546.50**	**125,498.00**	**88,274.50**	**51,051.00**	18.63	27.42	21.75	17.25	223.19	145.83
a) Treasury Bills and Government Bonds	240,230.26	457,999.00	417,387.50	376,776.00	241,918.50	107,061.00	71,466.00	35,871.00	17.94	25.47	18.55	21.56	251.93	198.46
b) Other Investment	9,203.25	17,546.00	23,182.50	28,819.00	23,628.00	18,437.00	16,808.50	15,180.00	0.69	1.95	3.20	-39.12	56.31	21.46
c) Repurchase Agreement	0.00		0.00		0.00		0.00		n.a	n.a	n.a	n.a	n.a	n.a
B- INVESTMENTS IN ASSOCIATES (NET)+EQUITY SHARE	**0.00**	**0.00**	**0.00**	**0.00**	**9,979.00**	**19,958.00**	**18,750.00**	**17,542.00**	**n.a**	**n.a**	**3.46**	**n.a**	**-100.00**	**13.77**
a) Investments in Associates (Net)	0.00		0.00		9,979.00	19,958.00	18,750.00	17,542.00	n.a	n.a	3.46	n.a	-100.00	13.77
b) Equity Share	0.00		0.00		0.00		0.00		n.a	n.a	n.a	n.a	n.a	n.a
C-NON-EARNING ASSETS	**151,993.18**	**289,775.00**	**201,427.00**	**113,079.00**	**82,346.00**	**51,613.00**	**41,851.50**	**32,090.00**	**11.35**	**7.64**	**8.94**	**156.26**	**119.09**	**60.84**
a) Cash and Cash Equivalents	1,582.48	3,017.00	16,839.00	30,661.00	16,103.00	1,545.00	1,171.00	797.00	0.12	2.07	0.27	-90.16	1,884.53	93.85
b) Balance With Banks-Current Accounts	131,986.89	251,633.00	156,600.50	61,568.00	34,942.50	8,317.00	6,980.00	5,643.00	9.86	4.16	1.44	308.71	640.27	47.39
c) Financial Assets at Fair Value Through P/L	0.00		0.00		0.00		0.00		n.a	n.a	n.a	n.a	n.a	n.a
d) Interest Accruals from Loans and Lease	0.00		0.00		0.00		0.00		n.a	n.a	n.a	n.a	n.a	n.a
e) Other	18,423.81	35,125.00	27,987.50	20,850.00	31,300.50	41,751.00	33,700.50	25,650.00	1.38	1.41	7.24	68.47	-50.06	62.77
ea- Intangible Assets	8,217.68	15,667.00	14,249.50	12,832.00	17,341.00	21,850.00	19,826.50	17,803.00	0.61	0.87	3.79	22.09	-41.27	22.73
eb- Property and Equipment	2,473.12	4,715.00	4,681.00	4,647.00	9,347.00	14,047.00	8,309.50	2,572.00	0.18	0.31	2.43	1.46	-66.92	446.15
ec- Deferred Tax	1,550.49	2,956.00	1,548.00	140.00	70.00		115.00	230.00	0.12	0.01	n.a	2,011.43	n.a	-100.00
ed- Other	6,182.53	11,787.00	7,509.00	3,231.00	4,542.50	5,854.00	5,449.50	5,045.00	0.46	0.22	1.01	264.81	-44.81	16.04
TOTAL ASSETS	**1,339,003.41**	**2,552,810.00**	**2,016,101.00**	**1,479,392.00**	**1,028,224.50**	**577,057.00**	**418,573.50**	**260,090.00**	**100.00**	**100.00**	**100.00**	**72.56**	**156.37**	**121.87**

AKTİF BANK BALANCE SHEET (000)	(Year-end) 2011 USD (Converted)	(Year-end) 2011 TRY (Original)	(Year-end) 2011 TRY (Average)	(Year-end) 2010 TRY (Original)	(Year-end) 2010 TRY (Average)	(Year-end) 2009 TRY (Original)	(Year-end) 2009 TRY (Average)	(Year-end) 2008 TRY (Original)	As % of 2011 Assets (Original)	As % of 2010 Assets (Original)	As % of 209 Assets (Original)	2011 Growth Rate	2010 Growth Rate	2009 Growth Rate
D- COST BEARING RESOURCES (I+II)	**1,115,284.55**	**2,126,290.00**	**1,679,096.50**	**1,231,903.00**	**796,481.50**	**361,060.00**	**224,437.50**	**87,815.00**	**83.29**	**83.27**	**62.57**	**72.60**	**241.19**	**311.16**
I-FUND COLLECTED	**705,431.94**	**1,344,906.00**	**811,584.50**	**278,263.00**	**228,030.00**	**177,797.00**	**94,193.00**	**10,589.00**	**52.68**	**18.81**	**30.81**	**383.32**	**56.51**	**1,579.07**
a)TRY Deposit & Fund & Debt Securities Issued	705,431.94	1,344,906.00	811,584.50	278,263.00	228,030.00	177,797.00	94,193.00	10,589.00	52.68	18.81	30.81	383.32	56.51	1,579.07
b) FC Deposit	0.00		0.00		0.00		0.00		n.a	n.a	n.a	n.a	n.a	n.a
c) FC & LC Banks Deposits	0.00		0.00		0.00		0.00		n.a	n.a	n.a	n.a	n.a	n.a
II-BORROWING FUNDING LOANS & OTHER	**409,852.61**	**781,384.00**	**867,512.00**	**953,640.00**	**568,451.50**	**183,263.00**	**130,244.50**	**77,226.00**	**30.61**	**64.46**	**31.76**	**-18.06**	**420.37**	**137.31**
a) Borrowing from Domestic Market	29,851.56	56,912.00	461,033.50	865,155.00	450,492.50	35,830.00	31,959.50	28,089.00	2.23	58.48	6.21	-93.42	2,314.61	27.56
b) Borrowing from Overseas Markets	195,615.00	372,940.00	229,991.50	87,043.00	74,342.00	61,641.00	54,625.00	47,609.00	14.61	5.88	10.68	328.45	41.21	29.47
c) Borrowing from Interbank	0.00		0.00		0.00		0.00		n.a	n.a	n.a	n.a	n.a	n.a
d) Securities Sold Under Repurchase Agreements	184,386.05	351,532.00	176,487.00	1,442.00	43,617.00	85,792.00	43,660.00	1,528.00	13.77	0.10	14.87	24,278.09	-98.32	5,514.66
e) Subordinated Loan & Other	0.00		0.00		0.00		0.00		n.a	n.a	n.a	n.a	n.a	n.a
E- NON COST BEARING RESOURCES	**41,159.72**	**78,471.00**	**50,104.00**	**21,737.00**	**32,270.50**	**42,804.00**	**25,319.00**	**7,834.00**	**3.07**	**1.47**	**7.42**	**261.00**	**-49.22**	**446.39**
a) Provisions	23,902.96	45,571.00	24,559.00	3,547.00	2,130.00	713.00	723.00	733.00	1.79	0.24	0.12	1,184.78	397.48	-2.73
b) Current &Deferred Tax Liabilities	0.00		0.00		970.00	1,940.00	2,282.00	2,624.00	n.a	n.a	0.34	n.a	-100.00	-26.07
c) Trading Liabilities (Derivatives)	0.00		106.00	212.00	132.00	52.00	27.50	3.00	n.a	0.01	0.01	-100.00	307.69	1,633.33
d) Other Liabilities	17,256.75	32,900.00	25,439.00	17,978.00	29,038.50	40,099.00	22,286.50	4,474.00	1.29	1.22	6.95	83.00	-55.17	796.27
F- TOTAL LIABLITIES	**1,156,444.27**	**2,204,761.00**	**1,729,200.50**	**1,253,640.00**	**828,752.00**	**403,864.00**	**249,756.50**	**95,649.00**	**86.37**	**84.74**	**69.99**	**75.87**	**210.41**	**322.24**
G- EQUITY	**182,559.14**	**348,049.00**	**286,900.50**	**225,752.00**	**199,472.50**	**173,193.00**	**168,817.00**	**164,441.00**	**13.63**	**15.26**	**30.01**	**54.17**	**30.35**	**5.32**
a) Prior Year's Equity	118,411.75	225,752.00	199,472.50	173,193.00	168,817.00	164,441.00	114,893.50	65,346.00	8.84	11.71	28.50	30.35	5.32	151.65
b) Equity (Added from Internal & External Recourses at This Year)	29,767.11	56,751.00	32,897.50	9,044.00	7,320.50	5,597.00	49,869.50	94,142.00	2.22	0.61	0.97	527.50	61.59	-94.05
h) Profit & Loss	34,380.28	65,546.00	54,530.50	43,515.00	23,335.00	3,155.00	4,054.00	4,953.00	2.57	2.94	0.55	50.63	1,279.24	-36.30
TOTAL LIABILITY + EQUITY	**1,339,003.41**	**2,552,810.00**	**2,016,101.00**	**1,479,392.00**	**1,028,224.50**	**577,057.00**	**418,573.50**	**260,090.00**	**100.00**	**100.00**	**100.00**	**72.56**	**156.37**	**121.87**
	USD 1 = TRY	1.9065		**USD 1 = TRY**	1.546	**USD 1 = TRY**	1.5057	1.518						

AKTİF BANK INCOME STATEMENT (000)	2011	2010	2009	2008	2007	2006	2005	2004
Net Interest Income	**89,652**	**37,940**	**32,574**	**13,411**	**10,969**	**9,928**	**10,850**	**12,172**
Interest Income	182,220	70,050	40,495	16,757	11,207	10,232	11,187	12,812
Interest Expense	92,568	32,110	7,921	3,346	238	304	337	640
Net Fee and Commission Income	**103,173**	**28,334**	**5,227**	**2,820**	**2,274**	**2,129**	**2,514**	**2,595**
Fee and Commission Income	112,756	30,485	5,718	3,000	2,298	2,154	2,539	2,628
Fee and Commission Expense	9,583	2,151	491	180	24	25	25	33
Total Operating Income	**13,988**	**37,207**	**7,736**	**13,453**	**1,172**	**1,271**	**701**	**887**
Net Trading Income (+/-)	11,334	6,861	5,320	1,659	92	376	158	544
Foreign Exchange Gain(Loss), Net (+/-)					-36	19	515	113
Gains from Investment Securities, Net								
Other Operating Income	2,654	30,346	2,416	11,794	1,116	876	28	230
Taxes Other than on Income								
Dividend								
Provisions	**4,560**	**6,416**	**1,000**	**-**	**-**	**-**	**-**	**-**
Provision for Impairment of Loan and Trade Receivables								
Other Provision	4,560	6,416	1,000					
Total Operating Expense	**112,663**	**48,378**	**31,355**	**25,061**	**9,282**	**6,678**	**5,716**	**11,105**
Salaries and Employee Benefits	50,084	26,876	18,689	16,323	5,704	3,380	2,588	2,241
Depreciation and Amortization	3,370	2,339	1,224	2,588	375	431	394	564
Other Expenses	59,209	19,163	11,442	6,150	3,203	2,867	2,734	8,300
Profit from Operating Activities Before Income Tax	**89,590**	**48,687**	**13,182**	**4,623**	**5,133**	**6,650**	**8,349**	**4,549**
Income Tax – Current	24,044	3,808	2,403	-330	1,022	1,422	2,754	521
Income Tax – Deferred		1,364	7,624					
Net Profit for the Period	**65,546**	**43,515**	**3,155**	**4,953**	**4,111**	**5,228**	**5,595**	**4,028**
Total Income	**206,813**	**103,481**	**45,537**	**29,684**	**14,451**	**13,328**	**14,065**	**15,654**
Total Expense	**112,663**	**48,378**	**31,355**	**25,061**	**9,318**	**6,678**	**5,716**	**11,105**
Provision	**4,560**	**6,416**	**1,000**	**-**	**-**	**-**	**-**	**-**
Pre-Tax Profit	**89,590**	**48,687**	**13,182**	**4,623**	**5,133**	**6,650**	**8,349**	**4,549**

AKTİF BANK FINANCIAL RATIOS %	2011	2010	2009
I. PROFITABILITY & PERFORMANCE			
1. ROA - Pre-Tax Profit/Total Assets (av.)	4.44	4.74	3.15
2. ROE- Pre-Tax Profit/Equity (av.)	31.23	24.41	7.81
3. Total Income/Equity (av.)	72.09	51.88	26.97
4. Total Income /Total Assets (av.)	10.26	10.06	10.88
5. Provision/Total Income	2.20	6.20	2.20
6. Total Expense/Total Liabilities (av.)	5.59	4.71	7.49
7. Net Profit for the Period/ Total Assets (av.)	3.25	4.23	0.75
8. Total Income/Total Expense	183.57	213.90	145.23
9. Non Costly Liabilities+ Equity- Non Earning Assets/Assets	5.36	9.09	28.49
10. Non Costly Liabilities- Non Earning Assets/Assets	-8.28	-6.17	-1.53
11. Total Operating Expense/Total Income	54.48	46.75	68.86
12. Interest Margin	4.94	4.05	9.10
13. Operating ROAA = Operating Net Income/Assets (av.)	9.04	7.86	5.04
14. Operating ROAE = Operating Net Income/Equity Capital (av.)	63.49	40.51	12.50
15. Interest Coverage (EBIT/Interest Expense)	196.78	251.63	266.42
16. Net Profit Margin	31.69	42.05	6.93
17. Gross Profit Margin	43.32	47.05	28.95
II. CAPITAL ADEQUACY (year-end)			
1. Equity Generation/Prior Year's Equity	25.14	5.22	3.40
2. Internal Equity Generation/Prior Year's Equity	29.03	25.13	1.92
3. Equity/Total Assets	13.63	15.26	30.01
4. Core Capital//Total Assets	13.35	13.27	27.30
5. Supplementary Capital/Total Assets	0.79	0.89	0.98
6. Tier 3/Total Assets	0.00	0.00	0.00
7. Capital/Total Assets	14.14	14.16	28.27
8. Own Fund/Total Assets	14.14	14.16	25.50
9. Standard Capital Adequacy Ratio	13.94	12.65	21.29
10. Surplus Own Fund	42.60	36.74	62.42
11. Free Equity/Total Assets	12.84	14.08	20.33
III. LIQUIDITY (year-end)			
1. LMS-Liquidity Management Success (On Demand)	93.51	89.28	97.74
2. LMS-Liquidity Management Success (Up to 1 Month)	99.23	97.59	87.85
3. LMS-Liquidity Management Success (1to 3 Months)	93.00	98.36	95.23
4. LMS-Liquidity Management Success (3 to 6 Months)	96.13	99.95	97.35
5. LMS-Liquidity Management Success (6 to 12 Months)	95.10	99.99	97.36
6. LMS-Liquidity Management Success (Over 1 Year & Unallocated)	94.50	88.47	75.53
IV. ASSET QUALITY			
1. Loan Loss Provisions/Total Loans	0.53	0.76	0.62
2. Total Provisions/Profit Before Provision and Tax	4.84	11.64	7.05
3. Impaired Loans/Gross Loans	0.53	0.76	0.62
4. Impaired Loans/Equity	2.57	2.45	1.01
5. Loan Loss Reserves/Impaired Loans	100.00	100.00	100.00
V. OTHER			
1.Assets/Total Guarantees and Commitments +Assets	55.71	47.05	48.92
2.Equity/Total Guarantees and Commitments +Equity	14.64	11.94	22.32
3.Own Fund/Total Guarantees and Commitments +Own fund	15.10	11.17	19.63
4.Total Foreign Currencies Position/Assets	0.08	0.11	0.44
5.Total Foreign Currencies Position/Equity	0.61	0.70	1.48
6.Total Foreign Currencies Position/Own Equity	0.59	0.76	1.74
7.Market Share	0.21	0.15	0.07
8.Growht Rate	72.56	156.37	121.87