

**HACI ÖMER SABANCI HOLDİNG A.Ş.**

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE INTERIM PERIOD 1 JANUARY - 30 SEPTEMBER 2011**

**(ORIGINALLY ISSUED IN TURKISH)**

# HACI ÖMER SABANCI HOLDİNG A.Ş.

## CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2011

<b>CONTENTS</b>		<b>PAGE</b>
<b>CONDENSED CONSOLIDATED BALANCE SHEETS .....</b>		<b>1-2</b>
<b>CONDENSED CONSOLIDATED STATEMENTS OF INCOME.....</b>		<b>3</b>
<b>CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME...</b>		<b>4</b>
<b>CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY .....</b>		<b>5</b>
<b>CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS .....</b>		<b>6</b>
<b>NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.....</b>		<b>7-64</b>
NOTE 1	ORGANISATION AND OPERATIONS OF THE GROUP .....	7-8
NOTE 2	BASIS OF PRESENTATION OF FINANCIAL STATEMENTS .....	8-20
NOTE 3	BUSINESS COMBINATIONS .....	20-24
NOTE 4	SEGMENT REPORTING.....	24-34
NOTE 5	FINANCIAL ASSETS .....	35-36
NOTE 6	FINANCIAL LIABILITIES.....	37-39
NOTE 7	OTHER RECEIVABLES AND PAYABLES.....	40
NOTE 8	INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD.....	41
NOTE 9	PROPERTY, PLANT AND EQUIPMENT .....	42-43
NOTE 10	INTANGIBLE ASSETS.....	44
NOTE 11	GOODWILL .....	45
NOTE 12	CONTINGENT ASSETS AND LIABILITIES .....	45-48
NOTE 13	OTHER ASSETS AND LIABILITIES .....	49-50
NOTE 14	EQUITY .....	50-52
NOTE 15	ASSETS HELD FOR SALE .....	52-53
NOTE 16	FINANCIAL INCOME/EXPENSES .....	53
NOTE 17	TAX ASSETS AND LIABILITIES .....	54-57
NOTE 18	DERIVATIVE FINANCIAL INSTRUMENTS.....	57-58
NOTE 19	RECEIVABLES FROM FINANCE SECTOR OPERATIONS.....	58-60
NOTE 20	PAYABLES FROM FINANCE SECTOR OPERATIONS .....	60
NOTE 21	RELATED PARTY DISCLOSURES.....	61
NOTE 22	NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS .....	61-64
NOTE 23	EVENTS AFTER THE BALANCE SHEET DATE.....	64

# HACI ÖMER SABANCI HOLDİNG A.Ş.

## CONDENSED CONSOLIDATED BALANCE SHEETS AT 30 SEPTEMBER 2011 AND 31 DECEMBER 2010

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Note References	30 September 2011	Audited 31 December 2010
<b>ASSETS</b>			
<b>Current Assets</b>		<b>67.371.912</b>	<b>54.840.479</b>
Cash and Cash Equivalents		4.923.771	4.962.185
Financial Assets			
- Held for Trading	5.a	279.496	851.346
- Available for Sale	5.b	3.639.037	9.402.429
- Held to Maturity	5.c	160.793	1.029.960
Derivative Financial Instruments	18	478.053	344.803
Reserve Deposits with the Central Bank of the Republic of Turkey		14.414.491	5.283.817
Trade Receivables		1.539.551	1.096.000
Receivables from Finance Sector Operations	19	38.357.807	29.241.185
Inventories		1.563.976	969.689
Other Receivables	7	853.299	492.046
Other Current Assets	13	1.146.427	663.124
		<b>67.356.701</b>	<b>54.336.584</b>
Non-current Assets Held for Sale	15	15.211	503.895
<b>Non-current Assets</b>		<b>83.173.453</b>	<b>75.219.405</b>
Trade Receivables		30.095	31.654
Receivables from Finance Sector Operations	19	34.347.992	28.784.892
Derivative Financial Instruments	18	323.745	130.424
Financial Assets			
- Available for Sale	5.b	35.171.912	33.699.788
- Held to Maturity	5.c	4.592.359	4.784.055
Investments Accounted Through Equity Method	8	257.695	299.803
Investment Property		151.653	151.525
Property, Plant and Equipment	9	5.445.887	4.865.088
Intangible Assets	10	1.254.957	1.076.704
Goodwill	11	725.147	725.227
Deferred Income Tax Assets	17	535.647	458.200
Other Receivables	7	178.724	144.511
Other Non-current Assets	13	157.640	67.534
<b>Total Assets</b>		<b>150.545.365</b>	<b>130.059.884</b>

This condensed consolidated interim financial information has been approved by the Board of Directors on 4 November 2011 and signed on its behalf by Zafer Kurtul, CEO and Cezmi Kurtuluş, Budgeting Accounting and Consolidation Department Head.

The accompanying notes form an integral part of this consolidated financial information.

# HACI ÖMER SABANCI HOLDİNG A.Ş.

## CONDENSED CONSOLIDATED BALANCE SHEETS AT 30 SEPTEMBER 2011 AND 31 DECEMBER 2010

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Note References	30 September 2011	Audited 31 December 2010
<b>LIABILITIES</b>			
<b>Short Term Liabilities</b>		<b>113.417.399</b>	<b>95.253.466</b>
Financial Liabilities	6	11.509.672	7.746.903
Current Portion of			
Long-term Financial Liabilities	6	3.974.345	870.645
Trade Payables		1.393.492	1.195.192
Payables from Finance Sector Operations	20	91.958.342	81.401.882
Derivative Financial Instruments	18	440.892	206.608
Income Taxes Payable	17	54.249	328.520
Other Short Term Liabilities and Provisions	13	1.411.241	1.046.241
Other Payables	7	2.675.166	2.128.355
		<b>113.417.399</b>	<b>94.924.346</b>
Liabilities Associated with Non-current Assets Held for Sale	15	-	329.120
<b>Long Term Liabilities</b>		<b>11.993.182</b>	<b>10.160.266</b>
Financial Liabilities	6	8.468.907	7.234.739
Trade Payables		3.131	2.845
Payables from Finance Sector Operations	20	2.036.004	1.590.837
Derivative Financial Instruments	18	682.173	600.629
Provision for Employment Termination Benefits		139.792	120.809
Deferred Income Tax Liabilities	17	436.739	405.079
Other Long Term Liabilities and Provisions	13	135.453	131.869
Other Payables	7	90.983	73.459
<b>EQUITY</b>		<b>25.134.784</b>	<b>24.646.152</b>
<b>Equity Attributable to the Parent</b>	<b>14</b>	<b>13.707.759</b>	<b>13.069.186</b>
Share Capital	14	2.040.404	2.040.404
Adjustment to Share Capital	14	3.426.761	3.426.761
Treasury Share	14	(52.227)	(21.534)
Share Premium	14	21.670	21.670
Revaluation Funds	14	74.140	713.203
Hedge Funds	14	(236.060)	(180.699)
Restricted Reserves	14	580.117	392.295
Translation Reserve	14	204.099	7.728
Net Income for the Period	14	1.538.130	1.662.836
Retained Earnings	14	6.110.725	5.006.522
<b>Non-controlling Interests</b>		<b>11.427.025</b>	<b>11.576.966</b>
- Sabancı Family Members		3.432.656	3.545.881
- Others		7.994.369	8.031.085
<b>TOTAL EQUITIES AND LIABILITIES</b>		<b>150.545.365</b>	<b>130.059.884</b>

The accompanying notes form an integral part of this condensed consolidated financial information.

# HACI ÖMER SABANCI HOLDİNG A.Ş.

## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF INCOME FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2011 AND 2010

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Note References	1 January - 30 September 2011	1 July - 30 September 2011	1 January - 30 September 2010	1 July - 30 September 2010
<b>CONTINUING OPERATIONS</b>					
Sales (net)	4	7.862.405	2.775.209	5.851.054	2.146.207
Interest, Premium, Commission and Other Income	4	8.577.345	2.942.600	8.049.969	2.270.258
<b>Total</b>		<b>16.439.750</b>	<b>5.717.809</b>	<b>13.901.023</b>	<b>4.416.465</b>
Cost of Sales (-)		(6.345.612)	(2.236.976)	(4.770.953)	(1.767.656)
Interest, Premium, Commission and Other Expenses (-)		(4.371.413)	(1.646.762)	(3.707.652)	(1.289.562)
<b>Total</b>		<b>(10.717.025)</b>	<b>(3.883.738)</b>	<b>(8.478.605)</b>	<b>(3.057.218)</b>
Gross Profit from Non-financial Operations		1.516.793	538.233	1.080.101	378.551
Gross Profit from Financial Operations		4.205.932	1.295.838	4.342.317	980.696
<b>GROSS PROFIT</b>		<b>5.722.725</b>	<b>1.834.071</b>	<b>5.422.418</b>	<b>1.359.247</b>
Marketing, Selling and Distribution Expenses (-)		(410.911)	(143.092)	(351.645)	(117.426)
General and Administrative Expenses (-)		(2.451.312)	(804.270)	(2.337.136)	(747.145)
Research and Development Expenses (-)		(8.756)	(3.352)	(7.756)	(2.178)
Other Operating Income		815.913	195.240	463.506	182.080
Other Operating Expenses (-)		(158.028)	(37.100)	(92.247)	(28.214)
<b>OPERATING PROFIT</b>		<b>3.509.631</b>	<b>1.041.497</b>	<b>3.097.140</b>	<b>646.364</b>
Shares of Income of Investments Accounted Through Equity Method	8	121.669	48.146	127.590	38.799
Financial Income	16	440.540	195.285	299.767	111.517
Financial Expenses (-)	16	(662.994)	(288.219)	(310.864)	(102.224)
<b>NET INCOME BEFORE TAX FROM CONTINUING OPERATIONS</b>		<b>3.408.846</b>	<b>996.709</b>	<b>3.213.633</b>	<b>694.456</b>
<b>Tax income/ (expense) from continuing operations</b>					
Current Income Tax Expense	17	(612.151)	(147.986)	(627.853)	(147.682)
Deferred Income Tax Benefit/ (Charge)	17	35.163	(22.173)	1.375	19.050
<b>NET INCOME FOR THE PERIOD FROM CONTINUING OPERATIONS</b>		<b>2.831.858</b>	<b>826.550</b>	<b>2.587.155</b>	<b>565.824</b>
<b>DISCONTINUED OPERATIONS</b>					
Net income/ (loss) after tax from discontinued operations	15	4.035	-	(9.750)	(19.610)
<b>NET INCOME FOR THE PERIOD</b>		<b>2.835.893</b>	<b>826.550</b>	<b>2.577.405</b>	<b>546.214</b>
<b>ALLOCATION OF NET INCOME</b>		<b>2.835.893</b>	<b>826.550</b>	<b>2.577.405</b>	<b>546.214</b>
- Non-controlling Interests		1.297.763	392.612	1.391.265	277.674
- Equity Holders of the Parent		1.538.130	433.938	1.186.140	268.540
Earnings per share - thousands of ordinary shares (TL)		7,54	2,13	5,81	1,32
Earnings per share from continuing operations - thousands of ordinary shares (TL)		7,52	2,13	5,86	1,41

The accompanying notes form an integral part of this condensed consolidated financial information.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### CONDENSED CONSOLIDATED INTERIM COMPREHENSIVE STATEMENTS OF INCOME FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2011 AND 2010

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Note References	1 January - 30 September 2011	1 July - 30 September 2011	1 January - 30 September 2010	1 July - 30 September 2010
<b>NET INCOME FOR THE PERIOD</b>		<b>2.835.893</b>	<b>826.550</b>	<b>2.577.405</b>	<b>546.214</b>
<b>Other Comprehensive Income/ (Loss):</b>					
Net unrealized fair value gains from available for sale financial assets, after tax	17	(1.243.746)	(286.451)	699.902	630.060
Losses on available for sale financial assets transferred to the income statement, after tax	17	(320.974)	(16.400)	(297.758)	(76.928)
Net gains included in the income statement due to transfer of available for sale financial assets into held maturity assets, after tax	17	983	153	19.521	3.230
Currency translation differences	17	331.792	112.904	(91.612)	(14.220)
Cash flow hedges, after tax	17	29.168	(100.723)	(14.747)	673
Hedges of net investment in a foreign operation, after tax	17	(119.421)	(43.174)	46.471	(10.721)
<b>OTHER COMPREHENSIVE INCOME/ (EXPENSE), (AFTER TAX)</b>		<b>(1.322.198)</b>	<b>(333.691)</b>	<b>361.777</b>	<b>532.094</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>1.513.695</b>	<b>492.859</b>	<b>2.939.182</b>	<b>1.078.308</b>
<b>ALLOCATION OF TOTAL COMPREHENSIVE INCOME</b>		<b>1.513.695</b>	<b>492.859</b>	<b>2.939.182</b>	<b>1.078.308</b>
- Non-controlling Interests		473.618	207.305	1.641.109	614.860
- Equity Holders of the Parent		1.040.077	285.554	1.298.073	463.448

The accompanying notes form an integral part of this condensed consolidated financial information.

# HACI ÖMER SABANCI HOLDİNG A.Ş.

## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2011 AND 2010

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Share Capital	Adjustment to share capital	Treasury share (-)	Share premium	Revaluation funds	Hedge funds	Restricted reserves	Translation reserve	Net income for the period	Retained earnings	Equity attributable to the parent	Non-controlling interests	Total
<b>Balances at 1 January 2010</b>	<b>1.900.000</b>	<b>3.426.761</b>	<b>-</b>	<b>21.670</b>	<b>311.064</b>	<b>(194.426)</b>	<b>371.648</b>	<b>(11.254)</b>	<b>1.258.481</b>	<b>3.863.478</b>	<b>10.947.422</b>	<b>9.741.155</b>	<b>20.688.577</b>
Capital increase	140.404	-	(21.534)	-	-	-	20.647	-	(1.258.481)	1.118.964	-	1.967	1.967
Effect of change in the effective ownership of subsidiaries	-	-	-	-	20.130	-	-	(29)	-	231.128	251.229	(251.229)	-
Dividends paid (*)	-	-	-	-	-	-	-	-	-	(204.042)	(204.042)	(369.869)	(573.911)
Total comprehensive income	-	-	-	-	169.756	(16.010)	-	(41.813)	1.186.140	-	1.298.073	1.641.109	2.939.182
<b>Balances at 30 September 2010</b>	<b>2.040.404</b>	<b>3.426.761</b>	<b>(21.534)</b>	<b>21.670</b>	<b>500.950</b>	<b>(210.436)</b>	<b>392.295</b>	<b>(53.096)</b>	<b>1.186.140</b>	<b>5.009.528</b>	<b>12.292.682</b>	<b>10.763.133</b>	<b>23.055.815</b>
<b>Balances at 1 January 2011</b>	<b>2.040.404</b>	<b>3.426.761</b>	<b>(21.534)</b>	<b>21.670</b>	<b>713.203</b>	<b>(180.699)</b>	<b>392.295</b>	<b>7.728</b>	<b>1.662.836</b>	<b>5.006.522</b>	<b>13.069.186</b>	<b>11.576.966</b>	<b>24.646.152</b>
Capital increase	-	-	-	-	-	-	-	-	-	-	-	26.150	26.150
Transfers	-	-	-	-	-	-	187.822	-	(1.662.836)	1.475.014	-	-	-
Company disposals (Note 15)	-	-	-	-	-	-	-	-	-	-	-	(141.159)	(141.159)
Acquisition of Holding shares by subsidiaries (Note 14)	-	-	(30.693)	-	-	-	-	-	-	(85.980)	(116.673)	(101.196)	(217.869)
Effect of change in the effective ownership of subsidiaries (Note 2.1.3)	-	-	-	-	-	-	-	-	-	27.732	27.732	(25.843)	1.889
Dividends paid (*)	-	-	-	-	-	-	-	-	-	(312.563)	(312.563)	(381.511)	(694.074)
Total comprehensive income	-	-	-	-	(639.063)	(55.361)	-	196.371	1.538.130	-	1.040.077	473.618	1.513.695
<b>Balances at 30 September 2011</b>	<b>2.040.404</b>	<b>3.426.761</b>	<b>(52.227)</b>	<b>21.670</b>	<b>74.140</b>	<b>(236.060)</b>	<b>580.117</b>	<b>204.099</b>	<b>1.538.130</b>	<b>6.110.725</b>	<b>13.707.759</b>	<b>11.427.025</b>	<b>25.134.784</b>

(\*) Dividends paid per each share worth for TL 1 nominally is TL 0,15 (30 September 2010: TL 0,10).

The accompanying notes form an integral part of this condensed consolidated financial information.

# HACI ÖMER SABANCI HOLDİNG A.Ş.

## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2011 AND 2010

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Note References	1 January- 30 September 2011	1 January- 30 September 2010
Net income before tax from continuing operations		3.408.846	3.213.633
Net income/ (loss) before tax from discontinued operations	15	5.968	(13.373)
<b>Adjustments to reconcile income before taxation to net cash provided by operating activities:</b>			
Depreciation and amortisation expenses	4	372.919	329.492
Provision for loan losses	19	482.598	466.500
Changes in the fair value of derivative instruments		25.717	219.886
Unrealized interest and foreign currency income		(533.143)	473.712
Unrealized interest expenses		170.179	(16.315)
Provision for employment termination benefits		39.499	30.629
Impairment charge on property, plant and equipment, intangible assets and investment property	4	1.132	386
Currency translation differences		193.565	3.089
Insurance technical reserve and other provisions		16.520	(41.188)
Income from associates	8	(121.669)	(127.590)
Loss/ (Gain) on sale of subsidiaries		(209.085)	-
Reversal of impairment of non-current assets held for sale	15	(71.902)	-
Disposal of non-current assets held for sale		(5.968)	-
Negative Goodwill	3	(20.075)	-
Loss/ (Gain) on sale of property, plant and equipment, intangible assets and investment properties		(184.858)	776
Other		(2.072)	(10.638)
<b>Net cash provided by operating activities before changes in operating assets and liabilities</b>		<b>3.568.171</b>	<b>4.528.999</b>
Changes in trade receivables		(357.068)	14.499
Changes in inventories		(479.166)	(119.725)
Changes in other receivables and other current assets		(914.570)	(282.567)
Changes in trade payables		102.475	46.787
Changes in other liabilities and other payables		991.396	412.973
Net cash (used in)/ provided by operating activities of non-current assets held for sale		-	(36.499)
<b>Changes in assets and liabilities in finance segment:</b>			
Changes in securities held for trading		403.559	(342.821)
Change in receivables from financial operations		(15.093.971)	(8.771.576)
Changes in payables from financial operations		11.215.952	2.401.344
Changes in reserve with the Central Bank of the Republic of Turkey		(9.608.303)	(1.707.674)
Income taxes paid		(476.215)	(600.861)
Employment termination benefits paid		(31.522)	(26.436)
<b>Net cash (used in)/ provided by operating activities</b>		<b>(10.679.262)</b>	<b>(4.483.557)</b>
<b>Cash flows from investing activities:</b>			
Capital expenditures	4	(888.233)	(686.063)
Sale (Purchase) of financial assets available-for-sale and held-to-maturity		3.239.426	(3.856.092)
Cash used in business combinations		(184.741)	(22.612)
Proceeds from sale of subsidiary		375.909	-
Proceeds from sale of property, plant and equipment, intangible assets and non-current assets held for sale		354.299	103.398
Dividends received		167.860	173.048
Net cash (used in) provided by investing activities of non-current assets held for sale		-	(3.982)
Changes in the scope of consolidation		(215.673)	-
<b>Net cash (used in) provided by investing activities</b>		<b>2.848.847</b>	<b>(4.292.303)</b>
<b>Cash flows from financing investments:</b>			
Change in financial liabilities		7.799.953	3.199.090
Dividends paid		(312.563)	(204.042)
Dividends paid to non-controlling interests		(381.511)	(369.869)
Capital increase of non-controlling interests		26.150	1.967
Net cash used in acquisition of subsidiary holding shares		(217.869)	-
Net cash (used in) provided by financing activities of non-current assets held for sale		-	18.487
<b>Net cash provided by financing activities</b>		<b>6.914.160</b>	<b>2.645.633</b>
Effect of change in foreign currency rates on cash and cash equivalents		399.761	(176.141)
Net increase/ (decrease) in cash and cash equivalents		(516.494)	(6.306.368)
Cash and cash equivalents at the beginning of the period (*)		4.138.871	11.845.766
<b>Cash and cash equivalents at the end of the period (*)</b>		<b>3.622.377</b>	<b>5.539.398</b>

(\*) Cash and cash equivalents at balance sheet comprise interest accruals of TL 343 in the current period and TL 792 as at 31 December 2010 (30 September 2010: respectively TL 24.300 and TL 26.260). Cash and cash equivalents do not include restricted deposits in the banks. Restricted deposits at the beginning of current period is TL 822.971 and at the end of the period is TL 1.300.602 (30 September 2010: TL 999.165 and TL 1.939.652, respectively).

The accompanying notes form an integral part of this condensed consolidated financial information.



## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 1 – ORGANISATION AND OPERATIONS OF THE GROUP

Hacı Ömer Sabancı Holding A.Ş. (the “Holding”) was established in 1967 to coordinate and perform liaison services regarding the activities of companies operating in various fields including mainly finance, manufacturing and trade. The Holding is registered in Turkey and majority of its shares owned by the members of the Sabancı family (Note 14). The average number of employees in 2011 is 57,331 (31 December 2010: 57,209). Holding’s registered address is as follows:

Sabancı Center, 4. Levent, İstanbul, Türkiye

The Holding is registered in the Capital Markets Board (“CMB”) and its shares have been listed in the Istanbul Stock Exchange (“ISE”) since 1997. As of 30 September 2011, the Group’s principal shareholders and their respective shareholding rates are as follows (Note 14):

	<u>%</u>
Sabancı family members	43,65
Public (*)	37,56
Sakıp Sabancı Holding A.Ş.	14,07
Sabancı University	1,51
Exsa	1,29
Çimsa	1,06
Hacı Ömer Sabancı Foundation	0,66
Other	0,20
	<b>100,00</b>

(\*) Shares purchased from ISE by subsidiaries are not in the listed percentage, if it were included, the percentage would have been 39,40%.

#### Subsidiaries

The business nature of the Subsidiaries consolidated in these consolidated financial statements and their respective business segments as at 30 September 2011 are as follows:

<u>Subsidiaries</u>	<u>Nature of business</u>	<u>Business segment</u>
Akbank T.A.Ş. (“Akbank”)	Banking	Finance
Kordsa Global Endüstriyel İplik ve Kord Bezi Sanayi ve Ticaret A.Ş. (“Kordsa Global”)	Tire and tire reinforcement	Industry
Temsa Global Sanayi ve Ticaret A.Ş. (“Temsa”)	Automotive	Industry
Çimsa Çimento Sanayi ve Ticaret A.Ş. (“Çimsa”)	Cement and clinker	Cement
Teknosa İç ve Dış Ticaret A.Ş. (“Teknosa”)	Trade	Retail
Exsa Export Sanayi Mamulleri Satış ve Araştırma A.Ş. (“Exsa”)	Trade	Other
Exsa UK Ltd. (“Exsa UK”)	Trade	Other
Ankara Enternasyonel Otelcilik A.Ş. (“AEO”)	Tourism	Other
Tursa Sabancı Turizm ve Yatırım İşletmeleri A.Ş. (“Tursa”)	Tourism	Other
Bimsa Uluslararası İş, Bilgi ve Yönetim Sistemleri A.Ş. (“Bimsa”)	Trade of data and processing systems	Other
Advansa Sasa Polyester Sanayi A.Ş. (“Sasa”)	Textile	Industry
Yünsa Yünlü Sanayi ve Ticaret A.Ş. (“Yünsa”)	Textile	Industry

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 1 – ORGANISATION AND NATURE OF OPERATIONS (Continued)

For the purposes of segment information, Holding’s stand-alone financial statements have been included within the “Other” business segment.

All the Subsidiaries are registered in Turkey except for Exsa UK. Exsa UK is registered in the United Kingdom.

#### Joint Ventures

The nature of the business of the joint ventures proportionally consolidated in these consolidated financial statements at 30 September 2011 and, for the purposes of these consolidated financial statements, their respective business segments are as follows:

Joint Ventures	Nature of business	Segment	Venturer
Aksigorta A.Ş. (“Aksigorta”)	Insurance	Finance	Ageas
Avivasa Emeklilik ve Hayat A.Ş. (“Avivasa”)	Pension	Finance	Aviva
Brisa Bridgestone Sabancı Lastik Sanayi ve Ticaret A.Ş. (“Brisa”)	Tire and tire reinforcement	Industry	Bridgestone
Akçansa Çimento Sanayi ve Ticaret A.Ş. (“Akçansa”)	Cement and clinker	Cement	Heidelberg
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş. (“Carrefoursa”)	Trade of consumer goods	Retail	Carrefour
Diasa Dia Sabancı Süpermarketleri Ticaret A.Ş. (“Diasa”)	Trade of consumer goods	Retail	Dia S.A.
Enerjisa Enerji Üretim A.Ş. (“Enerjisa”)	Energy production and sales	Energy	Verbund
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş. (“ETS”)	Energy sales	Energy	Verbund
Enerjisa Elektrik Dağıtım A.Ş. (“EED”)	Energy distribution	Energy	Verbund
Başkent Elektrik Dağıtım A.Ş. (“BEDAŞ”)	Energy distribution	Energy	Verbund
Olmuksa International Paper Sabancı Ambalaj Sanayi ve Ticaret A.Ş. (“Olmuksa”)	Corrugated containers	Industry	International Paper

All the joint ventures are registered in Turkey.

#### NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

##### 2.1 Basis of presentation

##### 2.1.1 Financial Reporting Standards

The Capital Markets Board of Turkey (“CMB”) regulated the principles and procedures of preparation, presentation and announcement of financial statements prepared by the entities with the Communiqué No: XI-29, “Principles of Financial Reporting in Capital Markets” (“the Communiqué”). According to the Communiqué, entities shall prepare their financial statements in accordance with International Financial Reporting Standards (“IAS/IFRS”) endorsed by the European Union. Until the differences of the IAS/IFRS as endorsed by the European Union from the ones issued by the International Accounting Standards Board (“IASB”) are announced by Turkish Accounting Standards Board (“TASB”), IAS/IFRS issued by the IASB shall be applied. Accordingly, Turkish Accounting Standards/ Turkish Financial Reporting Standards (“TAS/TFRS”) issued by the TASB which are in line with the aforementioned standards shall be considered.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

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#### NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

##### 2.1.1 Financial Reporting Standards (Continued)

With the decision taken on 17 March 2005, the CMB has announced that, effective from 1 January 2005, for companies operating in Turkey and preparing their financial statements in accordance with CMB Financial Reporting Standards the application of inflation accounting is no longer required. Accordingly, the Holding did not apply IAS 29 “Financial Reporting in Hyperinflationary Economies” issued by the IASB in its financial statements for the accounting periods starting 1 January 2005.

The Group has prepared its consolidated financial statements within the framework of Communiqué XI, No: 29 and related promulgations to this Communiqué in accordance with CMB Financial Reporting Standards which is based on IAS/IFRS. The consolidated financial statements and the related notes to them are presented in accordance with the formats recommended and including the information required by the CMB.

Sabancı Holding, its Subsidiaries and Joint Ventures registered in Turkey maintain their books of accounts and prepare their statutory financial statements (“Statutory Financial Statements”) in TL in accordance with the Turkish Commercial Code (“TCC”), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance, applicable Turkish insurance laws for insurance companies and banking law, accounting principles and instructions promulgated by the Banking Regulation and Supervising Agency for banks and accounting principles issued by the CMB for listed companies. The foreign Subsidiaries and Joint Ventures maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered. These consolidated financial statements are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the CMB Financial Reporting Standards.

##### 2.1.2 Adoption of New and Revised International Financial Reporting Standards

The following new and revised Standards and Interpretations have been adopted in the current period and have affected the amounts reported and disclosures in these financial statements. Details of other standards and interpretations adopted in these financial statements but that have had no material impact on the financial statements are set out in further sections.

###### (a) New and Revised IFRSs affecting presentation and disclosure only

None.

###### (b) New and Revised IFRSs affecting the reported financial performance and / or financial position

Amendments to IAS 1 Presentation of Financial Statements (as part of Improvements to IFRSs issued in 2010)

The amendments to IAS 1 clarify that an entity may choose to present the required analysis of items of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. The amendments have been applied retrospectively.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

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#### NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

##### 2.1.2 Adoption of New and Revised International Financial Reporting Standards (Continued)

**Amendments to IFRS 7 Financial Instruments: Disclosures** (as part of Improvements to IFRSs issued in 2010)

The amendment encourages qualitative disclosures in the context of the quantitative disclosure required to help users to form an overall picture of the nature and extent of risks arising from financial instruments. The amendment also clarifies the required level of disclosure around credit risk and collateral held and provides relief from disclosure of renegotiated loans. The amendments have been applied retrospectively. The amendment also clarifies the required level of disclosure around credit risk.

**(c) New and Revised IFRSs applied with no material effect on the consolidated financial statements**

##### **IAS 24 (Revised 2009) *Related Party Disclosures***

In November 2009, IAS 24 Related Party Disclosures was revised. The revision to the standard provides government-related entities with a partial exemption from the disclosure requirements of IAS 24. The revised standard is mandatory for annual periods beginning on or after 1 January 2011.

##### **IAS 32 (Amendments) *Financial Instruments: Presentation* and IAS 1 *Presentation of Financial Statements***

The amendments to IAS 32 and IAS 1 are effective for annual periods beginning on or after 1 February 2010. The amendments address the accounting for rights issues (rights, options or warrants) that are denominated in a currency other than the functional currency of the issuer. Previously, such rights issues were accounted for as derivative liabilities. However, the amendment requires that, provided certain conditions are met, such rights issues are classified as equity regardless of the currency in which the exercise price is denominated.

##### **IFRS 1 (Amendments) *First-time Adoption of IFRS – Additional Exemptions and Two Other Amendments***

Amendments to IFRS 1 which are effective for annual periods on or after 1 July 2010 provide limited exemption for first time adopters to present comparative IFRS 7 fair value disclosures.

##### **IFRIC 14 (Amendments) *Pre-payment of a Minimum Funding Requirement***

Amendments to IFRIC 14 are effective for annual periods beginning on or after 1 January 2011. The amendments affect entities that are required to make minimum funding contributions to a defined benefit pension plan and choose to pre-pay those contributions. The amendment requires an asset to be recognized for any surplus arising from voluntary pre-payments made.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

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#### NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

##### 2.1.2 Adoption of New and Revised International Financial Reporting Standards (Continued)

###### **IFRIC 19 *Extinguishing Financial Liabilities with Equity Instruments***

IFRIC 19 is effective for annual periods beginning on or after 1 July 2010. IFRIC 19 addresses only the accounting by the entity that issues equity instruments in order to settle, in full or part, a financial liability.

###### **IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine***

IFRIC 20 clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods. The Interpretation is effective for annual periods beginning on or after 1 January 2013 with earlier application permitted.

###### **Annual Improvements May 2010**

Further to the above amendments and revised standards, the IASB has issued Annual Improvements to IFRSs in May 2010 that cover 5 main standards/intepretations as follow: IFRS 1 *First-time Adoption of International Financial Reporting Standards*; IFRS 3 *Business Combinations*; IAS 27 *Consolidated and Separate Financial Statements*; IAS 34 *Interim Financial Reporting* and IFRIC 13 *Customer Loyalty Programmes*. With the exception of amendments to IFRS 3 and IAS 27 which are effective on or after 1 July 2010, all other amendments are effective on or after 1 January 2011.

The application of these new and revised IFRSs has not had any material impact on the amounts reported for the current and prior years.

###### **(d) New and Revised IFRSs in issue but not yet effective**

###### **IFRS 1 (Amendments) *First-time Adoption of IFRS – Two Amendments***

In 2010 December, IFRS 1 is amended to provide relief for first-time adopters of IFRSs from having to reconstruct transactions that occurred before their date of transition to IFRSs and provide guidance for entities emerging from severe hyperinflation either to resume presenting IFRS financial statements or to present IFRS financial statements for the first time.

The amendment above will be effective for annual periods beginning on or after 1 July 2011. These amendments are not relevant to the Group, as it is an existing IFRS preparer.

###### **IFRS 7 “*Financial Instruments: Disclosures*”**

In October 2010, IFRS 7 *Financial Instruments: Disclosures* is amended by IASB as part of its comprehensive review of off balance sheet activities. The amendments will allow users of financial statements to improve their understanding of transfer transactions of financial assets (for example, securitizations), including understanding the possible effects of any risks that may remain with the entity that transferred the assets. The amendments also require additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The amendment will be effective for annual periods beginning on or after 1 July 2011. The Group has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

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#### NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

##### 2.1.2 Adoption of New And Revised International Financial Reporting Standards (Continued)

###### **IFRS 9 “Financial Instruments: Classification and Measurement”**

In November 2009, the first part of IFRS 9 relating to the classification and measurement of financial assets was issued. IFRS 9 will ultimately replace IAS 39 *Financial Instruments: Recognition and Measurement*. The standard requires an entity to classify its financial assets on the basis of the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, and subsequently measure the financial assets as either at amortized cost or at fair value. The new standard is mandatory for annual periods beginning on or after 1 January 2013. The Group has not had an opportunity to consider the potential impact of the adoption of this standard.

###### **IAS 12 “Income Taxes”**

In December 2010, IAS 12 is amended. IAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. It can be difficult and subjective to assess whether recovery will be through use or through sale when the asset is measured using the fair value model in IAS 40 *Investment Property*. The amendment provides a practical solution to the problem by introducing a presumption that recovery of the carrying amount will, normally be, be through sale. The amendment will be effective for annual periods beginning on or after 1 January 2012. The Group has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

###### **IFRS 10 “Consolidated Financial Statements”**

IFRS 10 replaces the consolidation guidance in IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation - Special Purpose Entities by introducing a single consolidation model for all entities based on control, irrespective of the nature of the investee (i.e., whether an entity is controlled through voting rights of investors or through other contractual arrangements as is common in special purpose entities).

Under IFRS 10, control is based on whether an investor has 1) power over the investee; 2) exposure, or rights, to variable returns from its involvement with the investee; and 3) the ability to use its power over the investee to affect the amount of the returns. The new standard is mandatory for annual periods beginning on or after 1 January 2013. The Group has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

###### **IFRS 11 “Joint Arrangements”**

IFRS 11 introduces new accounting requirements for joint arrangements, replacing IAS 31 Interests in Joint Ventures. The option to apply the proportional consolidation method when accounting for jointly controlled entities is removed. Additionally, IFRS 11 eliminates jointly controlled assets to now only differentiate between joint operations and joint ventures. A joint operation is a joint arrangement whereby the parties that have joint control have rights to the assets and obligations for the liabilities.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

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#### NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

##### 2.1.2 Adoption of New And Revised International Financial Reporting Standards (continued)

###### **IFRS 11 “Joint Arrangements “(continued)**

A joint venture is a joint arrangement whereby the parties that have joint control have rights to the net assets. The new standard is mandatory for annual periods beginning on or after 1 January 2013. The Group has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

###### **IFRS 12 “Disclosure of Interest In Other Entities”**

IFRS 12 requires extensive disclosures relating to an entity’s interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. An entity is required to disclose information that helps users of its financial statements evaluate the nature of and risks associated with its interests in other entities and the effects of those interests on its financial statements. The new standard is mandatory for annual periods beginning on or after 1 January 2013. The Group has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

###### **IAS 27 “Separate Financial Statements (2011)”**

The requirements relating to separate financial statements are unchanged and are included in the amended IAS 27. The other portions of IAS 27 are replaced by IFRS 10.

###### **IAS 28 “Investments in Associates and Joint Ventures (2011)”**

IAS 28 is amended for conforming changes based on the issuance of IFRS 10, IFRS 11 and IFRS 12.

###### **IFRS 13 “Fair Value Measurements”**

On 12 May 2011, IASB issued IFRS 13 Fair Value Measurement, which establishes a single source of guidance for fair value measurement under IFRSs. IFRS 13 defines fair value, provides guidance on its determination and introduces consistent requirements for disclosures on fair value measurements. The Standard does not include requirements on when fair value measurements is required; it prescribes how fair value is to be measured if another Standard requires it. The new standard is mandatory for annual periods beginning on or after 1 January 2013. The Group has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

###### **IAS 1 Presentation of Financial Statements (2011) – Presentation of Items of Other Comprehensive Income**

The amendments to IAS 1 provides guidance on the presentation of items contained in other comprehensive income (OCI) and their classification within OCI. The new standard is mandatory for annual periods beginning on or after 1 July 2012. The Group has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

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#### NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

##### 2.1.2 Adoption of New And Revised International Financial Reporting Standards (continued)

###### IAS 19 “Employee Benefits (2011)” (Amendments)

The amendments to IAS 19 change the accounting for defined benefit plans and termination benefits. The new standard is mandatory for annual periods beginning on or after 1 January 2013. The Group has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

##### 2.1.3 Basis of consolidation

- a) The consolidated financial statements include the accounts of the parent company, Hacı Ömer Sabancı Holding A.Ş., its Subsidiaries, Joint Ventures and Associates (collectively referred to as the “Group”) on the basis set out in sections (b) to (f) below. The financial statements of the companies included in the scope of consolidation have been prepared at the date of the consolidated financial statements, and are prepared in accordance with CMB Financial Reporting Standards as explained in Note 2.1.1. The result of operations of Associates, Joint Ventures and Subsidiaries are included or excluded in these consolidated financial statements subsequent to the effective date of acquisition or date of sale, respectively.
- b) Subsidiaries are companies in which the Holding has the power to control the financial and operating policies for the benefit of the Holding, either (a) through the power to exercise more than 50% of the voting rights relating to shares in the companies as a result of shares owned directly and indirectly by itself and/or certain Sabancı family members and companies whereby the Holding exercises control over the voting rights of the shares held by them, or (b) although not having the power to exercise more than 50% of the voting rights, through the exercise of an actual dominant influence over the financial and operating policies.



## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

##### 2.1.3 Basis of consolidation (continued)

The table below sets out all consolidated Subsidiaries and shows the proportion of ownership interest and the effective interest of the Holding in these subsidiaries at 30 September 2011:

Subsidiaries	Direct and indirect ownership interest by the Holding and its subsidiaries %	Ownership interest shares held by Sabancı family members %	Proportion of ownership interest %	Proportion of effective interest %
AEO	70,29	-	70,29	70,29
Akbank	40,85	16,23	57,08	40,80
Bimsa	100,00	-	100,00	89,97
Çimsa	53,00	1,42	54,42	53,00
Exsa (1)	61,68	38,32	100,00	46,23
Exsa UK	100,00	-	100,00	99,30
Kordsa Global	91,11	-	91,11	91,11
Teknosa	70,29	29,71	100,00	70,29
Temsa	48,71	51,28	99,99	48,71
Tursa	99,52	-	99,52	99,46
Yünsa	57,88	11,50	69,38	57,88
Sasa (2)	51,00	-	51,00	51,00

(1) Holding’s effective equity interest has increased from 30,25% to 46,23% as the other partners did not use the preferential rights during the capital increase of Exsa.

(2) Holding participated directly to the shares of its subsidiary Sasa which is in the portfolio of Advansa in 2011. Advansa shares have been sold to BBMMR Holding GmbH and the company is excluded from the consolidation.

The table below sets out all consolidated Subsidiaries and shows the proportion of ownership interest and the effective interest of the Holding in these subsidiaries at 31 December 2010:

Subsidiaries	Direct and indirect ownership interest by the Holding and its Subsidiaries %	Ownership interest shares held by Sabancı family members %	Proportion of ownership interest %	Proportion of effective interest %
Advansa (3)	100,00	-	100,00	99,93
AEO	70,29	-	70,29	70,29
Akbank (4)	40,85	16,15	57,00	40,78
Aksigorta (5)	61,98	-	61,98	61,98
Bimsa	100,00	-	100,00	89,96
Çimsa	53,00	1,42	54,42	53,00
Exsa	45,70	54,30	100,00	30,25
Exsa UK	100,00	-	100,00	99,09
Kordsa Global	91,11	-	91,11	91,11
Teknosa	70,29	29,71	100,00	70,29
Temsa	48,71	51,28	99,99	48,71
Tursa	99,52	-	99,52	99,45
Yünsa	57,88	11,50	69,38	57,88

(3) Advansa shares have been sold to BBMMR Holding GmbH in 2011 and the company is excluded from the consolidation.

(4) Akbank and Aviva shares held in Aksigorta’s portfolio, and Akbank shares held in Exsa’s portfolio has been injected as capital in kind to Holding. As a result of this spin off process; effective interest rate in Akbank has been currently increased to %40,78 from %36,80%.

(5) The sale of Aksigorta shares that equals to the 50% of 61,98% total shares which are possessed by holding for to Ageas Insurance International N.V. have been completed in 2011, subsequent to the aforementioned sale Ageas and the company have created a joint venture based on 30,99% equal partnership and have began to be consolidated as a joint venture .

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

##### 2.1.3 Basis of Consolidation (Continued)

The balance sheets and statements of income of the Subsidiaries are consolidated on a line-by-line basis and the carrying value of the investment held by the Holding and its Subsidiaries is eliminated against the related shareholders’ equity. Intercompany transactions and balances between the Holding and its Subsidiaries are eliminated on consolidation. The cost of, and the dividends arising from, shares held by the Holding in its Subsidiaries are eliminated from shareholders’ equity and income for the period, respectively.

Financial statements of subsidiaries, whose financial position at 30 September 2011 and result of operations for the nine-month period ended 30 September 2011 are insignificant to the overall consolidated financial statements, are not consolidated on the grounds of materiality. Such subsidiaries are classified as available for sale equity securities in these consolidated financial statements (Note 5.b).

- c) Joint Ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by the Holding and one or more other parties. The Group’s interest in Joint Ventures is accounted for by way of proportionate consolidation. By this method, the Group includes its share of the assets, liabilities, income and expenses of each Joint Venture in the relevant components of the financial statements. The table below sets out the Joint Ventures and shows the proportion of ownership interest and effective interest of the Holding in these Joint Ventures at 30 September 2011:

<b>Joint Ventures</b>	<b>Direct and indirect ownership interest by the Holding and its Subsidiaries</b>	<b>Proportion of effective interest</b>
	<b>%</b>	<b>%</b>
Akçansa	39,72	39,72
Aksigorta (1)	30,99	30,99
Avivasa	49,83	49,83
Brisa	43,63	43,63
BEDAŞ	50,00	50,00
Carrefoursa	38,78	38,78
Diasa	40,00	40,00
Enerjisa	50,00	50,00
ETS	50,00	50,00
EED	50,00	50,00
Olmuksa	43,73	43,73

(1) The sale of Aksigorta shares that equals to the 50% of 61,98% total shares which are possessed by holding for to Ageas Insurance International N.V. have been completed in 2011, subsequent to the aforementioned sale Ageas and the company have created a joint venture based on 30,99% equal partnership and have began to be consolidated as a joint venture .

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### DİPNOT 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

##### 2.1.3 Basis of consolidation (Continued)

The table below sets out the Joint Ventures and shows the proportion of ownership interest and effective interest of the Holding in these Joint Ventures at 31 December 2010:

<b>Joint Ventures</b>	<b>Direct and indirect ownership interest by the Holding and its Subsidiaries</b>	<b>Proportion of effective interest</b>
	<b>%</b>	<b>%</b>
Akçansa	39,72	39,72
Avivasa	49,83	49,83
Brisa	43,63	43,63
BEDAŞ	50,00	50,00
Carrefoursa	38,78	38,78
Diasa	40,00	40,00
Dönkasan	33,13	33,13
Enerjisa	50,00	50,00
ETS	50,00	50,00
EED	50,00	50,00
Olmuksa	43,73	43,73

Sabancı family members do not have any interest in the share capital of Joint Ventures.

- d) Investments in Associates are accounted for by the equity method of accounting. These are entities over which the Holding generally has between 20% and 50% of voting rights, or over which the Holding has significant influence, but which it does not control. Unrealised gains that result from intercompany transactions between the Holding and its Associates are eliminated on consolidation, whereas unrealised losses are eliminated unless they do not address any impairment. Equity accounting is discontinued when the carrying amount of the investment in an Associate reaches zero, unless the Holding has incurred obligations or guaranteed obligations in respect of the Associates. Such Associates are accounted at fair value if the fair value can be determined objectively; otherwise, they are accounted at cost (Note 8 and Note 2.1.3.e).

Associates whose financial position at 30 September 2011 and result of operations for the nine month period ended 30 September 2011 are insignificant to the overall consolidated financial statements are not accounted for by the equity method of accounting. Such Associates are classified as available for sale equity securities (Note 5.b).

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

##### 2.1.3 Basis of consolidation (Continued)

The table below sets out all Associates and shows the total interest of the Holding in these associates at 30 September 2011 and 31 December 2010:

<b>Associates</b>	<b>Proportion of Effective interest by the Holding %</b>
Philsa Philip Morris Sabancı Sigara ve Tütün San. ve Tic. A.Ş. (“Philsa”)	25,00
Philip Morris Sabancı Pazarlama Satış A.Ş. (“Philip Morrissa”)	24,75
Dönkasan Dönüşen Kağıt Hammaddeleri Sanayi ve Ticaret A.Ş. (“Dönkasan”) (1)	21,86

(1) As a result of the sale of Dönkasan shares that were held in Holding’s portfolio to Olmuksa in 2011, Dönkasan has been transferred to associates from joint ventures.

Sabancı family members do not have any interest in the share capital of Associates.

- e) Other investments in which the Holding and its Subsidiaries, have interest below 20%, or over which the Holding does not exercise a significant influence, or which are immaterial, are classified as available for sale. Available for sale investments that do not have a listed market price in active markets and whose fair value cannot be measured reliably are carried at cost less any provision for diminution in value. Available for sale investments that have a listed market price in active markets and whose fair values can be measured reliably are carried at fair value (Note 5.b).
- f) The results of Subsidiaries are included or excluded from consolidation regarding to their effective dates of acquisition and disposal, respectively.  
The portion of the profit or loss and net assets of Subsidiaries attributable to equity interests that are not owned, directly or indirectly through the Subsidiaries, by the parents, is presented as non controlling interest. Certain Sabancı family members, Sabancı Vakfı, a charitable foundation established by Sabancı family members and Akbank Tekaüt Sandığı, a retirement foundation for Akbank employees, have interests in the share capital of certain Subsidiaries and Associates. In these consolidated financial statements their interests are treated as non controlling interest and are not included in the Holding’s net assets and profits attributable to shareholders of the Holding.

##### 2.1.4 Offsetting

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

##### 2.1.5 Comparatives and restatement of prior year financial statements

In order to allow for the determination of the financial situation and performance trends, the Group’s consolidated financial statements have been presented comparatively with the previous period. The Group presented the consolidated balance sheet as of 30 September 2011 comparatively with the consolidated balance sheet as of 31 December 2010 and presented the consolidated statement of income, statement of cash flows and statement of change in equity for the period 1 January-30 September 2011 comparatively with the period 1 January - 30 September 2010.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

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#### NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

##### 2.1.5 Comparatives and restatement of prior year financial statements (continued)

The Group has reviewed prior period derivative financial instrument balance and has classified TL 130.424 from short term to long term assets and TL 311.075 from short term to long term liabilities.

The nine months period condensed consolidated income statement and statement of cash flows for the period ended 30 September 2010 has been restated according to the comparative principles in disclosure 2.1.3 and as mentioned in disclosure 2.3 due to the change of consolidation after the sales of 50% of 61,98% Aksigorta shares owned by the Holding in 2011 and to the comparative principles used for the preparation of condensed consolidated financial statements for the period ended 30 September 2011.

##### 2.2 Changes in Accounting Policies

Significant changes in accounting policies or material errors are corrected, retrospectively by restating the prior period consolidated financial statements. There has been no change in the accounting policies related to the interim period 1 January – 30 September 2011.

Changes in accounting estimates, if only for a period in which the change in the current period, if it relates to future periods, both in the period they are recognized in the future periods, prospectively applied. There were no significant changes in the current year in the Group’s accounting estimates.

Significant changes in accounting policies or material errors are corrected, retrospectively by restating the prior period consolidated financial statements. There has been no change in the accounting policies related to the current period.

##### 2.3 Summary of Significant Accounting Policies

The condensed consolidated interim financial statements for the nine month period ended 30 September 2011 have been prepared in accordance with IAS 34, the standard on the preparation and presentation of interim period financial statements. The accounting policies used in the preparation of the condensed interim consolidated financial statements for the period ended 30 September 2011 are consistent with those used in the preparation of consolidated financial statements for the year ended 31 December 2010. Accordingly, these condensed interim consolidated financial statements except for the following issue should be taken into consideration the consolidated statements for the year ended 31 December 2010.

As a result of the sale of 50% of 61,98% Aksigorta shares, which were owned by Holding, at USD 220.000 to Ageas Insurance International N.V., the company have been started to be consolidated as a joint venture with a 30,99% effective ownership. The income and expense of the company in the 2010 consolidated financial statements corresponding to the disposed portion of shares has been reclassified as discontinued operations. TL 247.350 gain on sale of subsidiary, which is the result of sales transactions, has been shown in financial statements under other income.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

##### 2.4 Critical accounting estimates and assumptions

The preparation of consolidated financial statements in conformity with CMB Financial Reporting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management’s best knowledge of current event and actions, actual results ultimately may differ from those estimates. Estimates are regularly reviewed, related corrections are adjusted and accounted for related period income statement. If changes in the accounting policies are related to only one period, they are applied in the current year; if they are related to the future periods, they are applied both in current and future periods.

#### NOTE 3 – BUSINESS COMBINATIONS

The business combinations between the period 1 January – 30 September 2011 are as follows:

Teknosa, a subsidiary of the Group, acquired retailer Best Buy at 11 July 2010 by purchasing the 100 % shares of İstanbul Mağazacılık Ltd. Şti. for TL 27.698. The acquisition is recognized by purchasing method. The gained net assets and the temporary goodwill from the transaction are as follows:

	<u>Fair value</u>
Total current assets	35.484
Total non-current assets	14.677
Total liabilities	(2.388)
<b>Book value of net assets</b>	<b>47.773</b>
Paid cash and cash equivalents	27.698
<b>Negative goodwill effect on consolidated financial statements</b>	<b>(20.075)</b>

The goodwill income of purchased assets amounting to TL 20.075 is recorded as other income at consolidated financial statements.

On 3 March 2011 Enerjisa, a joint venture of the Group, acquired 100% shares of IBA Elektrik Üretim Madencilik Sanayi ve Ticaret A.Ş. and on 31 March 2011 acquired 100% shares of Italgen Elektrik Üretim A.Ş. who holds 100% shares of Bares Elektrik Üretim A.Ş. Also Enerjisa acquired 100% shares of Alpaslan II Enerji Üretim Sanayi Ticaret A.Ş. in 18 April 2011 and in 30 May 2011 acquired 100% shares of Pervari Elektrik Üretim Sanayi ve Ticaret A.Ş. Acquired net assets, excluding electricity proction licence, are recognized at carrying amount.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 3 – BUSINESS COMBINATIONS (continued)

Temporary goodwill stated and the net assets acquired after the purchase of IBA Elektrik Üretim Madencilik Sanayi ve Ticaret A.Ş shares are as follows:

	<u>Fair value</u>
Total current assets	7.979
Total non-current assets	52.678
Total liabilities	(253)
<b>Book value of net assets</b>	<b>60.404</b>
Paid cash and cash equivalents	60.404
<b>Goodwill effect on consolidated financial statements</b>	<b>-</b>

Temporary goodwill stated and the net assets acquired after the purchase of Italgen Elektrik Üretim A.Ş. shares are as follows:

	<u>Fair value</u>
Total current assets	5.525
Total non-current assets	113.797
Total liabilities	(118)
<b>Book value of net assets</b>	<b>119.204</b>
Paid cash and cash equivalents	119.204
<b>Goodwill effect on consolidated financial statements</b>	<b>-</b>

Temporary goodwill stated and the net assets acquired after the purchase of Alpaslan II Enerji Üretim Sanayi ve Ticaret A.Ş. shares are as follows:

	<u>Fair value</u>
Total current assets	10
Total non-current assets	50.792
Total liabilities	(1)
<b>Book value of net assets</b>	<b>50.801</b>
Paid cash and cash equivalents	50.801
<b>Goodwill effect on consolidated financial statements</b>	<b>-</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 3 – BUSINESS COMBINATIONS (continued)

Temporary goodwill stated and the net assets acquired after the purchase of Pervari Elektrik Üretim Sanayi ve Ticaret A.Ş. shares are as follows:

	<u>Fair value</u>
Total current assets	46.515
Total non-current assets	140.716
Total liabilities	(277)
<b>Book value of net assets</b>	<b>186.954</b>
Paid cash and cash equivalents	186.954
<b>Goodwill effect on consolidated financial statements</b>	<b>-</b>

The business combinations between the period 1 January – 31 December 2010 are as follows:

Çimsa, a subsidiary of the Group, purchased 60 % share of the Med.Con Srl Company which is established in Italy, amounting to EUR 3.551 at 9 February 2010. The difference between the cost of acquisition and fair value of purchased assets amounting to TL 816 is recorded as gain on the bargain purchase at consolidated Income statement.

	<u>Fair value</u>
Total current assets	7.413
Total non-current assets	34.506
Total liabilities	(28.287)
<b>Book value of net assets</b>	<b>13.632</b>
%60 of net assets	8.179
Paid cash and cash equivalents	7.363
<b>Negative goodwill effect on consolidated financial statements</b>	<b>(816)</b>



## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 3 – BUSINESS COMBINATIONS (continued)

Carrefoursa, a joint venture of the Group, acquired retailer Alpark at 1 July 2010 by purchasing the 99,99 % shares of İpek Giyim Mağaza San. Tic. A.Ş. (Alpark) for TL 39.811. The acquisition is recognized by purchasing method. The gained net assets and the temporary goodwill from the transaction are as follows:

	<u>Fair value</u>
Total current assets	7.485
Total non-current assets	6.814
Total liabilities	(23.289)
<b>Book value of net assets</b>	<b>(8.990)</b>
Paid cash and cash equivalents	39.311
Goodwill	48.301
<b>Goodwill effect on consolidated financial statements</b>	<b>18.731</b>

In the period between 1 July 2010 and 31 December 2010, Alpark’s contribute to sales income is TL 18.322 and contribute to loss before tax to the Group is TL 2.199.

Olmuksa, a joint venture of the Group, acquired 99,99% shares of DS Smith Çopikas and its joint venture DS Smith Trakya at 1 October 2010 with the development plan in corrugated sector.

The acquisition is recognized by purchasing method. The net assets and the temporary goodwill from the transaction are as follows:

	<u>Fair value</u>
Total current assets	19.545
Total non-current assets	25.102
Total liabilities	(9.954)
<b>Book value of net assets</b>	<b>34.693</b>
Paid cash and cash equivalents	10.238
Gain on the bargain purchase	(24.455)
<b>Negative goodwill effect on consolidated financial statements</b>	<b>(10.694)</b>

After the acquisition of DS Smith Çopikas, profit amounting TL 249 has been included in period profit. The revenue of DS Smith Çopikas within the period is TL 9.388.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 3 – BUSINESS COMBINATIONS (continued)

Brisa, a joint venture of the Group, acquired 99,99% shares of Bandag Lastik Mamülleri Tic. Ltd. Şti. at 31 December 2010 for TL 5.604.

This transaction is recognized by purchasing method. The net asset and temporary goodwill are as follows:

	<u>Fair value</u>
Total current assets	4.998
Total non-current assets	3.970
Total liabilities	(3.364)
<b>Book value of net assets</b>	<b>5.604</b>
Paid cash and cash equivalents	5.604
<b>Goodwill effect on consolidated financial statements</b>	<b>-</b>

Purchase price of the registered value of net assets acquired in excess of TL 3.960 is associated with exclusive right to sell and license of Bandag and it is recognized as intangible assets, its effect on consolidated financial statements is TL 1.728.

#### NOTE 4 – SEGMENT REPORTING

Group management has revised the job descriptions in 2011. Group has reclassified tire, reinforcement and automotive operations as a separate industrial section. Textile, corrugated containers and box operations were classified under the “other” job section. Upper management has decided to merge tire, reinforcement, automotive, textile, corrugated containers and box operations under “Industry” job section. Prior period balances have been updated according to the current sections.

##### a) External revenues:

	1 January - 30 September 2011	1 July - 30 September 2011	1 January - 30 September 2010	1 July - 30 September 2010
Finance	8.577.345	2.942.600	8.049.969	2.270.258
Energy	1.235.727	435.663	990.403	366.095
Industry	3.497.530	1.215.879	2.077.333	742.632
Retail	2.166.924	759.461	1.872.923	673.709
Cement	903.518	334.421	766.474	262.887
Other	58.706	29.785	143.921	100.884
<b>Total</b>	<b>16.439.750</b>	<b>5.717.809</b>	<b>13.901.023</b>	<b>4.416.465</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 4 – SEGMENT REPORTING (Continued)

<b>b) Segment assets:</b>	<b>30 September 2011</b>	<b>31 December 2010</b>
Finance	139.918.037	120.916.734
Banking	139.090.265	119.452.975
Insurance	827.772	1.463.759
Energy	3.960.173	3.179.573
Industry	3.946.132	2.565.472
Retail	1.105.763	1.003.271
Cement	1.517.249	1.372.411
Other	62.294	295.715
<b>Segment assets (*)</b>	<b>150.509.648</b>	<b>129.333.176</b>
Non-current assets held for sale (Note 15)	15.211	503.895
Investment in associates	257.695	299.803
Unallocated assets	1.044.571	785.892
Less: Intercompany eliminations And reclassifications	(1.281.760)	(862.882)
<b>Total assets as per consolidated financial statements</b>	<b>150.545.365</b>	<b>130.059.884</b>

(\*) Segment assets mainly comprise operating assets

<b>c) Segment liabilities:</b>	<b>30 September 2011</b>	<b>31 December 2010</b>
Finance	121.830.425	102.280.525
Banking	121.224.530	101.282.777
Insurance	605.895	997.748
Energy	510.783	505.663
Industry	899.153	506.094
Retail	583.951	638.537
Cement	164.498	168.487
Other	34.137	34.352
<b>Segment liabilities (*)</b>	<b>124.022.947</b>	<b>104.133.658</b>
Liabilities associated with non-current assets held for sale (Note 15)	-	329.120
Unallocated liabilities	3.035.084	2.172.007
Less: Intercompany eliminations and reclassifications	(1.647.450)	(1.221.053)
<b>Total liabilities as per consolidated financial statements</b>	<b>125.410.581</b>	<b>105.413.732</b>

(\*) Segment liabilities mainly comprise operating liabilities and exclude items such as taxation, certain financial liabilities and unallocated liabilities.

# HACI ÖMER SABANCI HOLDİNG A.Ş.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

### NOTE 4 – SEGMENT REPORTING (Continued)

#### d) Segmental analysis for the period between 1 January – 30 September 2011

	Finance			Energy	Industry	Retail	Cement	Other	Inter segment elimination	Total
	Banking	Insurance	Total finance							
External revenues	8.254.804	322.541	8.577.345	1.235.727	3.497.530	2.166.924	903.518	58.706	-	16.439.750
Inter segment revenues	27.377	1.082	28.459	102.013	3.316	2.269	98	9.236	(145.391)	-
<b>Total revenues</b>	<b>8.282.181</b>	<b>323.623</b>	<b>8.605.804</b>	<b>1.337.740</b>	<b>3.500.846</b>	<b>2.169.193</b>	<b>903.616</b>	<b>67.942</b>	<b>(145.391)</b>	<b>16.439.750</b>
Cost of sales (*)	(4.242.708)	(338.596)	(4.581.304)	(1.079.967)	(2.912.374)	(1.696.901)	(688.329)	(50.189)	291.638	(10.717.426)
General and administrative expenses	(1.893.781)	(38.095)	(1.931.876)	(130.603)	(98.323)	(228.937)	(31.074)	(13.267)	23.059	(2.411.021)
Sales, marketing and distribution expenses	-	-	-	(1.201)	(184.890)	(214.049)	(10.077)	(1.526)	832	(410.911)
Research and development expenses	-	-	-	-	(8.990)	-	-	-	234	(8.756)
Inter segment adjustment	162.724	18.700	181.424	-	(2)	-	(75)	480	(181.426)	401
<b>Operating result</b>	<b>2.308.416</b>	<b>(34.368)</b>	<b>2.274.048</b>	<b>125.969</b>	<b>296.267</b>	<b>29.306</b>	<b>174.061</b>	<b>3.440</b>	<b>(11.054)</b>	<b>2.892.037</b>
Other unallocated operating expenses	-	-	-	-	-	-	-	-	(40.291)	(40.291)
Other income/ (expense) -net	301.565	71.514	373.079	3.460	(30.662)	25.100	(5.144)	292.052	-	657.885
<b>Segment result</b>	<b>2.609.981</b>	<b>37.146</b>	<b>2.647.127</b>	<b>129.429</b>	<b>265.605</b>	<b>54.406</b>	<b>168.917</b>	<b>295.492</b>	<b>(51.345)</b>	<b>3.509.631</b>

(\*) In the banking segment cost of sales includes interest expenses, fee and commission expenses, provision for loan losses and net foreign currency trading gains. In the insurance segment, cost of sales includes premium ceded to reinsurance.

# HACI ÖMER SABANCI HOLDİNG A.Ş.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

### NOTE 4 – SEGMENT REPORTING (Continued)

#### d) Segmental analysis for the period 1 July – 30 September 2011

	Finance			Energy	Industry	Retail	Cement	Other	Inter segment elimination	Total
	Banking	Insurance	Total finance							
External revenues	2.846.935	95.665	2.942.600	435.663	1.215.879	759.461	334.421	29.785	-	5.717.809
Inter segment revenues	9.924	(5)	9.919	35.445	1.091	1.087	10	3.616	(51.168)	-
<b>Total revenues</b>	<b>2.856.859</b>	<b>95.660</b>	<b>2.952.519</b>	<b>471.108</b>	<b>1.216.970</b>	<b>760.548</b>	<b>334.431</b>	<b>33.401</b>	<b>(51.168)</b>	<b>5.717.809</b>
Cost of sales (*)	(1.651.882)	(109.120)	(1.761.002)	(384.910)	(1.018.115)	(594.526)	(240.912)	(25.647)	141.140	(3.883.972)
General and administrative expenses	(625.192)	(11.252)	(636.444)	(42.022)	(26.508)	(83.343)	(10.385)	(3.421)	9.255	(792.868)
Sales, marketing and distribution expenses	-	-	-	(520)	(63.957)	(74.334)	(4.085)	(532)	336	(143.092)
Research and development expenses	-	-	-	-	(3.436)	-	-	-	84	(3.352)
Inter segment adjustment	97.727	6.592	104.319	-	99	-	(25)	160	(104.319)	234
<b>Operating result</b>	<b>677.512</b>	<b>(18.120)</b>	<b>659.392</b>	<b>43.656</b>	<b>105.053</b>	<b>8.345</b>	<b>79.024</b>	<b>3.961</b>	<b>(4.672)</b>	<b>894.759</b>
Other unallocated operating expenses	-	-	-	-	-	-	-	-	(11.402)	(11.402)
Other income/ (expense) -net	123.149	32.552	155.701	2.565	(10.405)	22.905	768	(13.394)	-	158.140
<b>Segment result</b>	<b>800.661</b>	<b>14.432</b>	<b>815.093</b>	<b>46.221</b>	<b>94.648</b>	<b>31.250</b>	<b>79.792</b>	<b>(9.433)</b>	<b>(16.074)</b>	<b>1.041.497</b>

(\*) In the banking segment cost of sales includes interest expenses, fee and commission expenses, provision for loan losses and net foreign currency trading gains. In the insurance segment, cost of sales includes premium ceded to reinsurance.

# HACI ÖMER SABANCI HOLDİNG A.Ş.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

### NOTE 4 – SEGMENT REPORTING (Continued)

#### d) Segmental analysis for the period between 1 January – 30 September 2010

	Finance			Energy	Industry	Retail	Cement	Other	Inter segment elimination	Total
	Banking	Insurance	Total finance							
External revenues	7.788.206	261.763	8.049.969	990.403	2.077.333	1.872.923	766.474	143.921	-	13.901.023
Inter segment revenues	16.086	1.223	17.309	55.772	1.979	3.458	14	8.938	(87.470)	-
<b>Total revenue</b>	<b>7.804.292</b>	<b>262.986</b>	<b>8.067.278</b>	<b>1.046.175</b>	<b>2.079.312</b>	<b>1.876.381</b>	<b>766.488</b>	<b>152.859</b>	<b>(87.470)</b>	<b>13.901.023</b>
Cost of sales (*)	(3.516.121)	(291.293)	(3.807.414)	(900.311)	(1.727.805)	(1.473.352)	(592.562)	(127.584)	148.888	(8.480.140)
General and administrative expenses	(1.829.761)	(21.134)	(1.850.895)	(134.559)	(85.082)	(205.381)	(31.136)	(16.864)	29.584	(2.294.333)
Sales, marketing and distribution expenses	-	-	-	(839)	(143.576)	(200.199)	(6.456)	(1.425)	850	(351.645)
Research and development expenses	-	-	-	-	(7.816)	-	(230)	-	290	(7.756)
Inter segment adjustment	46.997	35.458	82.455	-	(151)	-	(75)	1.761	(82.455)	1.535
<b>Operating result</b>	<b>2.505.407</b>	<b>(13.983)</b>	<b>2.491.424</b>	<b>10.466</b>	<b>114.882</b>	<b>(2.551)</b>	<b>136.029</b>	<b>8.747</b>	<b>9.687</b>	<b>2.768.684</b>
Other unallocated operating expenses	-	-	-	-	-	-	-	-	(42.803)	(42.803)
Other income/ (expense) - net	335.022	36.609	371.631	12.514	560	280	(7.651)	(6.075)	-	371.259
<b>Segment result</b>	<b>2.840.429</b>	<b>22.626</b>	<b>2.863.055</b>	<b>22.980</b>	<b>115.442</b>	<b>(2.271)</b>	<b>128.378</b>	<b>2.672</b>	<b>(33.116)</b>	<b>3.097.140</b>

(\*) In the banking segment cost of sales includes interest expenses, fee and commission expenses, provision for loan losses and net foreign currency trading gains. In the insurance segment, cost of sales includes premium ceded to reinsurance.

# HACI ÖMER SABANCI HOLDİNG A.Ş.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

### NOTE 4 – SEGMENT REPORTING (Continued)

#### d) Segmental analysis for the period between 1 July – 30 September 2010

	Finance			Energy	Industry	Retail	Cement	Other	Inter segment elimination	Total
	Banking	Insurance	Total finance							
External revenues	2.190.509	79.749	2.270.258	366.095	742.632	673.709	262.887	100.884	-	4.416.465
Inter segment revenue	6.766	127	6.893	23.848	853	1.695	2	3.126	(36.417)	-
<b>Total revenue</b>	<b>2.197.275</b>	<b>79.876</b>	<b>2.277.151</b>	<b>389.943</b>	<b>743.485</b>	<b>675.404</b>	<b>262.889</b>	<b>104.010</b>	<b>(36.417)</b>	<b>4.416.465</b>
Cost of sales (*)	(1.232.222)	(92.919)	(1.325.141)	(343.441)	(620.614)	(529.736)	(203.147)	(91.527)	55.875	(3.057.731)
General and administrative expenses	(576.679)	(6.030)	(582.709)	(44.875)	(28.850)	(71.926)	(9.371)	(6.204)	11.179	(732.756)
Sales, marketing and distribution expenses	-	-	-	(306)	(48.831)	(66.031)	(2.052)	(502)	296	(117.426)
Research and development expenses	-	-	-	-	(2.285)	-	-	-	107	(2.178)
Inter segment adjustment	16.181	12.507	28.688	-	(50)	-	(25)	587	(28.687)	513
<b>Operating result</b>	<b>404.555</b>	<b>(6.566)</b>	<b>397.989</b>	<b>1.321</b>	<b>42.855</b>	<b>7.711</b>	<b>48.294</b>	<b>6.364</b>	<b>2.353</b>	<b>506.887</b>
Other unallocated operating expenses	-	-	-	-	-	-	-	-	(14.389)	(14.389)
Other income/ (expense) - net	152.993	6.195	159.188	5.963	733	195	(1.687)	(10.526)	-	153.866
<b>Segment result</b>	<b>557.548</b>	<b>(371)</b>	<b>557.177</b>	<b>7.284</b>	<b>43.588</b>	<b>7.906</b>	<b>46.607</b>	<b>(4.162)</b>	<b>(12.036)</b>	<b>646.364</b>

(\*) In the banking segment cost of sales includes interest expenses, fee and commission expenses, provision for loan losses and net foreign currency trading gains. In the insurance segment, cost of sales includes premium ceded to reinsurance.

# HACI ÖMER SABANCI HOLDİNG A.Ş.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

### NOTE 4 – SEGMENT REPORTING (Continued)

#### e) Operating results:

##### i) Banking:

	1 January - 30 September 2011	1 July - 30 September 2011	1 January - 30 September 2010	1 July - 30 September 2010
Interest income	6.776.641	2.395.508	6.520.680	1.811.969
Interest expense	(3.790.791)	(1.414.868)	(3.327.615)	(1.163.106)
<b>Net interest income</b>	<b>2.985.850</b>	<b>980.640</b>	<b>3.193.065</b>	<b>648.863</b>
Fee and commission income	1.478.163	451.427	1.267.526	378.540
Fee and commission expense	(200.129)	(72.964)	(153.054)	(55.725)
<b>Net fee and commission income</b>	<b>1.278.034</b>	<b>378.463</b>	<b>1.114.472</b>	<b>322.815</b>
Provision for loan losses	(200.736)	(100.127)	2.200	(5.700)
Foreign Exchange trading gains and losses -net	139.049	43.728	25.431	15.256
Operating expense	(1.893.781)	(625.192)	(1.829.761)	(576.679)
Other operating income/ (loss)	301.565	123.149	335.022	152.993
<b>Segment result</b>	<b>2.609.981</b>	<b>800.661</b>	<b>2.840.429</b>	<b>557.548</b>

##### ii) Insurance:

	1 January - 30 September 2011	1 July - 30 September 2011	1 January - 30 September 2010	1 July - 30 September 2010
Gross premiums received	322.541	95.665	261.763	79.749
Premiums ceded to reinsurers	(67.100)	(20.771)	(63.734)	(20.738)
Change in the provision unearned premiums net of reinsurance	(30.141)	3.941	(7.438)	4.915
<b>Earned premiums, net</b>	<b>225.300</b>	<b>78.835</b>	<b>190.591</b>	<b>63.926</b>
Claims paid	(190.391)	(68.671)	(178.320)	(55.763)
Claims paid –reinsurers’ share	21.977	7.525	35.158	9.589
Changes in the provision for claims	(2.227)	1.432	(13.163)	(17.186)
<b>Claims incurred-net</b>	<b>(170.641)</b>	<b>(59.714)</b>	<b>(156.325)</b>	<b>(63.360)</b>
Change in life mathematical reserve -net	(12.952)	(11.976)	3.444	9.470
Commission expenses -net	(37.980)	(14.013)	(30.559)	(10.572)
<b>Technical income</b>	<b>3.727</b>	<b>(6.868)</b>	<b>7.151</b>	<b>(536)</b>
General and administrative expenses	(38.095)	(11.252)	(21.134)	(6.030)
Other operational income/ (expense)	71.514	32.552	36.609	6.195
<b>Segment result</b>	<b>37.146</b>	<b>14.432</b>	<b>22.626</b>	<b>(371)</b>



## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 4 – SEGMENT REPORTING (Continued)

##### e) Operating results (continued)

##### iii) Non-financial segments:

	1 January - 30 September 2011	1 July - 30 September 2011	1 January - 30 September 2010	1 July - 30 September 2010
Net sales	7.862.405	2.775.209	5.851.054	2.146.207
Cost of sales	(6.345.612)	(2.236.976)	(4.770.953)	(1.767.656)
<b>Gross profit</b>	<b>1.516.793</b>	<b>538.233</b>	<b>1.080.101</b>	<b>378.551</b>
Operating expenses	(939.095)	(314.268)	(845.644)	(284.042)
Other operating income/ (expense)	284.806	2.439	(372)	(5.322)
<b>Segment result</b>	<b>862.504</b>	<b>226.404</b>	<b>234.085</b>	<b>89.187</b>

The Group assesses the performance of its operating segments based on a measure of adjusted Earnings before Interest, Tax, Depreciation and Amortization (“EBITDA”). Adjusted EBITDA does not include the effects of non-recurring expenses of the operating segments.

	30 September 2011	30 September 2010
Finance	2.598.269	2.959.216
Industry	400.475	195.882
Cement	221.716	175.731
Energy	193.165	58.543
Retail	75.081	34.521
Other	(36.025)	(19.460)
<b>Total</b>	<b>3.452.681</b>	<b>3.404.433</b>

A reconciliation of adjusted EBITDA to income before tax from continuing operations is as follows:

	30 September 2011	30 September 2010
Adjusted EBITDA for reported operating segments	3.452.681	3.404.433
Gain on sale of subsidiaries (Note 15)	247.350	-
Gain on sale of fixed asset	184.858	-
Reversal of subsidiary impairment loss (Note 15)	71.902	-
Tax settlement (Note 17)	(25.112)	-
Loss on sale of subsidiaries (Note 15)	(38.265)	-
Negative goodwill (Note 3)	20.075	-
Other	(30.939)	-
Depreciation and amortisation	(372.919)	(307.293)
<b>Operating profit</b>	<b>3.509.631</b>	<b>3.097.140</b>
Financial expenses - net	(222.454)	(11.097)
Income from investments accounted through the equity method	121.669	127.590
<b>Income before tax from continuing operations</b>	<b>3.408.846</b>	<b>3.213.633</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 4 – SEGMENT REPORTING (Continued)

##### f) Interest in joint ventures:

Aggregate amounts of current assets, non-current assets, current liabilities, non-current liabilities and income and expense items related to Joint Ventures which are consolidated by using proportionate consolidation method as expressed in Note 2, are as follows on a combined basis:

<b>Balance sheet</b>	<b>30 September 2011</b>	<b>31 December 2010</b>		
Current assets	1.950.947	1.392.106		
Non-current assets	4.867.068	4.134.445		
<b>Total assets</b>	<b>6.818.015</b>	<b>5.526.551</b>		
Current liabilities	1.912.726	1.109.088		
Non-current liabilities	2.032.175	1.743.087		
<b>Total liabilities</b>	<b>3.944.901</b>	<b>2.852.175</b>		
Non-controlling interests	4.567	4.401		
Shareholders' equity	2.868.547	2.669.975		
<b>Total liabilities, non-controlling interests and, shareholders' equity</b>	<b>6.818.015</b>	<b>5.526.551</b>		
<b>Income statement</b>				
	<b>1 January - 30 September 2011</b>	<b>1 July - 30 September 2011</b>	<b>1 January - 30 September 2010</b>	<b>1 July - 30 September 2010</b>
Operating profit	202.029	80.260	70.385	15.619
Financial income/ (expense) - net	(203.261)	(84.064)	64.492	23.888
Income before tax and non-controlling interests	(1.232)	(3.804)	134.877	39.507
Taxation on income	(27.167)	(14.473)	(28.286)	(3.243)
Income before non-controlling interests	(28.399)	(18.277)	106.591	36.264
Non-controlling interests	(268)	(130)	14	(78)
<b>Net income for the period from continuing operations</b>	<b>(28.667)</b>	<b>(18.407)</b>	<b>106.605</b>	<b>36.186</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 4 – SEGMENT REPORTING (Continued)

##### g) Depreciation and amortisation charges, impairment and capital expenditures:

##### 1 January – 30 September 2011

	<u>Finance</u>		Industry	Cement	Energy	Retail	Other	Discontinued Operations	Total
	Banking	Insurance							
Depreciation and amortisation	106.290	2.035	100.439	48.834	63.736	40.751	10.834	-	372.919
Impairment of property, plant and equipment, intangible assets	-	-	-	-	-	1.132	-	-	1.132
Capital expenditure	69.892	1.516	146.905	82.208	534.994	45.613	7.105	-	888.233

##### 1 July – 30 September 2011

	<u>Finance</u>		Industry	Cement	Energy	Retail	Other	Discontinued Operations	Total
	Banking	Insurance							
Depreciation and amortisation	35.084	740	34.850	16.414	23.044	13.729	3.248	-	127.109
Impairment of property, plant And equipment, intangible assets	-	-	-	-	-	764	-	-	764
Capital expenditure	44.300	528	64.807	30.780	200.049	15.082	3.145	-	358.691

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 4 – SEGMENT REPORTING (Continued)

##### g) Depreciation and amortisation charges, impairment and capital expenditures:

##### 1 January – 30 September 2010

	<u>Finance</u>		Industry	Cement	Energy	Retail	Other	Discontinued Operations	Total
	Banking	Insurance							
Depreciation and amortisation	94.156	2.006	80.440	47.353	35.563	36.792	10.983	22.199	329.492
Impairment of property, plant and equipment, intangible assets	-	-	48	-	-	346	(8)	-	386
Capital expenditure	153.458	2.183	80.214	30.278	350.683	59.664	9.583	3.982	690.045

##### 1 July – 30 September 2010

	<u>Finance</u>		Industry	Cement	Energy	Retail	Other	Discontinued Operations	Total
	Banking	Insurance							
Depreciation and amortisation	31.987	641	26.930	17.103	12.470	12.861	3.970	7.361	113.323
Impairment of property, plant And equipment, intangible assets	-	-	48	-	-	270	-	(15)	303
Capital expenditure	56.237	491	33.040	9.254	120.523	15.679	3.817	1.893	240.934

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 5 – FINANCIAL ASSETS

##### a) Financial assets held for trading:

The analysis of securities at fair value through profit and loss is as follows:

	30 September 2011	31 December 2010
Eurobonds	47.220	97.705
Government bonds	205.885	693.662
Treasury bills	748	9.768
Share certificates	21.269	46.081
Government bonds denominated in foreign currency	2.257	4.130
Other	2.117	-
<b>Total</b>	<b>279.496</b>	<b>851.346</b>

##### b) Financial assets held for sale :

	30 September 2011	31 December 2010
Debt securities		
- Government bonds	32.841.059	37.861.014
- Eurobonds	4.253.083	3.659.814
- Treasury bills	-	46.986
- Government bonds denominated in foreign currency	380.492	625.614
- Investment funds	198.782	68.376
- Other bonds denominated in foreign currency	1.091.751	758.967
<b>Sub-total</b>	<b>38.765.167</b>	<b>43.020.771</b>
Equity securities		
- Listed	9.089	25.681
- Unlisted	36.693	55.765
<b>Sub-total</b>	<b>45.782</b>	<b>81.446</b>
<b>Total financial assets available for sale</b>	<b>38.810.949</b>	<b>43.102.217</b>

Akbank has inflation indexed (CPI) government bonds in its available-for sale and held to maturity portfolios with semi-annual fixed real coupon rates and a maturity of 5 to 10 years. Starting from 1 January 2011, estimated inflation rate has been used for the valuation of these marketable securities. Estimated inflation rate will be updated during the year when necessary. As of 30 September 2011, the valuation of these securities are made by considering estimated annual inflation rate at 6,25%. In 2010, the valuation of those marketable securities were calculated using actual inflation rates. Had the above mentioned change in estimate related to those CPI linked securities has not been made, interest income would be lower by TL 286.785.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 5 – FINANCIAL ASSETS (Continued)

##### c) Financial assets held to maturity:

The breakdown of the held maturity financial assets is listed below:

	30 September 2011	31 December 2010
Government bonds	3.744.847	4.545.587
Eurobonds	1.008.123	997.013
Government bonds denominated in foreign currency	-	270.553
Other	182	862
<b>Total</b>	<b>4.753.152</b>	<b>5.814.015</b>

Period remaining to contractual maturity dates for held for trading, held to maturity and available for sale financial assets as at 30 September 2011 and 31 December 2010 is as follows:

	30 September 2011			31 December 2010		
	Banking	Other companies	Total	Banking	Other companies	Total
3 to 12 months	3.846.809	32.685	3.879.494	10.469.055	48.703	10.517.758
1 to 5 years	32.964.452	123.105	33.087.557	32.951.574	362.404	33.313.978
Over 5 years	6.585.453	25.178	6.610.631	5.698.676	41.263	5.739.939
No maturity	239.322	26.593	265.915	127.515	68.388	195.903
<b>Total</b>	<b>43.636.036</b>	<b>207.561</b>	<b>43.843.597</b>	<b>49.246.820</b>	<b>520.758</b>	<b>49.767.578</b>

Period remaining to contractual repricing dates for held for trading, held to maturity and available for sale financial assets as at 30 September 2011 and 31 December 2010 is as follows:

	30 September 2011			31 December 2010		
	Banking	Other companies	Total	Banking	Other companies	Total
Up to 3 months	14.883.277	-	14.883.277	11.757.920	-	11.757.920
3 to 12 months	10.690.337	32.685	10.723.022	21.318.247	48.703	21.366.950
1 to 5 years	13.613.989	123.105	13.737.094	12.064.660	362.404	12.427.064
Over 5 years	4.209.111	25.178	4.234.289	3.978.478	41.263	4.019.741
No maturity	239.322	26.593	265.915	127.515	68.388	195.903
<b>Total</b>	<b>43.636.036</b>	<b>207.561</b>	<b>43.843.597</b>	<b>49.246.820</b>	<b>520.758</b>	<b>49.767.578</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 6 – FINANCIAL LIABILITIES

**Short term funds borrowed,  
bank borrowings and debt securities in issue:**

	<b>30 September 2011</b>	<b>31 December 2010</b>
Short term	11.509.672	7.746.903
Short-term portion of long term	3.974.345	870.645
<b>Total short term</b>	<b>15.484.017</b>	<b>8.617.548</b>

**Long-term funds borrowed,  
bank borrowings and debt securities in issue:**

Long term	8.468.907	7.234.739
<b>Total</b>	<b>23.952.924</b>	<b>15.852.287</b>

The maturity schedule of financial liabilities as at 30 September 2011 and 31 December 2010 is summarised below:

	<b>30 September 2011</b>	<b>31 December 2010</b>
Up to 3 months	3.794.987	3.844.432
3 to 12 months	11.689.030	4.773.116
1 to 5 years	6.088.926	6.040.748
More than 5 years	2.379.981	1.193.991
<b>Total</b>	<b>23.952.924</b>	<b>15.852.287</b>

The maturity schedule of long term financial liabilities as at 30 September 2011 and 31 December 2010 is summarised below:

	<b>30 September 2011</b>	<b>31 December 2010</b>
2012	1.562.717	2.053.160
2013	1.144.783	1.086.738
2014	2.599.914	809.593
2015	781.513	2.091.257
2016 and after	2.379.980	1.193.991
<b>Total</b>	<b>8.468.907</b>	<b>7.234.739</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 6 – FINANCIAL LIABILITIES (Continued)

The repricing schedule of borrowings at 30 September 2011 and 31 December 2010 is summarised below:

	30 September 2011	31 December 2010
Up to 3 months	14.158.833	9.562.342
3 to 12 months	6.518.163	3.997.160
1 to 5 years	3.219.381	2.280.120
More than 5 years	56.547	12.665
<b>Total</b>	<b>23.952.924</b>	<b>15.852.287</b>

Major borrowing and funding transactions of Akbank and Enerjisa at 30 September 2011 are as follows:

#### **Funds Borrowed:**

##### **a) Akbank - Funds borrowed via syndicated credit facilities**

As of 30 September 2011, there are three outstanding syndicated loan facilities. The first syndicated loan facility amounts to EUR 1.000.000 are provided by 52 international banks with West LB AG London Branch acting as an agent signed on 17 August 2010. EUR 220.000 part of the syndicated loan facility have a maturity of 2 years with all-in cost interest rate of Euribor/Libor + 1,75%. The second syndicated loan facility amounts to USD 1.300.000 signed on 23 March 2011. The loan provided with West LB AG London branch acting as agent comprised of two tranches, each of which amounting to EUR 652.216 and USD 405.708 with all-in cost interest rate of Euribor/Libor + 1,10%. The third syndicated loan facility signed on 17 August 2011. The loan comprised of two tranches, each of which amounting to EUR 708.500 and USD 422.000 with all-in cost interest rate of Euribor/Libor + 1,00%.

##### **b) Enerjisa – Funds borrowed via IFC**

On 13 June 2008 Group’s joint venture Enerjisa, signed a EUR 1.000.000 loan agreement provided from international financial institutions on International Finance Corporation (“IFC”) and WestLB, Akbank and the European Investment Bank's co-ordination. These funds are considered to be used in the company’s energy investments. The part of the loan amounting to EUR 513.000 is coordinated by IFC, EUR 495.000 has a maturity of 12 years and the remaining EUR 18.000 has a maturity of 15 years. EUR 158.000 of the aforementioned part will be provided by IFC and the remaining EUR 355.000 will be provided as a syndicated loan under the supervision of IFC and WestLB. KFW IPEX-Bank GmbH, Bank Austria Creditanstalt AG, Erste Bank der Oesterreichischen Sparkassen AG, ING Bank N.V., Raiffeisen Zentralbank Oesterreich AG, WestLB AG, ING and Société Générale Bank have been participated in this financing package as authorised leading regulators. Akbank will provide a parallel loan agreement of EUR 352.000 which has a maturity of 12 years, with the participation of National Bank of Greece. Finally, with the participation of EIB with a loan amounting to EUR 135.000. As of 30 September 2011, Enerjisa has used EUR 860.900 with respect to this EUR 1.000.000 loan agreement (31 December 2010: EUR 620.000).



## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 6 – FINANCIAL LIABILITIES (Continued)

Enerjisa signed another agreement on 23 December 2010 to borrow funds amounting to EUR 270.000 with the participations of Yapı ve Kredi Bankası A.Ş. for EUR 100.000, Akbank T.A.Ş. İstanbul Kurumsal Şubesi for EUR 100.000 and Finansbank A.Ş. Bahrain for EUR 70.000 for the purpose of financing Arkun Barrage and hydroelectric power plant energy project of the Enerjisa. As of 30 September 2011, Group has utilized EUR 155.000 with respect of this loan.

Enerjisa also signed an agreement on 24 March 2011 with IFC and certain international financial institutions under the coordination of IFC, WestLB and Unicredit to borrow funds amounting EUR 700.000 for the purpose of financing energy projects of the Enerjisa. EUR 65.000 of the loan is provided by IFC and EUR 515.000 of it is provided by the participation of several financial institutions, namely KFW IPEX-Bank GmbH, UniCredit Bank Austria AG, Erste Bank, ING Bank N.V., Raiffeisen Bank International, FMO, BAWAG, WestLB AG ve Societe Generale Bank, under the coordination of IFC, Unicredit and WestLB. Proparco has provided EUR 40.000 of the loan and TSKB has provided EUR 80.000 of the loan. The loan has not been utilized as of 30 September 2011.

The effect of the used loan on consolidated financial statements is limited to 50% joint venture share.

#### Issued securities:

Securities issued consist of USD and TL assets.

The repayment plan for securities issued is started below in USD:

	<u>30 September 2011</u>		<u>31 December 2010</u>	
	USD	TL	USD	TL
2011	447.369	828.169	435.467	669.574
2012	629.790	1.165.867	533.286	819.980
2013	523.063	968.293	583.480	897.160
2014	334.688	619.575	391.549	602.046
2015	1.045.188	1.934.852	1.001.150	1.539.368
2016	145.076	268.564	119.764	184.149
2017	81.615	151.086	72.705	111.791
2018	337.664	625.083	36.353	55.895
<b>Total</b>	<b>3.544.453</b>	<b>6.561.489</b>	<b>3.173.754</b>	<b>4.879.963</b>

The balance amounting to USD 3.544.452 consists of securitization deals and USD denominated securities by the Bank. As of 30 September 2011, the outstanding principal amount of the securitization deals amount to USD 2.077.127. In addition, in 2010, the Bank issued 5 year USD denominated Eurobonds with a nominal amount of USD 1.000.000 and maturing at 22 June 2015. These bonds have a yield of 5,256% and a coupon rate of 5,125%. In 2011, the Bank has issued 7 year USD denominated Eurobonds with a nominal amount of USD 500.000 and maturing at 9 March 2018. These bonds have a yield of 6,562%.

As of 30 September 2011, the outstanding TL denominated bonds are amounting to TL 1.325.272 (31 December 2010: TL 966.804 ) with a coupon rate range of 8,68 % - 8,80 %.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 7 – OTHER RECEIVABLES AND PAYABLES

<b>Other short term receivables:</b>	<b>30 September 2011</b>	<b>31 December 2010</b>
Receivables from credit card payments	144.401	70.769
Financial assets (*)	51.330	40.244
Other receivables	657.568	381.033
<b>Total</b>	<b>853.299</b>	<b>492.046</b>

<b>Other long term receivables:</b>	<b>30 September 2011</b>	<b>31 December 2010</b>
Financial assets (*)	119.674	95.576
Guarantee and deposits given	12.011	31.605
Other receivables	47.039	17.330
<b>Total</b>	<b>178.724</b>	<b>144.511</b>

(\*) Composed of financial assets accounted for by the Group’s joint venture Başkent Elektrik Dağıtım A.Ş. in accordance with IFRS 3 “Business Combinations” and IFRIC 12 “Service Concession Arrangements”.

<b>Other short term payables:</b>	<b>30 September 2011</b>	<b>31 December 2010</b>
Payables related to credit card transactions	1.635.544	1.313.783
Taxes and dues payable	202.910	191.578
Export deposits and transfer orders	106.161	55.227
Payment orders to correspondent banks	24.721	15.274
Due to personnel	12.933	16.820
Other	692.897	535.673
<b>Total</b>	<b>2.675.166</b>	<b>2.128.355</b>

<b>Other long term payables:</b>		
Guarantee and deposits received	53.849	53.902
Other	37.134	19.557
<b>Total</b>	<b>90.983</b>	<b>73.459</b>

# HACI ÖMER SABANCI HOLDİNG A.Ş.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

### NOTE 8 – INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD

	30 September 2011	Share (%)	31 December 2010	Share (%)
Philsa	212.882	25	220.840	25,00
Philip Morrissa	40.631	24,75	78.963	24,75
Dönkasan	4.182	21,86	-	-
<b>Total</b>	<b>257.695</b>		<b>299.803</b>	

Income from associates is as follows:

	1 January - 30 September 2011	1 July - 30 September 2011	1 January - 30 September 2010	1 July - 30 September 2010
Philsa	100.699	38.070	73.474	31.131
Philip Morrissa	20.735	10.027	54.116	7.668
Dönkasan	235	49	-	-
<b>Total</b>	<b>121.669</b>	<b>48.146</b>	<b>127.590</b>	<b>38.799</b>

The summary financial information of associates is as follows:

	30 September 2011		31 December 2010	
	Total assets	Total liabilities	Total assets	Total liabilities
Philsa	1.944.306	1.092.778	1.805.591	922.232
Philip Morrissa	671.488	507.322	786.907	467.865
Dönkasan	22.027	2.894	-	-
<b>Total</b>	<b>2.637.821</b>	<b>1.602.994</b>	<b>2.592.498</b>	<b>1.390.097</b>

	1 January - 30 September 2011	1 July - 30 September 2011	1 January - 30 September 2010	1 July - 30 September 2010
<b>Sales revenue</b>				
Philsa (*)	7.074.928	2.699.783	5.789.178	2.166.125
Philip Morrissa	7.265.977	2.775.188	6.357.843	2.307.329
Dönkasan	55.936	15.421	-	-

(\*) Philsa conducts its sales activities over Philip Morrissa.

	1 January - 30 September 2011	1 July - 30 September 2011	1 January - 30 September 2010	1 July - 30 September 2010
<b>Net income</b>				
Philsa	402.795	152.279	293.897	124.526
Philip Morrissa	83.778	40.515	218.651	30.980
Dönkasan	1.644	224	-	-
<b>Total</b>	<b>488.217</b>	<b>193.018</b>	<b>512.548</b>	<b>155.506</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 9 – PROPERTY, PLANT AND EQUIPMENT

The movement in property, plant and equipment for the nine month period ended 30 September 2011 are as follows:

	1 January 2011	Currency translation differences	Additions	Disposals	Change within the scope of consolidation	Business combination (*)	Transfers from non current assets held for sale	Transfers to non current assets held for sale	Transfers(**)	Impairment	30 September 2011
<b>Cost</b>											
Land and land improvements	501.474	8.220	7.099	(250)	(713)	31	21.461	-	68.153	-	605.475
Buildings	2.385.787	29.789	17.023	(154.125)	(27.815)	-	62.959	-	27.789	-	2.341.407
Machinery and equipment	3.869.530	114.856	33.177	(16.299)	(3.320)	92	369.593	(22.018)	131.025	-	4.476.636
Motor vehicles	156.989	816	26.498	(27.761)	(637)	32	2.178	-	3.107	-	161.222
Furniture and fixtures	1.782.310	4.785	65.432	(47.280)	(18.488)	7.274	5.984	-	14.350	(1.131)	1.813.236
<b>Total</b>	<b>8.696.090</b>	<b>158.466</b>	<b>149.229</b>	<b>(245.715)</b>	<b>(50.973)</b>	<b>7.429</b>	<b>462.175</b>	<b>(22.018)</b>	<b>244.424</b>	<b>(1.131)</b>	<b>9.397.976</b>
Construction in progress	741.834	8.325	708.568	(11.055)	(71)	14.573	6.246	-	(296.428)	-	1.171.992
<b>Total</b>	<b>9.437.924</b>	<b>166.791</b>	<b>857.797</b>	<b>(256.770)</b>	<b>(51.044)</b>	<b>22.002</b>	<b>468.421</b>	<b>(22.018)</b>	<b>(52.004)</b>	<b>(1.131)</b>	<b>10.569.968</b>
<b>Accumulated depreciation (-)</b>											
Land and land improvements	97.831	4.480	6.351	(192)	(222)	-	4.824	-	(224)	-	112.848
Buildings	842.788	7.130	51.782	(32.452)	(7.705)	-	31.649	-	127	-	893.319
Machinery and equipment	2.208.146	62.331	139.430	(11.619)	(2.817)	33	251.283	(10.647)	-	-	2.636.140
Motor vehicles	106.239	(1.648)	10.172	(12.179)	(525)	11	2.135	-	-	-	104.205
Furniture and fixtures	1.317.832	3.776	104.782	(41.466)	(13.901)	1.778	4.768	-	-	-	1.377.569
<b>Total</b>	<b>4.572.836</b>	<b>76.069</b>	<b>312.517</b>	<b>(97.908)</b>	<b>(25.170)</b>	<b>1.822</b>	<b>294.659</b>	<b>(10.647)</b>	<b>(97)</b>	<b>-</b>	<b>5.124.081</b>
<b>Net book value</b>	<b>4.865.088</b>										<b>5.445.887</b>

(\*) Relates to acquisitions of Enerjisa and Teknosa mentioned at Note 3.

(\*\*)Transfers during the period consist of TL 40.539 transfer to intangible assets and TL 11.368 transfer to investment property.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 9 – PROPERTY, PLANT AND EQUIPMENT (Continued)

The movement in property, plant and equipment for the nine month period ended 30 September 2010 are as follows:

	1 January 2010	Currency translation differences	Additions	Disposals	Business combination (*)	Transfers	Impairment	30 September 2010
<b>Cost</b>								
Land and land improvement	440.394	(1.850)	28.460	(6.167)	177	1.056	-	462.070
Buildings	2.048.047	(4.409)	16.257	(4.337)	14.623	3.052	-	2.073.233
Machinery and equipment	3.249.574	(3.774)	21.197	(12.726)	14.133	37.281	-	3.305.685
Motor vehicles	152.027	(35)	15.062	(20.955)	-	4.891	-	150.990
Furniture and fixtures	1.610.306	3.239	97.072	(28.848)	4.857	10.232	(338)	1.696.520
<b>Total</b>	<b>7.500.348</b>	<b>(6.829)</b>	<b>178.048</b>	<b>(73.033)</b>	<b>33.790</b>	<b>56.512</b>	<b>(338)</b>	<b>7.688.498</b>
Construction in progress	844.977	114	463.710	-	-	(57.438)	-	1.251.363
<b>Total</b>	<b>8.345.325</b>	<b>(6.715)</b>	<b>641.758</b>	<b>(73.033)</b>	<b>33.790</b>	<b>(926)</b>	<b>(338)</b>	<b>8.939.861</b>
<b>Accumulated depreciation (-)</b>								
Land and land improvement	90.772	120	5.675	-	-	-	-	96.567
Buildings	755.336	195	43.997	(4.190)	603	-	-	795.941
Machinery and equipment	2.069.021	(1.072)	98.162	(9.031)	1.297	-	-	2.158.377
Motor vehicles	100.035	495	9.297	(6.689)	-	-	-	103.138
Furniture and fixtures	1.218.431	(171)	100.532	(21.084)	1.930	-	-	1.299.638
<b>Total</b>	<b>4.233.595</b>	<b>(433)</b>	<b>257.663</b>	<b>(40.994)</b>	<b>3.830</b>	<b>-</b>	<b>-</b>	<b>4.453.661</b>
<b>Net book value</b>	<b>4.111.730</b>							<b>4.486.200</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 10 – INTANGIBLE ASSETS

The movements in intangible assets for the nine month periods ended 30 September 2011 and 30 September 2010 are as follows:

	1 January 2011	Currency translation differences	Additions	Disposals	Changes within the scope of consolidation	Transfers	Businesses combination (*)	Transfers from current assets held for sale	30 September 2011
Cost	1.353.706	9.949	29.991	(1.779)	(8.116)	40.539	164.872	10.367	1.599.529
Accumulated depreciation (-)	277.002	5.289	59.182	(319)	(2.700)	-	39	6.079	344.572
<b>Net book value</b>	<b>1.076.704</b>								<b>1.254.957</b>

	1 January 2010	Currency translation differences	Additions	Disposals	Changes within the scope of consolidation	Transfers	Business combination	Impairment	30 September 2010
Cost	1.268.182	2.619	43.899	(914)	-	926	840	(48)	1.315.504
Accumulated depreciation (-)	211.550	(662)	48.702	(764)	-	-	286	-	259.112
<b>Net book value</b>	<b>1.056.632</b>								<b>1.056.392</b>

(\*)Enerjisa, a joint venture of the Group, acquired the share of IBA Elektrik Üretim Madencilik Sanayi ve Ticaret A.Ş., Italgem Elektrik Üretim A.Ş., Alpaslan II Enerji Üretim Sanayi ve Ticaret A.Ş. and Pervari Elektrik Üretim Sanayi ve Ticaret A.Ş. in 2011. As a result of this acquisition, for the part of cost more than the book value of net assets TL 164.220 is associated with electricity production licence and accounted as intangible assets.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 11 - GOODWILL

The movements in goodwill for the nine month periods ended 30 September 2011 and 2010 are as follows:

	30 September 2011	30 September 2010
1 January	725.227	706.354
Additions (Note 3)	-	22.178
Currency translation differences	(80)	(167)
<b>30 September</b>	<b>725.147</b>	<b>728.365</b>

#### NOTE 12 – CONTINGENT ASSETS AND LIABILITIES

Commitments – Banking segment	30 September 2011	31 December 2010
Letters of guarantee issued	7.873.051	6.447.730
Letters of credits	3.685.098	2.557.786
Foreign currency acceptance credits	156.101	69.764
Other guarantees given	1.093.043	950.408
<b>Total</b>	<b>12.807.293</b>	<b>10.025.688</b>

  

Commitments – Non-banking segments	30 September 2011	31 December 2010
Letters of guarantee given	691.001	461.806
Other guarantees given	243.844	60.310
<b>Total</b>	<b>934.845</b>	<b>522.116</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 12 – CONTINGENT ASSETS AND LIABILITIES (Continued)

##### Commitments for resale and repurchase of debt securities:

Commitments for the resale and repurchase of debt securities (government bonds, treasury bills and eurobonds) at 30 September 2011 and 31 December 2010 are as follows:

	30 September 2011	31 December 2010
Repurchase commitments	17.702.947	11.470.108
Other guarantees given	2.001	13.803

##### Commitments to forward currency purchase/sale and swap transactions:

###### Trading derivative transactions:

	30 September 2011	31 December 2010
Foreign currency purchases	1.925.053	1.298.329
Foreign currency sales	1.897.450	1.288.342
<b>Total</b>	<b>3.822.503</b>	<b>2.586.671</b>

	30 September 2011	31 December 2010
Currency swap purchases	12.433.612	8.911.169
Currency swap sales	12.285.104	8.697.663
Interest rate swap purchases	8.471.925	5.506.299
Interest rate swap sale	8.471.925	5.506.299
<b>Total</b>	<b>41.662.566</b>	<b>28.621.430</b>



## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 12 – CONTINGENT ASSETS AND LIABILITIES (Continued)

	30 September 2011	31 December 2010
Spot purchases	2.868.423	577.939
Spot sales	2.870.251	579.603
<b>Total</b>	<b>5.738.674</b>	<b>1.157.542</b>
Currency options purchases	8.895.760	4.625.020
Currency options sales	8.895.760	4.625.020
<b>Total</b>	<b>17.791.520</b>	<b>9.250.040</b>
Future purchases	31.828	12.106
Future sales	31.828	12.106
<b>Total</b>	<b>63.656</b>	<b>24.212</b>
Other purchases	1.005.862	59.087
Other sales	1.005.862	59.087
<b>Total</b>	<b>2.011.724</b>	<b>118.174</b>

#### Hedging derivative transactions:

	30 September 2011	31 December 2010
Interest swap purchases	4.489.523	3.569.550
Interest swap sales	4.489.523	3.569.550
<b>Total</b>	<b>8.979.046</b>	<b>7.139.100</b>

The maturity analysis of the off-balance sheet assets in the Banking segment is as follows:

#### 30 September 2011

	Up to 1 year	Over 1 year	Total
Letters of guarantees	454.302	7.418.749	7.873.051
Letters of credits	2.901.443	783.655	3.685.098
Acceptance credits	120.269	35.832	156.101
Other guarantees	612.096	480.947	1.093.043
<b>Total</b>	<b>4.088.110</b>	<b>8.719.183</b>	<b>12.807.293</b>

#### 31 December 2010

	Up to 1 year	Over 1 year	Total
Letters of guarantees	428.816	6.018.914	6.447.730
Letters of credits	1.514.588	1.043.198	2.557.786
Acceptance credits	59.408	10.356	69.764
Other guarantees	180.804	769.604	950.408
<b>Total</b>	<b>2.183.616</b>	<b>7.842.072</b>	<b>10.025.688</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 12 – CONTINGENT ASSETS AND LIABILITIES (Continued)

Letters of guarantees and notes given

Collaterals, pledges and mortgages (CPM) given by the Group at 30 September 2011 and 31 December 2010 are as follows:

	30 September 2011					31 December 2010				
	Total TL Equivalent	TL	USD	EUR	Other	Total TL Equivalent	TL	USD	EUR	Other
A. Total amount of the CPM given for its own legal entity	7.893.199	505.624	226.553	7.005.055	155.967	972.194	360.729	160.169	53.234	398.062
B. CPM given on behalf of fully consolidated companies	583.542	467.287	116.255	-	-	398.525	316.214	82.311	-	-
C. CPM given on behalf of the third parties' debt for the continuation of their economic activities	12.807.898	4.781.601	5.831.566	1.893.775	300.956	10.027.089	4.279.262	4.034.627	1.506.292	206.908
D. The total amount of other CPM										
i. Given on behalf of majority shareholder	334	334	-	-	-	-	-	-	-	-
ii. Given on behalf of other group companies which are not in the scope of B and C	48	48	-	-	-	-	-	-	-	-
iii. Given on behalf of third parties which are not in scope of C	286	286	-	-	-	-	-	-	-	-
<b>Total</b>	<b>21.284.973</b>	<b>5.754.846</b>	<b>6.174.374</b>	<b>8.898.830</b>	<b>456.923</b>	<b>11.397.808</b>	<b>4.956.205</b>	<b>4.277.107</b>	<b>1.559.526</b>	<b>604.970</b>

The equity ratio of CPMs given by the group as at 30 September 2011 is 0% (31 December 2010: 0%).

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 13 – OTHER ASSETS AND LIABILITIES

<b>Other Current Assets:</b>	<b>30 September 2011</b>	<b>31 December 2010</b>
Cheques in clearance	418.513	196.395
Deductable Value Added Tax (VAT)	176.352	89.863
Prepaid expenses	173.497	176.293
Deferred commission expense	27.495	67.358
Income accrual	19.825	18.081
Other	330.745	115.134
<b>Total</b>	<b>1.146.427</b>	<b>663.124</b>

<b>Other Non Current Assets:</b>	<b>30 September 2011</b>	<b>31 December 2010</b>
Deferred finance expense	58.325	32.038
Deferred commission expense	26.041	20.532
Other	73.274	14.964
<b>Total</b>	<b>157.640</b>	<b>67.534</b>

#### Other Short Term Liabilities and Provisions

<b>Liabilities</b>	<b>30 September 2011</b>	<b>31 December 2010</b>
Cheques in clearance	736.214	368.837
Expense accruals	185.782	44.661
Unearned commission income	51.710	68.894
Unused vacation	47.144	46.575
Advances received	42.939	29.253
Saving deposits insurance	18.367	18.173
Deferred income	12.876	9.911
Other short term liabilities	3.304	7.521
	<b>1.098.336</b>	<b>593.825</b>

#### Provisions

Credit card bonus provisions	152.307	143.173
Provision for unindemnified non-cash loans	81.670	89.269
Economical disadvantageous contracts	20.214	38.970
Other short-term liability provisions	58.714	181.004
	<b>312.905</b>	<b>452.416</b>
<b>Total</b>	<b>1.411.241</b>	<b>1.046.241</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 13 – OTHER ASSETS AND LIABILITIES (Continued)

##### Other Long Term Liabilities and Provisions

	30 September 2011	31 December 2010
Unearned commission income	121.441	116.299
Other long-term provisions and liabilities	14.012	15.570
<b>Total</b>	<b>135.453</b>	<b>131.869</b>

#### NOTE 14 - EQUITY

H.Ö. Sabancı Holding A.Ş.’s authorised and issued capital consists of 204.040.393.100 (31 December 2010: 204.040.393.100) shares of Kr 1 each.

The Holding’s authorised and paid-in share capital and shareholding structure at 30 September 2011 and 31 December 2010 is as follows:

Shareholders:	Share (%)	30 September 2011	Share (%)	31 December 2010
Sabancı family	43,65	890.626	43,61	890.027
Public (*)	37,56	766.312	39,40	803.860
Sakıp Sabancı Holding A.Ş.	14,07	287.100	13,79	281.388
Sabancı University	1,51	30.769	1,51	30.769
Exsa	1,29	26.408	-	-
Çimsa	1,06	21.534	1,06	21.534
H.Ö. Sabancı Foundation	<1	13.370	<1	12.826
Other	<1	4.285	-	-
<b>Share capital</b>	<b>100</b>	<b>2.040.404</b>	<b>100</b>	<b>2.040.404</b>
<b>Treasury share</b>		<b>(52.227)</b>		<b>(21.534)</b>
<b>Share premium</b>		<b>21.670</b>		<b>21.670</b>

(\*) Shares purchased from ISE by subsidiaries are not included in the listed public ratio calculation. If it were included, the ratio would be 39,40%.

Securities of Sabancı Holding purchased due to investment objective by Exsa the subsidiary of the Holding from ISE, Exsa participated to share capital of Holding by 1,29% .This transaction is accounted for under equity as treasury share.

The transaction related with the injection of Akbank and Avivasa shares which held in Aksigorta’s portfolio, and Akbank shares which are held in Exsa’s portfolio, as capital in kind to Holding via spin-off process has been approved in the Extraordinary General Assembly on 4 January 2010 and the shares with a nominal value of TL 140.403.931 have been registered by CMB and Trade Registry on 12 January 2010. As a result of the spin-off transaction, Çimsa, a subsidiary of the Holding has participated to the share capital of Holding by 1,06%. This transaction is accounted for under equity as treasury share.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 14 – EQUITY (Continued)

##### Restricted Reserves

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code (TCC). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Holding’s paid-in share capital. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

Furthermore, to be entitled to the exemption for sale of participation shares and property, 75% of related gain is required to be held in a fund account in the liabilities and it must not be withdrawn from the entity for a period of five years.

The details of restricted reserves mentioned above are as follows:

	30 September 2011	31 December 2010
Legal reserves	298.339	264.469
Investments sales income	281.778	127.826
<b>Total</b>	<b>580.117</b>	<b>392.295</b>

##### Dividend Distribution

Based on CMB, dated 27 January 2010, there is no mandatory minimum profit distribution requirement for the listed entities at the stock exchange for profits arising from operations in 2010. Regarding the dividend distribution for the current and following years, the entities are to distribute their profits for the current and following years under the scope of CMB Communiqué No. IV-27, their articles of association and their previously publicly declared profit distribution policies. In regards to the profit distribution, in accordance with the decision of the General Assembly, the distribution can be made as cash or as bonus shares or as a combination of a certain percentage of cash and bonus shares. It is also permitted to retain this amount in the Company reserves.

Furthermore, Group companies that are obliged to prepare consolidated financial statements based on the related decision of General Assembly, are permitted to calculate net distributable profits based upon the net income for the period presented on consolidated financial statements that have been prepared within the framework of Communiqué XI, No: 29.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 14 – EQUITY (Continued)

In accordance with the above explanations for the Communiqué No:XI-29, the composition of the Holding’s shareholders’ equity, which is considered as the basis for dividend distribution is as follows:

	30 September 2011	31 December 2010
Share capital	2.040.404	2.040.404
Treasury share	(52.227)	(21.534)
Share premium	21.670	21.670
Adjustment to capital	3.426.761	3.426.761
Net income for the period	1.538.130	1.662.836
Retained earnings	6.110.725	5.006.522
<b>Total shareholders’ equity subject to dividend distribution</b>	<b>13.085.463</b>	<b>12.136.659</b>
Restricted reserves	580.117	392.295
Translation reserves	204.099	7.728
Revaluation funds	74.140	713.203
Hedge funds	(236.060)	(180.699)
<b>Shareholders’ equity</b>	<b>13.707.759</b>	<b>13.069.186</b>

#### NOTE 15 – NON CURRENT ASSETS HELD FOR SALE

Kordsa decided to consolidate its fabric production plants located in South America at Brasil. Fixed assets that remained idle and are expected to be sold within twelve months have been transferred to assets held for sale and are shown separately on the balance sheet. Since the income that proceeds from the sale is expected to exceed the carrying value of the relevant asset, there was not any provision for impairment registered on these operations that are held for sale. The net carrying value of the fixed assets which are classified as assets held for sale was TL 11.371 as of 30 September 2011.

As of 30 September 2011 Exsa has reclassified its TL 3.840 value of land as assets held for sale.

Holding has sold its Advansa shares on 10 June 2011 which were owned by 99,93% and accounted as non current assets held for sale to BBMMR Holding GmbH located in Germany at EUR 6.000. Loss on sale of subsidiary amounting to TL 38.265 was recognized under other expenses in the consolidated financial statements.

The difference between net book value and the fair value of Advansa’s transferred assets that held for sale in 2009, amounting to TL 89.965 was written down as expense for the year ended on 31 December 2009. The impairment of the relevant sale of Advansa shares has been removed from financial statements. Holding participates Sasa shares in the portfolio of Advansa directly in 26 May 2011 and as a result of this situation, impairment excluded the sold part was reversed via taking into consideration the net book value of the company, TL 71.902 was indicated in other income at the consolidated financial statements.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 15 – NON CURRENT ASSETS HELD FOR SALE (Continued)

The agreement regarding the sale of the 50 % of Aksigorta A.Ş. shares owned by the Group was signed on 18 February 2011 with Ageas Insurance International N.V. and 9.482.940.100 units of Aksigorta A.Ş. shares were sold to Ageas Insurance International N.V. at USD 220.229. TL 247.350 gain on sale of the subsidiary has been recognized in the consolidated financial statements under the “other income” item. The sales of the shares has resulted in decrease of the Group’s net asset value by TL 115.059 and non-controlling interests by TL 141.159.

According to co-management agreement signed with Ageas Insurance International N.V., management control of Group’s on Aksigorta which is previously existent with the participation of Ageas Insurance International N.V will continue equally. Company was started to being consolidated as a joint venture with the 30.99% effective share, 30.99% of income and expense items from Aksigorta was classified as income and expenses related to discounted operations in 2010 consolidated income statement.

The nine month periods ended 30 September 2011 and 30 September 2010 for Advansa and the nine month period ended 30 September 2010 for Aksigorta, income statements related to discontinued operation is as follows:

	1 January - 30 September 2011	1 July - 30 September 2011	1 January - 30 September 2010	1 July - 30 September 2010
Revenues	93.488	-	1.059.350	348.534
Expenses	(87.520)	-	(1.072.723)	(373.146)
<b>Profit/ (loss) before taxation</b>	<b>5.968</b>	<b>-</b>	<b>(13.373)</b>	<b>(24.612)</b>
Taxation	(1.933)	-	3.623	(5.002)
<b>Net income/ (loss) for the period</b>	<b>4.035</b>	<b>-</b>	<b>(9.750)</b>	<b>(19.610)</b>

#### NOTE 16 – FINANCE INCOME/ EXPENSES

	1 January - 30 September 2011	1 July - 30 September 2011	1 January - 30 September 2010	1 July - 30 September 2010
<b>Financial income</b>				
Foreign exchange income	377.528	172.404	255.924	99.187
Interest income	63.012	22.881	43.843	12.330
<b>Total</b>	<b>440.540</b>	<b>195.285</b>	<b>299.767</b>	<b>111.517</b>
<b>Financial expense</b>				
Foreign exchange losses	492.867	228.852	186.650	28.785
Interest expense	127.434	51.285	62.636	19.759
Other financial expenses	42.693	8.082	61.578	53.680
<b>Total</b>	<b>662.994</b>	<b>288.219</b>	<b>310.864</b>	<b>102.224</b>

Financial income and expenses related to segments other than banking.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 17 – TAX ASSETS AND LIABILITIES

	30 September 2011	31 December 2010
Corporate and income taxes payable	201.944	1.015.239
Loss: Prepaid expenses	(147.695)	(686.719)
<b>Total taxes payable</b>	<b>54.249</b>	<b>328.520</b>

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis.

The Corporate Tax Law was amended as of 13 June 2006 with Law No 5520. The majority of the clauses of Law No 5520 are effective as of 1 January 2006. The corporation tax rate of the fiscal year 2011 is 20% (2010: 20%). Corporation tax is payable at a rate of 20% on the total income of the Holding after adjusting for certain disallowable expenses, corporate income tax exemptions (participation exemption, and investment incentive etc) and corporate income tax deductions (like research and development expenditures deduction). No further tax is payable unless the profit is distributed.

Dividends paid to non-resident corporations, which have a place of business in Turkey, or resident corporations are not subject to withholding tax. Except from these corporations’, dividend payments are subject to withholding tax at the rate of 15%. Previous year’s Net income transferred to capital is not considered as a profit distribution and thus does not incur withholding tax.

Corporations calculate corporate tax quarterly at the rate of 20% on their corporate income and declare it until the 10th day and pay it on the 17th day of the second month following each calendar quarter end. Advance tax paid by corporations is credited against the annual corporation tax liability. The balance of the advance tax paid may be refunded or used to set off against other liabilities to the government.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns by the 25th of the fourth month following the close of the financial year to which they relate.

Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Under the Turkish taxation system, tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses can not be carried back to offset profits from previous periods.

There are numerous exemptions in the Corporate Tax Law concerning the corporations. Those related to Group are as follows:

#### *Exemption for gains on subsidiaries*

Dividend income from participation in shares of capital of another full fledged taxpayer corporation (except for dividends from investment funds participation certificates and investment partnerships shares) are exempt from corporate tax.



## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

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#### NOTE 17 – TAX ASSETS AND LIABILITIES (Continued)

##### *Preferential right certificate sales and issued premiums exemption*

Gains from issued premiums derived from the disposal of sales at nominal values during incorporations and the capital increase of joint stock companies are exempt from corporate tax.

##### *Exemption for gains on participation in foreign subsidiaries*

The participation income of corporations participating in 10% or more of the capital of a limited liability or joint stock company which does not have its legal or business centre in Turkey (except for corporations whose principal activity is financial leasing or by investment of marketable securities) for at least one year until the date of the income is generated and transferred to Turkey until the date of the filing of the corporate income tax return of the fiscal year in which the income is generated is exempt from corporation tax subject to those subsidiaries being subject to corporate income tax, or alike, in their country of legal residence or business centre at the rate of at least 15% (the corporate income tax rate applicable in Turkey for those companies whose principal activity is financial assurance or insurance).

##### *Exemption for sale of participation shares and property*

75% of the gains derived from the sale of preferential rights, usufruct shares and founding shares from investment equity and real property which have remained in assets for more than two full years are exempt from corporate tax. To be entitled to the exemption, the relevant gain is required to be held in a fund account in the liabilities and it must not be withdrawn from the entity for a period of five years. The cost of the sale has to be collected up until the end of the second calendar year following the year the sale was realised.

Brokerage houses and real estate companies who are dealing with the trading and the leasing of the real estate can not benefit from this exemption.

##### *Exemption for investment incentive*

According to the regulation, published in the 27659 numbered Official Gazette on 1 August , 2010 based on Law No. 6009 through article 5, the phrase “only 2006, 2007 and 2008 regarding years” on temporary article 69 of Income Tax Law No.193 that was abolished by The Constitutional Court decision numbered 2009/144 published in the Official Gazette on January 8, is rearranged. With regard to rearrangement, undeductible investment allowance due to insufficient income and deferred investment allowance amounts can be used without a year limitation. Investment allowance amount, which will be used in the determination of the tax assessment, will not exceed 25% profit of the concerned period. In addition to this, %20 corporate tax rate will be applied on the income after the deduction of the allowance.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 17 – TAX ASSETS AND LIABILITIES (Continued)

The tax charges for comprehensive income statement items for the periods ended 30 September 2011 and 2010 are as follows:

	30 September 2011			30 September 2010		
	Before tax	Tax expense	After tax	Before tax	Tax expense	After tax
Net unrealized fair value from available for sale financial assets	(1.554.683)	(310.937)	(1.243.746)	874.878	174.976	699.902
Gains on available for sale financial assets transferred to the income statement	(401.218)	(80.244)	(320.974)	(372.198)	(74.440)	(297.758)
Net gains included in the income statement due to transfer of available for sale financial assets into held to maturity assets	1.229	246	983	24.401	4.880	19.521
Cash flow hedges	36.460	7.292	29.168	(18.434)	(3.687)	(14.747)
Gain/ (loss) on net investment hedges	(149.276)	(29.855)	(119.421)	58.089	11.618	46.471
Currency translation differences	331.792	-	331.792	(91.612)	-	(91.612)
<b>Other Comprehensive Income</b>	<b>(1.735.696)</b>	<b>(413.498)</b>	<b>(1.322.198)</b>	<b>475.124</b>	<b>113.347</b>	<b>361.777</b>

#### Deferred taxes

The Group recognises deferred income tax assets and liabilities based upon temporary differences arising between their financial statements as reported under CMB Financial Reporting Standards and their statutory tax financial statements. These differences usually result from the recognition of revenue and expenses in different reporting periods for CMB Financial Reporting Standards and tax purposes, carry forward tax losses and investment incentive exceptions.

Deferred income taxes are calculated on temporary differences that are expected to be realised or settled based on the taxable income in coming years under the liability method using a principal tax rate of 20%.

At 30 September 2011 the Group has not recognized deferred income tax assets over carry forward tax losses in the amount of TL 104.179 which can be offset against future taxable profits for a period of five years.

Sasa and Çimsa benefit from Tax Law 6111 Restructuring of Miscellaneous Receivables in order to avoid the tax risks by withdrawing the lawsuit for assessed tax and tax penalty in the investigation report issued by TC Ministry of Finance. In this context, agreed tax and tax penalty has been calculated as TL 25.112.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 17 – TAX ASSETS AND LIABILITIES (Continued)

As of 30 September 2011 and 31 December 2010 the amount of the carry forward tax losses and the last fiscal periods in which they can be utilized are as follows:

	30 September 2011	31 December 2010
2011	37.589	-
2012	-	41.565
2013	11.616	62.923
2014	39.412	39.412
2015	15.562	28.869
<b>Total</b>	<b>104.179</b>	<b>172.769</b>

The movements in deferred income tax assets/ (liabilities) for the nine month periods ended at 30 September 2011 and 2010 are as follows:

	30 September 2011	30 September 2010
Balances at 1 January	53.121	107.447
Charged to equity	15.710	20.104
Business combinations	9.521	644
Transfer from assets held for sale	(1.296)	-
Changes within the scope of consolidation	(2.696)	3.968
Currency translation differences	(5.765)	958
Charged to income statement	35.163	1.375
Other	(4.850)	12.159
<b>Balances at 30 September</b>	<b>98.908</b>	<b>146.655</b>

#### NOTE 18 – DERIVATIVE FINANCIAL INSTRUMENTS

##### 30 September 2011

Derivative instruments held for trading:	Fair value	
	Asset	Liability
<b>Foreign exchange derivative instruments</b>		
Currency and interest rate swaps purchases and sales	558.796	(486.297)
Forward currency purchases and sales	87.590	(50.430)
Currency and interest rate futures purchases and sales	43.032	(35.739)
Currency options purchases and sales	111.317	(127.937)
<b>Total derivative instruments held for trading</b>	<b>800.735</b>	<b>(700.403)</b>
<b>Derivative instruments held for hedging:</b>		
Interest rate swap purchases and sales	1.063	(422.662)
<b>Total derivative instruments</b>	<b>801.798</b>	<b>(1.123.065)</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 18 – DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

31 December 2010

	Fair value	
	Asset	Liability
<b>Derivative instruments held for trading:</b>		
<b>Foreign exchange derivative instruments</b>		
Currency and interest rate swaps purchases and sales	364.571	(358.698)
Forward currency purchases and sales	33.778	(17.247)
Currency and interest rate futures purchases and sales	42.595	(34.923)
Currency options purchases and sales	34.283	(34.042)
<b>Total derivative instruments held for trading</b>	<b>475.227</b>	<b>(444.910)</b>
<b>Derivative instruments held for hedging:</b>		
Interest rate swap purchases and sale	-	(362.327)
<b>Total derivative instruments</b>	<b>475.227</b>	<b>(807.237)</b>

#### NOTE 19 – RECEIVABLES FROM FINANCE SECTOR OPERATIONS

##### a) Banking

Loans and advances to customers	30 September 2011	31 December 2010
Consumer loans and credit card receivables	24.431.821	19.799.369
Construction	5.644.959	4.847.738
Small-scale enterprises	5.108.206	3.978.383
Health care and social services	3.761.113	3.015.014
Financial institutions	3.621.625	3.402.482
Chemicals	2.845.171	2.431.462
Other manufacturing industries	2.790.445	1.847.710
Mining	2.684.181	1.832.725
Telecommunication	2.615.338	2.057.515
Food and beverage, wholesale and retail	2.386.895	1.643.592
Project finance loans	1.201.900	1.046.585
Textile	1.183.545	805.779
Automotive	1.052.693	754.250
Tourism	742.488	611.639
Agriculture and forestry	259.942	195.222
Electronics	250.304	200.587
Other	11.430.697	8.685.807
	<b>72.011.323</b>	<b>57.155.859</b>
Non-performing loans	1.155.854	1.279.634
<b>Total loans and advances to customers</b>	<b>73.167.177</b>	<b>58.435.493</b>
Allowance for loan losses	(1.922.668)	(1.797.660)
<b>Net loans and advances to customers</b>	<b>71.244.509</b>	<b>56.637.833</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 19 – RECEIVABLES FROM FINANCE SECTOR OPERATIONS (Continued)

The movement of loan loss provision of banking segment as of 30 September 2011 by class is as follows:

	Corporate	Commercial	Total
<b>1 January 2011</b>	<b>969.340</b>	<b>828.320</b>	<b>1.797.660</b>
Gross provisions	220.143	262.455	482.598
Recoveries	(117.322)	(157.364)	(274.686)
Written-off	(30.459)	(52.467)	(82.926)
Currency translation differences	22	-	22
<b>30 September 2011</b>	<b>1.041.724</b>	<b>880.944</b>	<b>1.922.668</b>

The movement of loan loss provision of banking segment as of 30 September 2010 by class is as follows:

	Corporate	Commercial	Total
<b>1 January 2010</b>	<b>1.311.711</b>	<b>989.597</b>	<b>2.301.308</b>
Gross provisions	178.823	287.677	466.500
Recoveries	(287.808)	(283.831)	(571.639)
Written-off	(208.615)	(167.408)	(376.023)
Currency translation differences	(13)	-	(13)
<b>30 September 2010</b>	<b>994.098</b>	<b>826.035</b>	<b>1.820.133</b>

The maturity schedule of loans and advances to customers at 30 September 2011 and 31 December 2010 are summarised below:

	30 September 2011	31 December 2010
Up to 3 months	21.254.573	17.910.340
3 to 12 months	16.611.413	10.624.887
<b>Current</b>	<b>37.865.986</b>	<b>28.535.227</b>
1 to 5 years	24.915.553	21.838.128
Over 5 years	8.462.970	6.264.478
<b>Non - current</b>	<b>33.378.523</b>	<b>28.102.606</b>
<b>Total</b>	<b>71.244.509</b>	<b>56.637.833</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 19 – RECEIVABLES FROM FINANCE SECTOR OPERATIONS (Continued)

The repricing schedule of loans and advances to customers at 30 September 2011 and 31 December 2010 are summarised below:

	30 September 2011	31 December 2010
Up to 3 months	31.013.031	27.868.620
3 to 12 months	23.607.727	15.428.629
1 to 5 years	14.142.956	12.159.295
Over 5 years	2.480.795	1.181.289
<b>Total</b>	<b>71.244.509</b>	<b>56.637.833</b>

#### Leasing receivables

Long-term and the short-term lease receivables of Ak Finansal Kiralama A.Ş., as a subsidiary of Akbank, at 30 September 2011 amounts to TL 1.320.235 (31 December 2010: TL 982.971).

#### b) Insurance

	30 September 2011	31 December 2010
Receivables from insurance operations (net)	141.055	405.273

#### NOTE 20 – PAYABLES FROM FINANCE SECTOR OPERATIONS

#### a) Banking

	30 September 2011			31 December 2010		
	Demand	Time	Total	Demand	Time	Total
Saving deposits	4.022.734	40.477.757	44.500.491	3.827.712	36.955.560	40.783.272
Commercial deposits	4.466.557	16.635.032	21.101.589	4.187.215	16.527.067	20.714.282
Bank deposits	213.472	8.100.400	8.313.872	192.117	7.493.637	7.685.754
Funds provided from repo transactions	-	17.599.891	17.599.891	-	11.421.202	11.421.202
Other	758.974	1.175.727	1.934.701	493.359	992.260	1.485.619
<b>Total</b>	<b>9.461.737</b>	<b>83.988.807</b>	<b>93.450.544</b>	<b>8.700.403</b>	<b>73.389.726</b>	<b>82.090.129</b>

#### b) Insurance

	30 September 2011	31 December 2010
Payables from insurance operations (net)	25.338	62.101
Insurance technical reserves	518.464	840.489
<b>Total</b>	<b>543.802</b>	<b>902.590</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 21 –RELATED PARTY DISCLOSURES

##### Key management personnel compensation:

The Group defined its key management as board of directors, general manager, general secretary, group chiefs, head of departments and group directors belonging to A group and over. Short term benefits include wages, bonuses, social security, health insurance, unused vacation, premium bonuses and incentive premiums. Other long term benefits include private pension system payments. Benefits resulted from discharge include severance pay and unused vacation payments for executive management who is discharged as a result of transfer or retirement.

The detailed schedule of compensation paid or payable to key management for the nine month periods ended 30 September 2011 and 30 September 2010 are as follows:

	30 September 2011	30 September 2010
Short term employee benefits	9.763	14.027
Benefits resulted from discharge	233	2.331
Other long term benefits	123	179
<b>Total</b>	<b>10.119</b>	<b>16.537</b>

#### NOTE 22 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

##### Foreign Exchange Risks

The Group is exposed to foreign exchange risk through the impact of rate changes on the translation of foreign currency assets and liabilities to local currency. These risks are monitored and limited by analysing foreign currency position. The Group aims to lower foreign exchange risk arising from assets and liabilities by using swap and forward derivative instruments.

The difference between the assets and liabilities of Akbank both denominated in foreign currency is defined as the “Net Foreign Currency (“FC”) position” and is the exposure to foreign currency risk. Another dimension of the foreign exchange risk is the change in the value of the foreign currencies themselves within the net FC position (cross rate risk). The Bank keeps the amount exposed to foreign exchange risk within the limits determined by the Risk Management Committee. The Risk Management Committee monitors the general economic conditions and developments in the markets and sets new limits when necessary. These limits are set and monitored separately for the net FC position and for the cross rate risk. When necessary swap and forward contracts are used as a tool to hedge the foreign exchange risk.

The Group is exposed to foreign exchange risk arising primarily from the EUR, USD and GBP.

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 22 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

Foreign currency denominated assets and liabilities held by the Group before consolidation eliminations at 30 September 2011 and 31 December 2010 terms of TL are as follows:

	30 September 2011	31 December 2010			
Assets	57.307.856	41.062.643			
Liabilities	(63.277.168)	(45.150.673)			
<b>Net foreign currency balance sheet position</b>	<b>(5.969.312)</b>	<b>(4.088.030)</b>			
Net foreign currency position of off-balance sheet derivative financial instruments	5.318.586	4.265.131			
<b>Net foreign currency balance sheet and off-balance sheet position</b>	<b>(650.726)</b>	<b>177.101</b>			
<b>30 September 2011</b>					
	Total TL equivalent	ABD USD	EUR	GBP	Other
<b>Assets:</b>					
Cash and cash equivalents	4.413.018	2.271.469	1.918.191	50.691	172.667
Financial assets	6.954.529	3.649.937	3.304.410	-	182
Receivables from financial operations	34.445.129	23.820.943	10.515.209	40.739	68.238
Reserve deposits at Central Bank	10.511.807	10.511.807	-	-	-
Trade receivables	767.225	257.592	409.267	6.581	93.785
Other current assets	216.148	60.018	79.468	271	76.391
<b>Total assets</b>	<b>57.307.856</b>	<b>40.571.766</b>	<b>16.226.545</b>	<b>98.282</b>	<b>411.263</b>
<b>Liabilities:</b>					
Funds borrowed and debt securities in issue	21.605.475	14.213.071	7.333.711	13.580	45.113
Customer deposits	40.624.235	26.233.770	12.851.117	827.455	711.893
Trade payables	509.864	141.991	181.426	86	186.361
Other payables and provisions	537.594	237.654	236.234	3.173	60.533
<b>Total liabilities</b>	<b>63.277.168</b>	<b>40.826.486</b>	<b>20.602.488</b>	<b>844.294</b>	<b>1.003.900</b>
<b>Net foreign currency position of off-balance sheet derivative financial instruments</b>	<b>5.318.586</b>	<b>529.413</b>	<b>3.513.032</b>	<b>756.640</b>	<b>519.501</b>
<b>Net foreign currency position</b>	<b>(650.726)</b>	<b>274.693</b>	<b>(862.911)</b>	<b>10.628</b>	<b>(73.136)</b>
<b>Net foreign currency monetary position</b>	<b>(650.726)</b>	<b>274.693</b>	<b>(862.911)</b>	<b>10.628</b>	<b>(73.136)</b>



## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 22 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

31 December 2010

	Total TL equivalent	USD	EUR	GBP	Other
<b>Assets:</b>					
Cash and cash equivalents	3.111.696	1.392.480	1.592.477	18.883	107.856
Financial assets	6.505.512	3.797.183	2.707.468	-	861
Receivables from financial operations	27.249.869	19.078.713	8.056.645	41.402	73.109
Reserve deposits at Central Bank	3.499.797	1.475.533	2.024.264	-	-
Trade Receivables	481.354	153.839	264.375	7.619	55.521
Other current assets	214.415	42.825	95.493	1.215	74.882
<b>Total assets</b>	<b>41.062.643</b>	<b>25.940.573</b>	<b>14.740.722</b>	<b>69.119</b>	<b>312.229</b>
<b>Liabilities:</b>					
Funds borrowed and debt securities in issue	13.907.185	8.802.457	5.032.103	9.537	63.088
Customer deposits	30.493.615	17.061.068	12.089.122	831.701	511.724
Trade payables	352.786	126.281	125.393	699	100.413
Other payables and provisions	397.087	203.429	148.483	2.048	43.127
<b>Total liabilities</b>	<b>45.150.673</b>	<b>26.193.235</b>	<b>17.395.101</b>	<b>843.985</b>	<b>718.352</b>
<b>Net foreign currency position of off-balance sheet derivative financial instruments</b>	<b>4.265.131</b>	<b>452.963</b>	<b>2.625.873</b>	<b>787.355</b>	<b>398.940</b>
<b>Net foreign currency position</b>	<b>177.101</b>	<b>200.301</b>	<b>(28.506)</b>	<b>12.489</b>	<b>(7.183)</b>
<b>Net foreign currency monetary position</b>	<b>177.101</b>	<b>200.301</b>	<b>(28.506)</b>	<b>12.489</b>	<b>(7.183)</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE – MONTH PERIOD ENDED 30 SEPTEMBER 2011

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

#### NOTE 22 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

The following table summarizes the sensitivity of Group companies to the fluctuations in the foreign exchange rates for the nine-month period ended 30 September 2011 and year ended 30 September 2010.

30 September 2011	Profit/Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
Change in USD against TL by 10%				
USD net assets/liabilities	54.727	(54.727)	-	-
Hedged items (-)	-	-	-	-
<b>USD net effect</b>	<b>54.727</b>	<b>(54.727)</b>	-	-
Change in EUR against TL by 10%				
EUR net assets/liabilities	(115.794)	115.794	-	-
Hedged items (-)	-	-	-	-
<b>EUR net effect</b>	<b>(115.794)</b>	<b>115.794</b>	-	-
Change in GBP against TL by 10%				
GBP net assets/liabilities	1.049	(1.049)	-	-
Hedged items (-)	-	-	-	-
<b>GBP net effect</b>	<b>1.049</b>	<b>(1.049)</b>	-	-
Change in other currency against TL by 10%				
Other currency net assets/liabilities	(7.231)	7.231	-	-
Hedged items(-)	-	-	-	-
<b>Other currency net effect</b>	<b>(7.231)</b>	<b>7.231</b>	-	-
	<b>(67.249)</b>	<b>67.249</b>	-	-

30 September 2010	Profit/Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
Change in USD against TL by 10%				
USD net assets/liabilities	5.414	(5.414)	-	-
Hedged items (-)	-	-	-	-
<b>USD net effect</b>	<b>5.414</b>	<b>(5.414)</b>	-	-
Change in EUR against TL by 10%				
EUR net assets/liabilities	(24.677)	24.677	-	-
Hedged items (-)	-	-	-	-
<b>EUR net effect</b>	<b>(24.677)</b>	<b>24.677</b>	-	-
Change in GBP against TL by 10%				
GBP net assets/liabilities	990	(990)	-	-
Hedged items (-)	-	-	-	-
<b>GBP net effect</b>	<b>990</b>	<b>(990)</b>	-	-
Change in other currency against TL by 10%				
Other currency net assets/liabilities	(10.168)	10.168	-	-
Hedged items (-)	-	-	-	-
<b>Other currency net effect</b>	<b>(10.168)</b>	<b>10.168</b>	-	-
	<b>(28.441)</b>	<b>28.441</b>	-	-

#### NOTE 23 – EVENTS AFTER THE BALANCE SHEET DATE

Akbank has issued a 2 year maturity floating-rate note amounting to TL 500.000 with quarterly coupon payments. The coupon rate is determined as indicator interest rate plus 80 basis points.