

**THE CENTRAL BANK
OF THE REPUBLIC OF TURKEY
INDEPENDENT AUDIT REPORT
FOR THE PERIOD JANUARY 1, 2000
TO DECEMBER 31,2000**

To The Central Bank of
The Republic of Turkey
Ankara

THE CENTRAL BANK OF THE REPUBLIC OF TURKEY
INDEPENDENT AUDITORS' REPORT

1. We have audited the accompanying balance sheet of the Central Bank of Republic of the Turkey (the "Bank") as of 31 December 2000 and the related statement of income for the year then ended. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. Except as stated in paragraphs 3 and 6, we conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We were not appointed to audit the financial statements of the Bank as of, and for the year ended, 31 December 1999 and have not been able to determine the possible adjustments, if any, to the balance sheet as at that date, which might prove necessary in order to comply with Turkish statutory accounting requirements and the Law on the Central Bank of the Republic of Turkey. Such adjustments, if any, might have an impact on the opening balances as of the balance sheet date.
4. Marketable securities issued by international financial institutions amounting to TL 11,364,908 billion have been classified in correspondent accounts with acquisition costs. Accrued interest amounting to TL 192,600 billion, calculated in accordance with related legislation, has been included in other assets at the year-end. The market value (including accrued interest) of these securities as of 31 December, 2000 is TL 11,373,523 billion.

5. Inter-bank transactions in local currency amounting to TL 649,450 billion as of the balance sheet date, for which the Bank acts as intermediary and is liable to counter-parties, are not recorded in the balance sheet as receivables from, and liabilities to, domestic banks.
6. Due to the fact that the Bank must maintain the confidentiality of its customers' financial affairs, we have not been able to independently confirm the deposit accounts of real persons as of 31 December , 2000.
7. In our opinion, except for the effects of the matters set out in the paragraphs above, the accompanying financial statements present fairly, under the historical cost convention, in all material respects, the financial position of the Bank as of 31 December 2000 and the result of its operations for the year then ended in accordance with the Turkish accounting legislation and requirements of the Law on the Central Bank of the Republic of Turkey.
8. Without further qualifying our opinion, we draw attention to the following matters:
 - i. As discussed in Section II- note 4, the Bank presents securities purchased under repurchase agreements amounting to TL 4,973,902 billion in the securities portfolio account. Additionally, the amounts in cash that will be received at the maturity date and the liabilities to re-sell these securities amounting to TL 5,117,475 billion have been presented in the balance sheet as assets and liabilities in open market operations in accordance with the transparency principle of the Bank.
 - ii. As discussed in Section II- note 16, the foreign exchange revaluation differences account amounting to TL 1,248,884 billion represents the unrealised foreign exchange gains not reflected in the income statement, but presented in the balance sheet as foreign exchange revaluation differences account, in accordance the requirements of the article 61 of the Law of Central Bank.
 - iii. The Bank has not calculated the retirement pay provision in accordance with the legislation for its 5,562 personnel as of 31 December 2000. A calculation of the total retirement pay provision amount as at the balance sheet date is not available at the Bank.
 - iv. As of the balance sheet date, the accompanying financial statements do not include corporation tax and withholding tax liabilities amounting to TL 240,753 billion on the results for the year. This amount will be deducted from prior year profit on a cash basis when it is paid in accordance with Turkish legislation. This amount will be netted-off against the prepaid taxes recorded in other assets as of 31 December 2000 amounting to TL 223,499 billion and the remaining balance will be paid.

- v. The Bank is operating in a hyperinflationary economy with a cumulative inflation rate for of 233% the last three years. The Bank maintains its statutory accounts under the historical cost convention in accordance with the requirements of Turkish accounting legislation and the Law on the Central Bank of the Republic of Turkey. Therefore, no restatement of non-monetary assets and liabilities to reflect the impact of inflation has been made in the accompanying financial statements.
- vi. The accompanying financial statements have been prepared under the assumption that the Bank will continue as a going concern. The crises occurring in the Turkish economy in 2001 have caused major liquidity problems and high volatility in interest rates. As of 19 February 2001, the government's crawling peg foreign exchange rate policy has been abandoned and a floating foreign exchange rate policy has been adopted. The potential effects of this situation on the Bank's position are uncertain as of the report date.

DRT DENETİM REVİZYON TASDİK
YEMİNLİ MALİ MÜŞAVİRLİK A.Ş.

Member Firm of **DELOITTE TOUCHE TOHMATSU**

Derya ÖZALP
(Partner)

Ankara, 1 March, 2001

THE CENTRAL BANK OF THE REPUBLIC OF TURKEY
BALANCE SHEETS AS OF 31 DECEMBER 2000 AND 1999 AND
STATEMENTS OF INCOME FOR THE YEARS ENDED 31 DECEMBER 2000 AND 1999

I- NOTES AND EXPLANATIONS RELATING TO THE BANK AND ITS FINANCIAL POSITION:

A. Notes and Explanations relating to the Current Period:

(1) The financial statements of The Central Bank of the Republic of Turkey (“the Bank”) as of 31 December 2000 have not yet been approved by the Board as of the report date.

(2) **a-Detailed explanations of all basic accounting policies applied by the bank**

The basis of presentation of the financial statements and the significant accounting policies applied are as follows:

i. The Basis of Presentation of the Financial Statements

The Bank maintains its books of accounts and prepares its statutory financial statements in accordance with Turkish Commercial Practice and Tax Legislation and Law Number 1211 of the Central Bank of the Republic of Turkey (the “Central Bank Law”). According to the 57th and the 58th article of the Central Bank Law, the accounting period of the Bank is the calendar year. The Bank, prior to the General Assembly meeting, submits, to the Prime Ministry, the balance sheet and the income statement along with the annual report to be prepared as of the end of each calendar year. The balance sheet is published in the Official Gazette.

ii. The Accounting Principles Applied

Apart from the above listed policies, significant accounting policies applied in the preparation of the financial statements are as set out below:

a. Accounting Principles

The statutory records are maintained in accordance with current Turkish legislation under the historical cost basis of accounting, except for the periodic revaluation of property, plant and equipment.

b. Recording of income and expense

Interest and other income and expenses are recognized on an accruals basis except fees and commissions for various banking services rendered which are recorded as income when received.

According to the 61st article of the Central Bank Law, in the event of a change in the value of the Turkish currency, unrealised negative and positive differences arising from the revaluation of gold and foreign exchange in the assets and liabilities of the Bank are classified into a special account named the FX Revaluation Differences, not comprising part of the annual income statement. Realised differences are reflected in the income statement as at the transaction date.

I- NOTES AND EXPLANATIONS RELATING TO THE BANK AND ITS FINANCIAL POSITION (cont'd)

A. Notes and Explanations relating to the Current Period (cont'd):

(2) a- Detailed explanations of all basic accounting policies applied by the Bank (cont'd)

c. Provisions

According to the 59th article of the Central Bank Law, provisions in amounts deemed appropriate by the Board may be set aside from the gross annual profit of the Bank in order to meet contingent risks which may occur in future years due to operations exclusive to the Bank. Provisions also include internal insurance funds. In compliance with this article, the Bank allocates provision for doubtful assets and money in transit.

d. Foreign Currency Transactions

Foreign currency transactions are recorded at the foreign currency exchange rate applicable on the date of transactions.

Gold is valued at the average of the gold prices quoted on the London exchange during the first and second session as of 29 November 2000 and on the basis of the equality of 1 ons= 31.1035 grams.

Assets and liabilities denominated in foreign currency are valued at the foreign currency purchase rate as at the balance sheet date. Differences arising from the currency revaluation are recorded in a special account apart from the income statement, as stated in paragraph "b" above.

e. Retirement Pay Provision

According to Turkish legislation and labour union agreements Retirement Pay Provision is paid at the retirement of employees or in the case of their redundancy. In the Bank, the amount payable depends on the position and years of service, as defined in T.C. Emekli Sandığı and Social Security Insurance Institution rules.

f. Taxation

The Bank is subject to corporation tax and income tax in accordance to the Turkish legislation. The Bank recognises its tax payables, calculated based on the results for the period, in the accounting records only when they are paid, on a cash basis.

g. Marketable Securities

Marketable securities consist of government bonds purchased on the Bank's account based on the 52nd article of the Central Bank Law related with open market operations to regulate the money supply and liquidity in the economy, and securities purchased with agreements to resell. Such securities are stated in the balance sheet at acquisition cost.

I- NOTES AND EXPLANATIONS RELATING TO THE BANK AND ITS FINANCIAL POSITION (cont'd)

A. Notes and Explanations relating to the Current Period (cont'd):

(2) a- Detailed explanations of all basic accounting policies applied by the Bank (cont'd)

Securities purchased for the Bank's own account are valued at market value as determined on a stock exchange. Securities which are not traded on a stock exchange are valued at prices declared by the Bank and published in the Official Gazette. Positive differences between cost and revalued amount are journalized as Other Assets in the balance sheet and as Non-interest income from Open Market Operations in the income statement. Whenever the difference is negative, it is recorded in Other Liabilities in the balance sheet and Non-interest expense from Open Market Operations in the income statement.

Marketable securities purchased with agreements to resell are valued on an accruals basis with the interest rate implied by the agreement. The calculated accrual is recorded as Other Assets and Income from Marketable Securities purchase and sale.

h. Equity Participations

The bank records its foreign equity shares at acquisition cost and revalues them at the Bank purchase price at the balance sheet date.

b- Changes in accounting policies in the current period and their financial effects:

There has been no significant change in accounting policies during the current period.

(3) Compliance with the fundamental accounting concepts of going concern, accruals and consistency

The accompanying financial statements have been prepared under the assumption that the Bank will continue as a going concern. The crisis occurring in the Turkish economy in 2001 has caused major liquidity problems and high volatility in interest rates. As of 19 February 2001, the government's managed crawling peg foreign exchange rate policy has been abandoned and a floating foreign exchange rate policy has been adopted. The potential effects of this situation on the Bank's position are uncertain as of the report date.

(4) The effect of any change which has been made in valuation methods affecting the period results:

No significant change has been made in valuation methods.

I- NOTES AND EXPLANATIONS RELATING TO THE BANK AND ITS FINANCIAL POSITION (cont'd)

A. Notes and Explanations relating to the Current Period (cont'd):

- (5) The detailed explanation of valuation methods used for securities (Including Equity Participations, Subsidiaries, and Long term securities) in the order given below:**

A. Securities Portfolio :

Securities in Turkish Lira

1- Equity Shares - None

2- Other Securities:

- a) Securities indexed to inflation and foreign currency - Marketable securities acquired through agreements to resell are valued using the interest rate stated in the agreement. Securities acquired from the secondary market are revalued marked to market and, for those which do not have stock exchange prices, at prices declared by the Bank and published in the Official Gazette.
- b) Fixed Income Securities – Marketable securities acquired through agreements to resell are valued using the interest rate stated in the agreement. Securities acquired from the secondary market are revalued marked to market and, for those which do not have stock exchange prices, at prices declared by the Bank and published in the Official Gazette.
- c) Securities having variable interest rate – None

Securities in terms of foreign currency

1- Equity Shares - None

2- Other Securities

- a) Securities indexed to inflation and foreign currency - None
- b) Fixed Income Securities – Foreign currency securities with coupon payments have been valued using the coupon rate, and discounted securities have been valued with the straight line method (*)
- c) Securities having variable interest rate - None

3- Gold (**)- Gold is valued according to the average of gold prices quoted on the London exchange during the first and second sessions as of 29 November 2000 and on the basis of the equality of 1 ons= 31.1035 grams.

(*) Foreign currency securities are recorded in the Correspondent Accounts in balance sheet.

(**) Gold is recorded in the balance sheet in a separate account rather than under marketable securities.

I- NOTES AND EXPLANATIONS RELATING TO THE BANK AND ITS FINANCIAL POSITION (cont'd)

A. Notes and Explanations relating to the Current Period (cont'd):

- (5) The detailed explanation of valuation methods used for securities (Including Equity Participations, Subsidiaries, and Long term securities) in the order given below:**

B. Long Term Securities

Securities in Turkish Lira – None

Securities indexed to inflation and foreign currency – valued at the Bank purchase price at the balance sheet date.

C. Subsidiaries

Securities in Turkish Lira – None

Securities in terms of foreign currency – None

D. Long term Securities :

Securities in Turkish Lira

1- Equity Shares

a) Long term investments - None

b) Equity Shares given as a collateral and pledged shares - None

c) Equity shares subject to long term transactions - None

2- Other Securities

a) Long term investments - None

b) Equity Shares given as a collateral and pledged shares - None

c) Equity shares subject to long term transactions - None

Securities in Foreign Currency

1- Equity Shares

a) Long term investments - None

b) Equity Shares given as a collateral and pledged shares - None

c) Equity shares subject to long term transactions - None

2- Other Securities

a) Long term investments - None

b) Equity Shares given as a collateral and pledged shares - None

c) Equity shares subject to long term transactions - None

- (6) Method of depreciation, any changes in methodology during the current period and financial effects of such changes**

Depreciation has been calculated on a straight line basis and there has no change in depreciation methods during the current year. The annual depreciation rates applied are as follows:

Buildings (acquisition cost)	2%
Vehicles, Furniture and Fixtures	20%
Leasehold Improvements	20%

I- NOTES AND EXPLANATIONS RELATING TO THE BANK AND ITS FINANCIAL POSITION (cont'd)

A. Notes and Explanations relating to the Current Period (cont'd):

(6) Method of depreciation, any changes in methodology during the current period and financial effects of such changes (cont'd)

All tangible fixed assets have been depreciated taking into consideration their estimated economic life. The bank revalues its buildings with the coefficients disclosed by Ministry of Finance (including depreciation). The difference arising from revaluation has been credited to Revaluation Surplus Account which may later be added to capital. The amount added to the revaluation surplus account is exempt from all taxes and the depreciation calculated on the revalued amount is a tax deductible expense. Buildings are depreciated based on original cost before revaluation, and all assets start to be revalued in the year after the year of acquisition, using the coefficients stated below. Land is neither depreciated nor revalued. Immovables have not been revalued at year ends. They are revalued during sale. Revaluation coefficients have been 56%, 52.1% and 77.8% for the years 2000, 1999 and 1998, respectively.

(7) The exchange rate used in revaluation of foreign currency items during the preparation of the balance sheet and the Bank's published US dollar currency purchase rate for the last five working days of the period are as follows:

	<u>31 December 2000</u>
A. The Bank's "Exchange Rate for the Evaluation of Foreign Currency Items" (1 US dollar \$=..... TL)	671,765 TL
B. US dollar purchase rates at the date of balance sheet date are as follows:	
US dollar purchase rate at the date of balance sheet	671,765 TL
<u>US dollar purchase rates for the 5 working days before balance sheet date</u>	
Purchase rate of the 1st Day	669,967 TL
Purchase rate of the 2st Day	672,232 TL
Purchase rate of the 3st Day	674,820 TL
Purchase rate of the 4st Day	679,627 TL
Purchase rate of the 5st Day	677,675 TL

I- NOTES AND EXPLANATIONS RELATING TO THE BANK AND ITS FINANCIAL POSITION (cont'd)

A. Notes and Explanations relating to the Current Period (cont'd):

(8) Information on assets and liabilities denominated in foreign currencies, their US dollar equivalents and the foreign currency open position is as follows:

	31 December 2000	
	TL Billion	Million \$
I-FOREIGN CURRENCY ASSETS		
1) GOLD	675,725	1,006
2) FOREIGN EXCHANGE	14,895,115	22,173
3) COINS	-	-
4) DOMESTIC CORRESPONDENTS	1,468,357	2,186
5) SECURITIES PORTFOLIO	-	-
6) DOMESTIC CREDITS	-	-
7) OPEN MARKET OPERATIONS	-	-
8) FOREIGN CREDITS	139,737	208
9) SHARE PARTICIPATIONS	2,727	4
10) FIXED ASSETS	-	-
11) CLAIMS UNDER LEGAL PROCEEDINGS	795,470	1,184
12) ACCOUNTS TO BE REDEEMED AND ACT. CLAIMS	-	-
13) MISCELLANEOUS RECEIVABLES	1,586	2
14) OTHER ASSETS	6,559	10
OFF BALANCE SHEET ITEMS(15)		
15) FORWARD TRANSACTIONS	-	-
TOTAL FOREIGN CURRENCY ASSETS(1-15)	17,985,276	26,773
II-FOREIGN CURRENCY LIABILITIES		
1) MONEY IN CIRCULATION	-	-
2) LIABILITIES TO TREASURY	76	-
3) FOREIGN CORRESPONDENTS	33,636	50
4) DEPOSITS		
a) PUBLIC SECTOR	875,890	1,305
b) BANKING SECTOR	4,295,402	6,394
c) MISCELLANEOUS	7,078,823	10,538
d) INTERNATIONAL INSTITUTIONS	-	-
e) FUNDS	330,456	492
5) OPEN MARKET OPERATIONS	-	-
6) FOREIGN CREDITS	5,701	8
7) ADVANCES, COLLATERALS AND DEPOSITS COLLECTED AGAINST LETTERS OF CREDIT AND IMPORT	286,317	426
8) NOTES AND REMITTANCES PAYABLE	4,756	7
9) CAPITAL	-	-
10) RESERVES	-	-
11) PROVISIONS	-	-
12) FX REVALUATION DIFFERENCES	-	-
13) MISCELLANEOUS PAYABLES	41,860	62
14) OTHER LIABILITIES	165,946	247
OFF BALANCE SHEET ITEMS(12)		
15) FORWARD TRANSACTIONS	-	-
TOTAL FOREIGN CURRENCY LIABILITIES(1+15)	13,118,863	19,529
FOREIGN CURRENCY NET GENERAL POSITION (I-II)	4,866,413	7,244

I- NOTES AND EXPLANATIONS RELATING TO THE BANK AND ITS FINANCIAL POSITION (cont'd)

A. Notes and Explanations relating to the Current Period (cont'd):

(8) Information on assets and liabilities denominated in foreign currencies, their US dollar equivalents and foreign currency open position is as follows (cont'd):

<u>31 December 2000</u>	<u>USD Dollar</u>	<u>Euro Group (**)</u>	<u>Euro</u>	<u>Other (***)</u>
I-Foreign Currency Assets				
Gold	1,005,897,567	-	-	-
Foreign Exchange	8,462,556,773	182,459,382	14,497,532,792	193,424,450
Correspondent Accounts	1,910,500,000		299,000,000	
Marketable Securities Portfolio	-	-	-	-
Credits	200,267,887	3,733,953	4,678,330	-
Open Market Operations	-	-	-	-
Other FC Assets (*)	1,184,266,579	12,594,174	18,932	4,452,308
Total Foreign Currency Assets	<u>12,763,488,806</u>	<u>198,787,509</u>	<u>14,801,230,054</u>	<u>197,876,758</u>
II- Foreign Currency Liabilities				
Liabilities to Treasury	113,080	-	-	-
Foreign Correspondents	18,619,416	7,036,541	496,075	24,514,992
Deposits	7,104,428,476	10,822,507,222	1,680,051,092	110,858,020
Other FC Liabilities (*)	464,174,951	59,045,618	217,140,611	32,637,490
Total Foreign Currency Liabilities	<u>7,587,335,923</u>	<u>10,888,589,381</u>	<u>1,897,687,778</u>	<u>168,010,502</u>
Difference (I – II)	5,176,152,883	(10,689,801,872)	12,903,542,276	29,866,256

(*) Other Foreign Currency Assets and Liabilities including Off Balance Sheet Items

(**) Transactions in those foreign currencies which form part of the EURO Group (DEM, FF and others) are presented in the "EURO Group" column, in their total EURO equivalent. Transactions actually effected in EURO are shown in the "EURO" column.

(***) The Sum of the US Dollar equivalents of those foreign currencies that individually comprise less than 10% of Foreign Currency Liabilities and Foreign Currency Assets.

I- NOTES AND EXPLANATIONS RELATING TO THE BANK AND ITS FINANCIAL POSITION (cont'd)

A. Notes and Explanations relating to the Current Period (cont'd):

(9) The book value of the movable and immovable assets and the depreciation allocated and their insurance coverage:

	31 December 2000		
	Book Value (*)	Accumulated Depreciation	Insurance Coverage
Movables	17,858	8,783	11,477
Immovables	63,565	4,588	36,628
1-Assets in use for banking activities	63,565	4,588	36,628
2-Other	-	-	-
Assets held under financial leases (as a lessee)	-	-	-

(*) gross amount before accumulated depreciation

Immovables are subject to revaluation, except that land is not subject to depreciation or revaluation. Movables are revalued at the time of sale.

The difference arising from revaluation is credited to Revaluation Fund which can be later added to capital.

(10) Information on contingent losses and gains, which are significant but cannot be quantified

There are no contingent losses or gains as of 31 December 2000.

(11) Other matters which significantly affect the balance sheet or which cannot be quantified:

TL 11,364,908 billion of the Correspondent Accounts in assets represents marketable securities issued by international financial institutions. These securities are held as reserves and can be liquidated as needed. Accrued interest amounting to TL 192,600 billion, calculated in accordance with the related legislation, has been included in other assets at the year end. The market value (including accrued interest) of these securities as of 31 December 2000 is TL 11,373,523 billion. In addition, the amounts in cash that will be received at the maturity date and the liabilities to resell these securities amounting to TL 5,117,475 billion have been presented in assets as open market operations in accordance with the Bank's transparency principle, together with the cost amounting to TL 4,973,902 billion in liabilities as open market operations, and the difference between cost and the maturity value amounting to TL 143,573 billion in other liabilities in the balance sheet.

I- NOTES AND EXPLANATIONS RELATING TO THE BANK AND ITS FINANCIAL POSITION (cont'd)

A. Notes and Explanations relating to the Current Period (cont'd):

(11) Other matters which significantly affect the balance sheet or which cannot be quantified (cont'd):

TL 101,150 billion of open market operations represents the amount that the Bank has issued to banks.

The foreign exchange differences account represents the unrealised foreign exchange gains not reflected in the income statement, but presented in the balance sheet as foreign exchange revaluation differences account according to the 61st article of the Central Bank Law. Realised differences are reflected in the income statement as at the transaction date.

B. Other Notes and Explanation:

(12) Information on events occurring after the balance sheet date, which affect the financial activities and/or financial structure significantly and therefore require explanation:

The crisis occurring in the Turkish economy in 2001 has caused major liquidity problems and high volatility in interest rates. As of 19 February 2001, the government's managed crawling peg foreign exchange rate policy has been abandoned and a floating foreign exchange rate policy has been adopted. The potential effects of this situation on the Bank's position are uncertain as of the report date.

(13) Information on foreign branches:

The Bank has no foreign branches. It has representative offices in Frankfurt, New York and Tokyo and a liaison office in Berlin.

I- NOTES AND EXPLANATIONS RELATING TO THE BANK AND ITS FINANCIAL POSITION (cont'd)

C. The independent audit firm auditing the financial statements:

The Financial Statements as of and for the year ended 31 December 2000 are audited by DRT Denetim Revizyon Tasdik Yeminli Mali Müşavirlik A.Ş. (Member Firm of Deloitte Touche Tohmatsu).

The Independent Audit Opinion is presented with the financial statements and related notes.

II- NOTES AND EXPLANATIONS ON THE BALANCE SHEET AND MEMORANDUM ACCOUNTS

(1) Information about the Gold account

According to the 53rd Article of The Central Bank Law, the Bank may buy and sell gold coins and bullion, may import and export gold and may also receive and grant advances against gold. As of the balance sheet date, the Bank has 116,286,694 net grams of gold in international standards and 3,228,296 net grams of gold not in international standards. 82,616,049 grams of the gold in international standards is kept at foreign banks, especially the Federal Reserve Bank of New York. 33,670,645 grams are kept at the Headquarters of the Bank. The non-international standard gold is kept at the Headquarters of the Bank. 345,575 grams of non-international standard gold belongs to the Treasury and the related liability is presented in the Balance Sheet in the Liabilities to Treasury Account.

Gold is valued at the average of the gold prices quoted on the London exchange during the first and second sessions as of 29 November 2000 and on the basis of the equality of 1 ons= 31.1035 grams. The value of the gold would be TL 9,293 billion much if it were valued with the prices on the last working day of the London exchange.

(2) Information about the Foreign Exchange account

a-Deposits at Foreign Banks:

	31 December 2000	
	Billion TL Amount	USD Amount (in Millions)
Free Deposits	2,966,398	4,416
Marketable Securities Portfolio	11,612,535	17,287
Total	14,578,933	21,703

Deposits at Foreign Banks consist of the current accounts and investment accounts held as reserve in Foreign Correspondents. Marketable Securities Portfolio consists of the foreign currency Government Bonds and Treasury Bills issued by international financial institutions and kept in foreign banks.

The amount of the portfolio account is TL 11,394,908 billion and is accounted at cost. Securities with coupon payments have been valued with the coupon rate, and discounted securities have been valued with the straight line method. The accrued interest as of the balance sheet date amounting to TL 192,600 billion is recorded in other assets. The market value of the mentioned securities together with the interest is TL 11,373,523 billion as of the balance sheet date. These securities can be liquidated when needed.

In addition, Foreign Banks balances include TL 38,408 billion as deposit and TL 247,627 billion as investment account belonging to the Turkish Defense Fund.

II- NOTES AND EXPLANATIONS ON THE BALANCE SHEET AND MEMORANDUM ACCOUNTS (cont'd)

(3) Domestic Correspondents

Foreign currency interbank transactions in which the Bank acts as intermediary are accounted in the domestic correspondents account in assets and bank deposits accounts in liabilities. This account amounting to TL 1,468,357 billion as of the balance sheet date consists of EURO 299,000,000 and USD 1,910,500,000. The Bank is liable to the counterparties.

There are also transactions in local currency amounting to TL 649,450 billion as of the balance sheet date not recorded in the balance sheet as receivables from, and liabilities to, domestic banks.

The total of collateral obtained from banks for interbank transactions is TL 5,211,474 billion as of the balance sheet date.

(4) Marketable Securities Portfolio – Open Market Operations

a- Information about the Marketable Securities Portfolio

The marketable securities portfolio consists of securities purchased under agreements to resell amounting to TL 4,973,902 billion and securities for the Bank's account amounting to TL 1,514,942 billion.

**II- NOTES AND EXPLANATIONS ON THE BALANCE SHEET AND
MEMORANDUM ACCOUNTS (cont'd)**

(4) Marketable Securities Portfolio – Open Market Operations (cont'd)

Breakdown of marketable securities as at 31 December 2000;

	31 December 2000 Acquisition Cost	31 December 2000 Accrual (net)	31 December 2000 Balance Sheet Value	31 December 2000 Market Value	31 December 2000 Official Gazette Value
Repurchase Agreements					
Treasury Bills and government Bonds					
	4,973,902	120,501	5,094,403	*	*
1. Fixed Income	2,565,908	-	-	*	*
2. Indexed to Inflation	2,407,994	-	-	-	-
3. Indexed to Foreign Currency	-	-	-	-	-
4. Securities in Foreign Currency	-	-	-	-	-
5. Floating Rated	-	-	-	-	-
Purchases					
Treasury Bills and government Bonds					
	1,514,942	1,241	1,516,183	1,516,719	1,469,644
1. Fixed Income	1,514,942	1,241	1,516,183	1,516,719	1,469,644
2. Indexed to Inflation	-	-	-	-	-
3. Indexed to Foreign Currency	-	-	-	-	-
4. Securities in Foreign Currency	-	-	-	-	-
5. Floating Rated	-	-	-	-	-
Income Sharing Bonds Mutual Funds Participation Certificates					
	-	-	-	-	-
Other Debit Notes					
1. Fixed Income	-	-	-	-	-
2. Indexed to Inflation	-	-	-	-	-
3. Indexed to Foreign Currency	-	-	-	-	-
4. Securities in Foreign Currency	-	-	-	-	-
5. Floating Rated	-	-	-	-	-
Equity Shares					
1. Quoted	-	-	-	-	-
2. Unquoted	-	-	-	-	-
Other Marketable Securities					
	-	-	-	-	-
TOTAL	6,488,844	121,742	6,610,586	1,516,719	1,469,644

(*) As of 31 December 2000, the market value of marketable securities acquired with agreements to resell has not been calculated. Accruals as at 31 December 2000 have been calculated according to the interest rate and days to maturity indicated in the agreements.

The nominal values of the above marketable securities is TL 12,212,133 billion .

II- NOTES AND EXPLANATIONS ON THE BALANCE SHEET AND MEMORANDUM ACCOUNTS (cont'd)

(4) Marketable Securities Portfolio – Open Market Operations (cont'd)

b- Explanations related to Open Market Operations

Open Market Operations presented in the asset side of the balance sheet amounting to TL 5,117,475 billion represents the amount to be received at the maturity date for securities purchased with agreements to resell. TL 101,150 billion is lent by the Bank to other banks in the interbank money market.

In the liability side of the balance sheet, open market operations balance TL 4,973,902 billion comprises the acquisition cost of marketable securities purchased with agreements to resell. Accumulated interest amounting to TL 143,573 billion that will be received at the maturity dates is accounted in the other liabilities account.

As at 31 December 2000, the breakdown of open market operations is:

	31 December 2000		31 December 2000
Assets	TL Billion	Liabilities	TL Billion
Open Market Operations	5,218,625	Open Market Operations	4,973,902
A.Repurchase Agreemets	5,117,475	A.Repurchase Agreemets	4,973,902
a) Cash	5,117,475	a) Cash	-
i) Foreign Exchange	-	i) Foreign Exchange	-
ii) Securities	5,117,475	ii) Securities	-
b) Securities	-	b) Securities	4,973,902
B. Other	101,150	B. Other	-
		Other Liabilities	143,573

(5) Loans

a- Information related to domestic credits

TL 500,000 billion of the domestic loans is an advance issued to the Saving Deposit Insurance Fund against the government bond with maturity November 2005.

b- Explanation of loans and advances granted to the Bank's shareholders or personnel as at 31 December 2000

As of the balance sheet date, there are no loans or advances given to the Bank's shareholders or employees.

According to 50th article of the Central Bank Law, the Bank may open a short term advance account each year to the Turkish Treasury at a ratio not to exceed 3 percent of the excess of the current year's total general budget appropriations over the previous fiscal year's total general budget appropriations. The Treasury has used short term advances in the current year within the limits stated in the legislation. As at the report date, there is no outstanding advance balance.

II- NOTES AND EXPLANATIONS ON THE BALANCE SHEET AND MEMORANDUM ACCOUNTS (cont'd)

(5) Loans (cont'd)

c- Explanation related to foreign loans

Foreign loans are the receivables arising from the transformation of accounts issued according to agreements signed with other central banks for trade affairs.

d- Explanation related to claims under legal proceedings

The total balance consists of uncollectible receivables from Iraq as a result of the Gulf Crisis and from receivables related with trade affairs with Iraq. 100% provision has been allocated and accounted in the provisions account in liabilities for these receivables.

Movements in provision for loans and receivables under follow -up

	<u>Billion TL</u>	<u>USD</u>
Opening Balance	552,795	1,023,499,372
- Increases during the period (+)	107,919	160,649,535
- Transfers from other follow-up accounts (+)	-	-
- Transfers to other follow-up accounts (-)	-	-
- Collections during the period (-)	4	-
- Write-offs (-)	1	-
- FX rate difference	134,761	-
CLOSING BALANCE	795,470	1,184,148,907
- Provision booked in liability side (-)	795,470	1,184,148,907
Net balance after provisions	-	-

II- NOTES AND EXPLANATIONS ON THE BALANCE SHEET AND MEMORANDUM ACCOUNTS (cont'd)

(6) Equity Participations

Equity Participations are stated at their acquisition costs and valued with the Bank's foreign currency purchase rate at period end.

The Bank's equity participations can be analysed as follows:

<u>Name</u>	<u>Share (%)</u>	<u>Nominal Capital</u>	<u>Acquisition Cost</u>	<u>31 December 2000 Balance Sheet Amount Billion TL</u>
Bank For International Settlements	1%	1,500,000,000 Gold FRF	* 5,000,000 Gold FRF	2,721
S.W.I.F.T	0.001%	10,844,375 EUR	385,000 BEF	6
Total equity participations				2,727

(*) The bank has 8,000 shares in the Bank For International Settlements, as 5,000,000 Gold FRF paid and 15,000,000 Gold FRF unpaid.

Within the year 2000, CHF 2,720,000 has been obtained as dividend income and as at 31 December 2000, TL 832 billion is accrued as dividend income.

There has been no addition or disposal to the equity participation account in the current period.

(7) Movables and Immovables

The bank has no movables or immovables that are held to be sold. Immovable and movable balances are TL 63,566 billion and TL 17,858 billion, respectively. The total depreciation amount is TL 13,371 billion.

(8) Miscellaneous Receivables

Receivables from third parties other than banking and public sector are followed in this account.

As at 31 December 2000, the breakdown of miscellaneous receivables is as follows:

	31 December 2000 TL Billion
Withholding Tax	141,172
Temporary Tax	62,009
Withholding Tax Fund	20,318
Other	3,770
Total	227,269

II- NOTES AND EXPLANATIONS ON THE BALANCE SHEET AND MEMORANDUM ACCOUNTS (cont'd)

(9) Other Assets:

As of 31 December 2000 the breakdown of the other assets is presented below:

	31 December 2000
	Billion TL
Foreign currency portfolio investment income accrual	192,600
Income accrual on marketable securities acquired through open market operations	120,501
Income accrual on the Bank's marketable securities portfolio	54,192
Income accrual on foreign loans	4,300
Advance loan interest income accrual	3,105
Other accruals	3,956
Other	12,031
TOTAL	390,685

(10) Currency Issued

The Bank is the only bank that has the authority to borrow by issuing banknotes in Turkey. As of the balance sheet date, the banknotes in issue total TL 3,772,411 billion.

(11) Liabilities to Treasury

2,008 Billion TL of the balance of liabilities to Treasury consists of gold belonging to the Treasury in non-international standards kept in the Bank. Tax liabilities to the Treasury, other than corporate tax, amounting to TL 22,276 billion are also followed in this account .

(12) Foreign Correspondants

This account represents the foreign currency accounts of the correspondent banks .

(13) Deposit Accounts

The deposits balance consists of Treasury, public institutions, banking sector, deposits by citizens abroad, International Monetary Fund, and other fund accounts.

The Treasury and public institutions accounts are demand deposits.

The balance of the banking sector consists of two day call foreign currency accounts , demand local currency accounts and reserve deposits.

Deposits by citizens abroad consists of deposits by Turkish citizens living outside of Turkey. The balance is TL 7,062,991 billion as of the balance sheet date.

II- NOTES AND EXPLANATIONS ON THE BALANCE SHEET AND MEMORANDUM ACCOUNTS (cont'd)

(13) Deposit Accounts (cont'd)

The breakdown of the deposits by foreign currency type as follows:

<u>Foreign Currency Type</u>	<u>Foreign Currency Balance</u>	<u>TL Billion</u>
DEM	19,898,002,730	6,293,042
USD	475,995,847	319,757
NLG	910,692,550	255,622
Other	289,639,271	194,570
Total		<u>7,062,991</u>

Maturities vary between one to three years. Interest rates for USD and DEM with one year and two years maturity are 7% and 9.5%, respectively. For deposit accounts having higher balances, interest rates become 10% and 11% and maturities are realised as two to three years.

The International Institutions deposit balance is the Turkish Lira equivalent of the balance transferred by the International Monetary Fund (IMF) as “special drawing rights” (SDR). The Bank is designated as “the depositor” to regulate the relations of Turkey with the IMF. According to the agreements signed with the IMF, the TL equivalent of the granted SDR amount, totalling TL 2,240,463 billion, is recorded in the balance sheet as a liability.

Deposits of funds consist of the demand accounts of various funds under the control of the Prime Ministry.

(14) Capital and Reserves

According to 5th article of the Central Bank Law, the capital of the bank is TL 25 billion and is divided into 250,000 shares, with a value of TL 100,000 each. The capital may be increased with the approval of the Government. The shares are divided into (A), (B), (C), and (D) shares. The (A) group shares belongs solely to the Turkish Treasury.

**II- NOTES AND EXPLANATIONS ON THE BALANCE SHEET AND
MEMORANDUM ACCOUNTS (cont'd)**

(14) Capital and Reserves (cont'd)

As of the balance sheet date, the shareholders of the bank are as listed below:

	Participation Amount TL	Participation Share %
Turkish Treasury	13,683,800,000	55
T.C. Ziraat Bankası	3,481,800,000	14
Güvenlik Yard. Sandığı Vakfı	1,280,100,000	5
T. Emlak Bankası A.Ş.	1,314,000,000	5
Osmanlı Bankası A.Ş.	620,800,000	2
T. İş Bankası A.Ş.	581,800,000	2
T. Halk Bankası A.Ş.	277,400,000	1
Türkiye Kızılay Derneği	300,800,000	<1
T.C. Emekli Sandığı	250,000,000	<1
Social Security Institutions	100,000,000	<1
Other	3,109,500,000	16
Total	25,000,000,000	100

20% of the annual gross profit of the Bank is allocated as extraordinary reserves.

(15) Provisions

TL 795,470 billion of the provision amount totalling TL 797,538 billion is the 100% provision allocated for legal follow-up (doubtful) loans.

(16) Foreign Exchange Revaluation Differences

According to the 61st article of the Central Bank Law, in the event of a change in the value of the Turkish currency, unrealised negative and positive differences arising from the revaluation of gold and foreign exchange in the assets and liabilities of the Bank are recorded in a special account named as FX Revaluation Differences separated from the annual income statements. Realised differences are reflected in the income statement as at the transaction date.

II- NOTES AND EXPLANATIONS ON THE BALANCE SHEET AND MEMORANDUM ACCOUNTS (cont'd)

(17) Miscellaneous Payables

	31 December 2000 TL Billion
Interest accruals on deposits by citizens abroad	710,215
Interest expense accruals of securities for resale	143,573
Reserve deposits of private financial institutions	145,984
Provision for the market value of marketable securities held for the Bank's own account	52,951
Other	67,095
Total	1,119,818

(18) Derivative Instruments and Off-Balance Sheet Items

The Bank has no derivative instruments as of the balance sheet date. The off-balance sheet items are presented as attachments.

(19) Maturity Profile of Balance Sheet Items and Certain Commitments According to Their Remaining Maturities

Breakdown of assets and liabilities and other contingencies and other commitments according to their remaining maturities are shown on the table attached, covering current period.

III - NOTES AND EXPLANATIONS RELATING TO THE INCOME STATEMENT:

(1) Interest Income

Interest income amounting to TL 645,545 billion from foreign correspondents accounts represents income from the foreign investment portfolio. TL 192,600 billion of this amount is the year-end accrual amount (see Note 9).

Income from open market operations represents the income obtained from interbank operations and marketable securities portfolio.

(2) Non-Interest Income

Non-interest income consists of income from open market operations and marketable securities portfolio rather than interest and realised foreign exchange gains during the period.

(3) Interest Expenses

TL 731,396 billion of total interest expenses amounting to TL 785,674 billion is the interest expense on deposits from citizens abroad.

(4) Non-Interest Expenses

Provision expense represents 100% provision allocated for follow-up receivables. Non-interest expenses to foreign correspondents amounting to TL 177,798 billion represent foreign securities trading losses.

IV. SUPPLEMENTARY FINANCIAL STATEMENTS

A – Off Balance Sheet Accounts

Off Balance Sheet Accounts	December 31, 2000
	Billion TL
A. Securities in Custody	43.237.919
1. Marketable Securities in Custody - Free	29.568.657
2. Deal Securities	13.419.285
3. Marketable Security Exchange Market Banks' Guarantee Letters	44.000
4. State Deposit Insurance Fund's Security - excused from income tax	203.588
5. Other	2.389
	14.018.369
B. Guarantees Taken	14.018.369
1. Banks' Treasury Bonds as Foreign Currency Market Guarantee	6.995.084
2. Interbank Operations Guarantees	5.211.474
3. Treasury Bonds as Forward Money Market Operations Guarantees	667.248
4. Foreign Currency Treasury Bonds as Foreign Currency Market Guarantee	625.881
5. Foreign Currency Equivalent Guarantee Letters as Foreign Currency Market Guarantee	2.495
6. Banking Regulation and Supervisory Agency Advance Loan Guarantee	493.747
7. Intermediary Firms' Treasury Bonds – Pledged	8.938
8. Other	13.501
	2.262.119
C. Reserve Banknotes	2.262.119
1. Reserve Banknotes	2.150.333
2. Wornout Banknotes	58.122
3. Reserve Banknotes – Branches	37.429
4. Reserve Banknotes - kept in Ziraat Bank	16.210
5. Newly Printed Banknotes	25

IV. SUPPLEMENTARY FINANCIAL STATEMENTS**A – Off Balance Sheet Accounts (continue)**

Off Balance Sheet Accounts	December 31, 2000
	Billion TL
D. Other	55.941.118
1. Repurchase Agreements Pledged Account	21.364.258
2. Bank's Treasury Bonds Portfolio	12.212.129
3. Customer Operations	11.581.672
4. Banks' Disponibility Reserves - Treasury Bonds	5.848.872
5. Branches' Marketable Security in Electronic Security Fund Transfer System	4.809.060
6. Treasury Bonds of Marketable Security Exchange Market Members	11.310
7. Discounted Notes of Import Operations	8.950
8. Other	104.867
E. Electronic Marketable Security Transfer Recording Follow Up Account for Marketable Securities, That Are Classified With Physical Values In Above Accounts	92.324.377
TOTAL (A+B+C+D+E)	207.783.902

IV. SUPPLEMENTARY FINANCIAL STATEMENTS - continue

B. Breakdown of Assets and Liabilities and other contingencies and other commitments according to their remaining maturities

CURRENT PERIOD (31/12/2000)

BREAKDOWN OF ASSETS AND LIABILITIES AND OTHER CONTINGENCIES AND OTHER COMMITMENTS ACCORDING TO THEIR REMAINING MATURITIES

ASSETS	No term	Up to 1 Month	From 1 Month To 3 Months	From 3 Months To 1 Year	From 1 Year To 5 Years	More Than 5 Years	Not Distributed	Total
Gold	694.486	-	-	-	-	-	-	694.486
Foreign Exchange	11.558.616	3.336.499	-	-	-	-	-	14.895.115
Coins	3.416	-	-	-	-	-	-	3.416
Domestic Correspondents	-	1.468.357	-	-	-	-	-	1.468.357
Marketable Securities Portfolio	-	5.042.685	158.111	1.288.048	-	-	-	6.488.844
Domestic Credits	-	-	-	-	-	500.000	1.724	501.724
Open Market Operations	-	5.218.625	-	-	-	-	-	5.218.625
Foreign Credits	-	15.636	3.368	7.573	112.217	-	944	139.737
Share Participations	-	-	-	-	-	-	2.727	2.727
Fixed Assets	-	-	-	-	-	-	68.052	68.052
Claims Under Legal Proceedings	-	-	-	-	-	-	795.470	795.470
Accounts To be Redeemed and Act. Claims	-	-	-	-	-	-	-	-
Miscellaneous Receivables	-	-	-	223.499	-	-	3.770	227.269
Other Assets	192.600	126.416	5.742	50.142	3.496	-	12.289	390.685
Total Assets	12.449.118	15.208.218	167.221	1.569.262	115.713	500.000	884.976	30.894.507

IV. SUPPLEMENTARY FINANCIAL STATEMENTS - continue

B. Breakdown of Assets and Liabilities and other contingencies and other commitments according to their remaining maturities (continue)

CURRENT PERIOD (31/12/2000)								
BREAKDOWN OF ASSETS AND LIABILITIES AND OTHER CONTINGENCIES AND OTHER COMMITMENTS ACCORDING TO THEIR REMAINING MATURITIES								
LIABILITIES	No term	Up to 1 Month	From 1 Month To 3 Months	From 3 Months To 1 Year	From 1 Year To 5 Years	More Than 5 Years	Not Distributed	Total
Currency Issued	3.772.411	-	-	-	-	-	-	3.772.411
Liabilities to Treasury		25.864	-	-	-	-	-	25.864
Foreign Correspondents	33.636	-	-	-	-	-	-	33.636
Deposits	1.616.345	2.582.481	501.452	2.151.566	6.461.372	-	3.933.904	17.247.120
Open Market Operations	-	4.973.902	-	-	-	-	-	4.973.902
Foreign Credits	-	-	336	-	-	-	5.365	5.701
Advances , Collaterals and Deposits Collected Against Letters of Credit and Import	-	-	-	-	-	-	286.327	286.327
Notes and Remittances Payable	-	4.756	-	-	-	-	-	4.756
Capital	-	-	-	-	-	-	25	25
Reserves	-	-	-	-	-	-	343.876	343.876
Provisions	-	-	-	-	-	-	797.538	797.538
FX Revaluation Differences	-	-	1.248.884	-	-	-	-	1.248.884
Miscellaneous Payables	13.079	-	-	-	-	-	28.937	42.016
Other Liabilities	-	173.177	65.403	260.848	423.407	-	196.983	1.119.818
Profit	-	-	-	-	-	-	992.633	992.633
Total Liabilities	5.435.471	7.760.180	1.816.075	2.412.414	6.884.779	-	6.585.588	30.894.507

IV. SUPPLEMENTARY FINANCIAL STATEMENTS - continue

C. Shareholders' Equity

SHAREHOLDERS' EQUITY MOVEMENT	Paid Capital	1st - 2nd Legal Reserves	Premium in Excess of Par	Other Legal Reserves	Extraordinary Reserves	Fixed Asset Revaluation Fund	Cost Increase Fund	Previous Periods' Profits (Losses)	Period Profits (Losses)	Shareholders' Equity
December 31, 1999	25	-	-	-	147.010	34.516	82	506.796	-	688.429
Profit Distribution: (*****)	-	-	-	-	-	-	-	-	992.633	992.633
- Dividends	-	-	-	-	-	-	-	-1.141	-	-1.141
- Transfers to Equity (Reserves)	-	-	-	-	141.903	-	-	-141.903	-	-
- Taxes and funds	-	-	-	-	-	-	-	-121.652	-	-121.652
- Transfers to Treasury	-	-	-	-	-	-	-	-242.100	-	-242.100
Pad in Capital Increase	-	-	-	-	-	-	-	-	-	-
- Cash	-	-	-	-	-	-	-	-	-	-
- Transfer from Revaluation Fund	-	-	-	-	-	-	-	-	-	-
- Transfers from other accounts (___)	-	-	-	-	-	-	-	-	-	-
Profits from equity participations, subsidiaries and fixed assets sales	-	-	-	-	-	-	-	-	-	-
31/12/2000 Revaluation Fund Increase(Net)	-	-	-	-	-	20.359	-	-	-	20.359
Increase in Marketable Security Value	-	-	-	-	-	-	-	-	-	-
Other (Cost Increase Fund)	-	-	-	-	-	-	7	-	-	7
December 31, 2000	25	-	-	-	288.913	54.875	89	-	992.633	1.336.535

(*****) : Bank is distributing its profit according to TCMB Law

IV. SUPPLEMENTARY FINANCIAL STATEMENTS - continue**D. Cash Flow Table**

CASH FLOW TABLE	2000 Billion TL
I- Cash Flows from Banking and Financing Activities (Main Operations)	
Interest Received	2.114.536
Interest Paid	(378.528)
Dividends Received	1.163
Commissions and Fees Received	12.562
Other Income	-
Collections from previously written off loans and receivables	-
Payments to personnel and service providers	(115.791)
Taxes Paid	(121.652)
Other - about collections	-
Other - about payments	-
Cash flow from operation income before changes in assets and liabilities subject to main operations	1.512.290
Changes in assets and liabilities that ar subject to operations	
<u>Decrease / (Increase) in assets subject to operations</u>	
Decrease / (Increase) in marketable securities	(3.602.400)
Decrease / (Increase) in bank accounts	-
Decrease / (Increase) in loans	(955.771)
Decrease / (Increase) in other assets	(436.069)
<u>Decrease / (Increase) in liabilities subject to operations</u>	
Increase / (Decrease) in Deposits	4.969.755
Increase / (Decrease) in Loans Taken	148
Increase / (Decrease) in marketable securities issued	-
Increase / (Decrease) in other liabilities	1.260.479
Net Cash Flow from Banking and Financing Operations	2.748.432
II- Cash Flows from Financial and Fixed Investments	
Equity Participations and Subsidiaries Taken Over	472
Equity Participations and Subsidiaries Sold	-
Fixed Assets Taken Over	5.795
Fixed Assets Sold	-
Affiliates Taken Over	-
Affiliates Sold	-
Other Cash Inflows	-
Other Cash Outflows	-
Net Cash Used in Financial and Fixed Investments	6.267
III- Cash Flows About Capital Financing Operations	
Cash Provided from Loans Used and Securities Issued	-
Repayments of Loans Used and Securities Issued	-
Bank Capital Shares Issued	-
Dividends Paid	(243.241)
Other Cash Inflow	-
Other Cash Outflow	-

Net Cash Related Capital Financing Operations	<u>(243.241)</u>
Net Increase on Cash and Cash Equivalent Assets	<u>2.511.458</u>
Cash and Cash Equivalent Assets at the beginning of the period	<u>13.081.559</u>
Cash and Cash Equivalent Assets at the end of the Period	<u>15.593.017</u>

IV. SUPPLEMENTARY FINANCIAL STATEMENTS - continue**E. Profit Distribution Table**

PROFIT DISTRIBUTION TABLE (*****)	31.12.2000
	Billion TL
A. PERIOD PROFIT'S DISTRIBUTION	
1. PERIOD PROFIT	(992,633)
2. TAXES TO BE PAID (-)	(240,753)
- Corporate Tax	(218,866)
- Income Tax	-
- Other Taxes	(21,887)
NET PERIOD PROFIT	(751,880)
3. PREVIOUS' PERIOD LOSSES(-)	-
4. EXTRAORDINARY RESERVES (-)	(277,936)
5. OTHER LEGAL FUNDS (-)	-
NET PROFIT TO BE DISTRIBUTED	(473,944)
6. DIVIDENDS TO SHAREHOLDERS (-)	(3)
7. DIVIDENDS TO PERSONNEL (-)	(1,579)
TO BE TRANSFERED TO TREASURY ACCORDING TO TCMB LAW	(472,362)

(*****) : Bank is distributing its profit according to TCMB Law