



ECONOMY BANK N.V.

TARIF DE DOUANE

POUR LE COMMERCE NEERLANDAIS
DANS L'EMPIRE OTTOMAN,

ARRÊTÉ LE 30 NOVEMBRE 1850
ENTRE LES COMMISSAIRES NOMMÉS À CET EFFET

~~ET LE GOUVERNEMENT~~

N. W. BARON MOLLERUS

COMMANDEUR ET CHEVALIER DE PLUSIEURS ORDRES

MINISTRE RESIDENT

DE S. M. LE ROI DES PAYS-BAS

PRÈS LA SUBLIME PORTE

ET LES COMMISSAIRES NOMMÉS PAR LE GOUVERNEMENT OTTOMAN

1851.

TEB FINANCIAL GROUP



TEB A.Ş.

(Türk Ekonomi Bankası A.Ş.)

TEB A.Ş. is the flagship of the Group. During the last two decades, TEB A.Ş. has earned an excellent reputation supported by a balance sheet which is characterized by a solid capital base, excellent asset quality and high liquidity. The priority for the Bank has always been financial strength.

TEB A.Ş. offers mainly international trade related financial services to a group of select client base. The Bank has also been a pioneer in private banking activities in Turkey. Unlike many other banks, TEB A.Ş. does not have participations in non-financial group companies, and loans to related-parties are immaterial. TEB A.Ş. continues to be rated among the top banks in Turkey. TEB A.Ş. has a paid-up capital of TL 69,602 billion.

TEB INVESTMENT

(TEB Yatırım Menkul Değerler A.Ş.)

TEB Investment is the Bank's investment banking subsidiary, providing investment banking, fixed income and equity brokerage services to Turkish and international institutional and retail investors.

TEB Investment enjoys a significant origination capacity for corporate finance transactions and has the financial capacity to underwrite securities. TEB Investment has a paid-up capital of TL 3,200 billion, of which 74.9% belongs to TEB A.Ş.

TEB LEASING

(TEB Finansal Kiralama A.Ş.)

The Bank's long-term equipment financing subsidiary, TEB Leasing, provides financial leasing services to corporate clients investing in equipment. In the relatively short period of time following the establishment in 1997, the Company has been able to secure itself a leading position in the sector in terms of financial aggregates. Its business philosophy is to identify the adequate financing method that responds to the particulars of the investment. TEB Leasing has a paid-up capital of TL 5,900 billion, of which 68.5% belongs to TEB A.Ş.

TEB FACTORING

(TEB Factoring A.Ş.)

As a further step towards the Bank's objective of becoming a fully integrated financial services group, TEB Factoring was established in 1997 to provide both domestic and international factoring services. A member of FCI-Factors Chain International, TEB Factoring is entitled to take part in export-related and forfaiting transactions. TEB Factoring has a paid-up capital of TL 3,200 billion, of which 65.8% belongs to TEB A.Ş.

TEB N.V. is a member of the TEB Financial Group, a group of companies enjoying a strong image and prestige with high quality financial services provided to a growing customer base in Turkey and abroad.



TEB INSURANCE

(TEB Sigorta A.Ş.)

TEB's non-life insurance subsidiary, TEB Insurance provides risk cover to corporate clients ranging from fire to marine and from accident to engineering.

TEB Insurance is the first Turkish insurance company to be rated by an international rating agency. Fitch awarded A-(tur) rating to TEB Insurance in January 2001. This was a major event in the Turkish insurance industry. TEB Insurance has a paid-up capital of TL 1,500 billion, of which 50% belongs to TEB A.Ş.

VARLIK INVESTMENT TRUST

(Varlık Yatırım Ortaklığı A.Ş.)

Varlık Investment Trust is a closed-end mutual fund whose shares are traded on the ISE.

The Company was incorporated in early 1998 following the approval of the Turkish Capital Markets Board. Varlık Investment Trust has a paid-up capital of TL 500 billion, of which 24.4% belongs to TEB A.Ş.

TEB ASSET MANAGEMENT

(TEB Portföy Yönetimi A.Ş.)

The management of TEB's mutual funds, which was the responsibility of TEB Investment until January 2000, was turned over to TEB Asset Management is one of the country's larger fund managers with an extensive on-line distribution capacity on the Internet and has a marketing agreement with Citibank. TEB Asset Management has a paid-up capital of TL 610 billion, of which 56% belongs to TEB A.Ş.

TEB PRECIOUS METALS

(TEB Kıymetli Madenler A.Ş.)

TEB Precious Metals, a subsidiary of the Bank, is one of the major traders in silver business with 60.4 tons, representing a 38% market share. The Company imported 59.4 tons of silver in 2001 reaching a market share of 100%.

FINANCIAL HIGHLIGHTS



KEY FIGURES (EURO)	2001	2000	1999
NET PROFIT	5,655,504	7,117,541	1,352,038
PROFIT BEFORE TAX AND PROVISIONS	9,233,936	8,620,131	5,235,319
TOTAL ASSETS	612,922,852	474,522,312	261,532,693
SHARE CAPITAL	21,000,041	21,000,041	18,514,233
OWN FUNDS	35,127,602	29,472,098	19,868,749
INTEREST BEARING ASSETS	589,527,734	453,772,881	253,717,203
INTEREST BEARING LIABILITIES	558,375,590	427,691,091	234,765,866

KEY RATIOS

SOLVENCY RATIO	29%	30%	43%
TOTAL ASSETS / OWN FUNDS (TIMES)	17	16	13
RETURN ON AVERAGE OWN FUNDS	17%	30%	10%
COMMISSION INCOME / ADMINISTRATIVE EXPENSES	147%	116%	55%
NET PROFIT PER STAFF (EURO)	201,982	296,564	64,500

TEB ECONOMY BANK IN BRIEF

Incorporated in the Netherlands in 1998 and operating within the Dutch banking framework, The Economy Bank N.V., (TEB N.V.), is a member of the TEB Financial Group, a distinguished conglomerate in the Turkish financial sector.

TEB N.V. provides services in the areas of international trade finance, forfaiting, treasury and private banking, and offers a wide range of products to its clients. The Bank enjoys strong relationships with carefully selected correspondent banks, corporations and private investors. TEB N.V. pursues its objective to become the most effective and sought after financial institution in EU, specializing in Turkish financial markets and instruments.

The year 2001 has been particularly successful for the Bank. Against a background of fluctuating markets and expanding international banking environment, TEB N.V.'s strategy of focusing on well-defined core areas with a conservative approach has resulted in a year of satisfactory performance. Indeed, TEB N.V. broadened its customer base, expanding its market share, emphasising the prudent banking approach, which is a characteristic feature of the TEB Group policy.

TRADUCTION
DU PRÉAMBULE DU TARIF.



Les Négociants Néerlandais, qui apportent des productions et manufactures de leur pays, de même que des pays étrangers, ou que ces mêmes Négociants, soit leur Agents achètent dans tout le pays de l'Empire Ottoman, toute sorte de productions et manufactures de la Turquie pour les exporter dans leur pays et autres pays étrangers, ayant un tarif pour l'acquiescement des droits de Douane arrêté et conclu en 1236, l'an de l'Hégire et le 13 de Rebulakher qui correspond au 13 juin 1810, sur le prix courant d'alors et dont le terme fixé à 7 années consécutives, étant échu, en conformité du 10^m Article du traité de Commerce le renouvellement de Tarif a été proposé et à la suite d'un entente des Commissaires ont été nommés et de la part de la Sublime Porte ainsi que de la part de son Excellence le Ministre Resident des Pays-Bas, Baron Mollerus, ces mêmes Commissaires d'accord entr'eux, ont arrêté et conclu le Tarif suivant.

Foreign trade between the Netherlands and Turkey dates back at least 400 years. The first Dutch embassy to the Ottoman Empire came to Istanbul in 1612, having been invited by the Grand Admiral of the Ottoman Navy.

Goods purchased by Dutch merchants in those days were mainly silks brought from Syria and Iran as well as spices from East Asia.

In the 17th century, Turkey started to export angora wool and cotton to the Netherlands while importing in return woolen and cotton fabrics into Izmir and Istanbul. In the 19th century, tobacco became the main commodity exported to the Netherlands.

REPORT OF THE SUPERVISORY BOARD TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS



(Standing L-R) Rafael Taranto • Sigurd Fischer Guettich • Dr. Akin Akbaygil • Hasan Tevfik Çolakoğlu • Maarten Hulshoff • İsmail Yanık

(Seated L-R) Yavuz Canevi • Özden Odabaşı

It is our pleasure to present herewith the Annual Report and the financial statements for the year ending December 31, 2001 prepared by the Management Board and audited by Deloitte & Touche Accountants.

Major economic areas around the globe—namely the United States, the Euro zone, and Japan—have experienced notable downturns during the year 2001, as did some of the leading Latin American countries and the emerging economies in Asia. In the aftermath of the September 11 attack, prospects for the global economy remain subject to significant uncertainties. However, positive expectations are gradually gaining strength

following signs of a modest economic recovery worldwide, mainly due to monetary easing and rate cuts. Within this global economic framework, Turkey has made significant progress in implementing major structural reforms, while the economy went through an unprecedented negative growth of nearly 9% following the February crisis.

IMF's support has been quite impressive, and a new stand-by arrangement of USD 16 billion covering the years 2002-04 is now operational. The free floating exchange rate has finally stabilized, and worries with regard to the rolling over of the outstanding public debt have been replaced by growing confidence in the administrations debt

REPORT OF THE SUPERVISORY BOARD TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS



Despite adverse market conditions, TEB N.V. has been successful in achieving growth, without however compromising its risk-averse policy while remaining loyal to its prudent risk management approach.

management. The Turkish economy is likely to make a breakthrough in 2002 by combating the persistent inflationary process, and to embark upon sustainable growth.

Despite adverse market conditions, TEB N.V. has been successful in achieving growth, without however compromising its risk-averse policy while remaining loyal to its prudent risk management approach. In our third full year of operations, this strategy led to a significant return of 17% on shareholders' equity as well as a record high BIS ratio that reached 29%. TEB N.V. is proud to report EUR 5.7 million in net profits for the year 2001, when shareholders' equity amounted to EUR 35.1 million. Indeed, our conservative approach to lending prevented the depreciation of asset quality.

TEB N.V.'s total assets reached EUR 612.9 million at year-end, up 29% on the previous year assets.

We, the Supervisory Board, have examined the financial statements for 2001, and propose to the

Annual General Meeting of Shareholders the approval of the financial statements for the year 2001, as well as the transfer of the net profits to reserves, and to discharge the members of both the Managing Board and the Supervisory Board from liabilities arising from their management responsibilities and with respect to the supervision thereof. The achievements of the past year have been made possible by the support of our shareholders, the confidence of our correspondents, the dedicated hard work of our managers and employees, and, last but not least, the loyalty of our clients. We, the Supervisory Board, would like to take this opportunity to express our gratitude and appreciation to all those who have contributed to this success.

August 1, 2002

Supervisory Board

SUPERVISORY BOARD

Yavuz Canevi *Chairman*

Dr. Akın Akbaygil *Vice Chairman*

Hasan Tevfik Çolakoğlu

Sigurd Fischer Guettich

Maarten Hulshoff (since March 16, 2001)

Rafael Taranto (since March 16, 2001)

İsmail Yamk

MANAGEMENT BOARD

Özden Başaran Odabaşı *Managing Director*

Aşkın Dolaştır *Deputy Managing Director*

CORPORATE OFFICERS

Credit and Marketing **Hakan Çaldağ** *Senior Vice President*

Financial Institutions **Didem İkikardeş** *Assistant Vice President*

Treasury **Semih Gümüştekin** *Treasurer*

Private Banking **Nazan Toker** *Assistant Vice President*

Trade Finance **Budiarto Gandasoebrata** *Vice President*

Operations **Rien Steketee** *Vice President*

Financial Control **Orkun Mungan** *Financial Controller*

Internal Control **Melis Kural** *Internal Controller*

Accounting **Evert Habiboellah** *Assistant Vice President*

REPRESENTATIVE OFFICE

Rıza Kadılar *Representative*

Behçet Çalhka

REPORT OF THE MANAGEMENT BOARD TO SUPERVISORY BOARD



Özden Başaran Odabaşı • Aşkın Dolacı

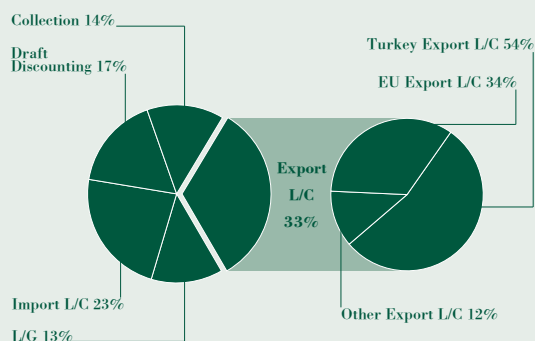
Last year, the US economy slowed down after a decade-long growth in the 1990's, which was the longest expansion period since the 1960's. The correction in the high-tech sector and the lagged effect of the earlier tightening in the monetary policy led to an economic downturn, which has negatively affected the global economy in the year 2001. Growth in the European Union weakened significantly, while Japan entered a period of recession. From these adverse economic circumstances the emerging market economies also got their share. Argentina has been one such country where a debt moratorium had to be declared amidst social and political unrest.

Following the September 11 events, uncertainty and downside risk increased considerably. However, public worries over terrorism seem to have subsided somewhat opening the way to global recovery in the second half of the year 2002.

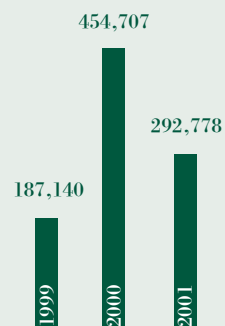
Turkey managed to get over the November 2000 crisis, which surfaced due to worries over delays in structural reforms, the widening current account deficit, and the weakened banking sector leading to high volatility in the markets. Following Government's announcement of strengthened policies and the International Monetary Fund (IMF)'s quick response in approving USD 7.4 billion additional Supplemental Reserve Facility in

REPORT OF THE MANAGEMENT BOARD TO SUPERVISORY BOARD

TRADE FINANCE VOLUME 2001



TRADE FINANCE VOLUME (Thousand Euro)



December 2000, public confidence in the programme started to rebuild, interest rates declined, and the Central Bank (CBT) restored its FX reserves in early 2001.

However, at this point the second and deeper turmoil in financial markets was triggered by political stress, leading to a loss of USD 7.6 billion worth of FX reserves within only a few hours. On February 22, Turkey had to abandon the crawling peg exchange rate regime, implemented for 14 months, which was replaced by free floating exchange rates instead. This, however, negatively affected public confidence, hit the already fragile financial markets, and started to threaten macroeconomic balances.

The general outlook of the new economic programme was announced in mid-March, and the programme was finalized in May. IMF affirmed its support to Turkey's reinforced economic reform programme and approved an additional USD 8 billion stand-by arrangement on May 15.

The sharp devaluation of the Turkish Lira with the adoption of the free floating exchange rate created uncertainties in the financial markets. Government's year-end contraction estimate for gross national product (GNP) stands around 8.5%. On the external front, with the sharp rise in the exchange rate, imports contracted significantly, while strengthened competitiveness as a result of devaluation, led to rising exports. Similarly, tourism revenue also improved. Overall, the current account balance is expected to record a surplus of approximately USD 2 billion for the whole year.

Meanwhile, the Central Bank reserves reached USD 18.7 billion by the end of the year, only USD 800 million below the end-2000 level. The fiscal balances have been the area in which the Government has been most successful in 2001. While higher than expected inflation counterbalanced the higher than expected economic contraction, budgetary expenditures were kept in line with budget projections. The primary balance of the consolidated government

REPORT OF THE MANAGEMENT BOARD TO SUPERVISORY BOARD

sector is expected to have reached 5.7% of GNP, exceeding the targeted level of 5.5%. A comprehensive structural reform programme was undertaken starting in May 2001. The most important reform has been in the banking sector. Moreover, regulations foreseeing the liberalization of electricity, oil, natural gas, civil aviation, sugar and tobacco markets have been adopted, in addition to reforms to improve transparency in the public sector and to strengthen public finances.

On the other hand, Turkey has submitted its National Programme to the EU in March 2001, and the Government will increase efforts to make current legislation compatible with EU standards in the year 2002.

The IMF has approved on February 4, 2002, USD 16 billion stand-by credit to Turkey to support the Government's economic programme for 2002-2004 which aims at achieving sustained economic growth by restoring financial and macro-economic stability, through fiscal adjustment, disinflation under the inflation-targeting framework, and structural reforms. The strong programme, IMF's support, and the availability of new lending, which eased worries regarding the domestic debt rollover, initiated an optimistic outlook for the year 2002. In line with the global economic recession, TEB N.V. has acted even more cautiously yet the Bank broadened its customer base and expanded its presence in the market with an emphasis on its ongoing prudent banking approach, which is an integral part of TEB Group policy. Even though the economic environment in

2001 was much less than desirable, we succeeded in exceeding our last year net income when we exclude the net positive effect of country risk provision of EUR 1,981 thousand written back in 2000. Our total assets increased by 29.12% (EUR 138.4 million) and achieved a return of 17.28% on our shareholders' equity. As an outcome of our policy to closely monitor the balance sheet size, particular emphasis was laid on the maturity structure of lending transactions and increasing the turnover of our risk assets and contingent transactions. As in the previous years the endeavors to increase the efficiency and productivity of the Bank were the key factors in managing the Bank in a cost efficient manner. Our objective is to become the most effective and sought after financial institution in the EU, specializing in Turkish financial and economic issues.

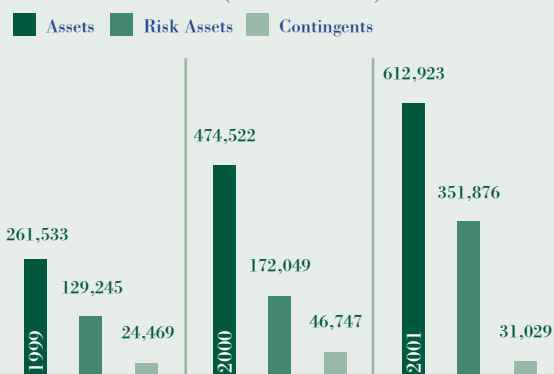
Our mission has always been to provide tailor-made services to our customers through our expertise. During the year 2001, TEB N.V.'s expansion continued with the opening of a representative office in Istanbul, Turkey. Parallel to this the number of staff in TEB N.V. reached 29 at year-end to ensure high service quality.

CREDIT AND MARKETING

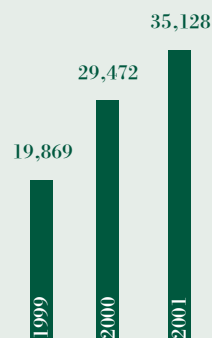
The year 2001 was another year in which trade finance transactions played a major role in TEB N.V.'s corporate lending activities. Despite the negative effects of the "uncertainty" in the global markets in general and economies of developing countries such as Turkey in particular, TEB N.V. reached an annual trade volume of EUR 292,780.

REPORT OF THE MANAGEMENT BOARD TO SUPERVISORY BOARD

RISK COMPOSITION (Thousand Euro)



OWN FUNDS (Thousand Euro)



While concentrating on the trade related volume, a solid, prudent and risk averse credit policy stood to be the main objective of the Bank at all times.

In line with its in-depth knowledge of the Turkish market and experienced staff in international trade finance operations, the following trade finance products have been offered to our customers during the year:

- Letters of credit (including stand by L/C's)
- Letters of guarantee
- Short-term commodity financing
- Export financing
- Structured trade finance operations
- Forwarders certificate of receipt (FCR) financing

Other than trade finance activities, short-term lending to prime European and Turkish corporate clients was another core business in 2001. The main activities falling under this category were:

- Short-term multi-currency lending facilities
- Providing various kinds of treasury products (especially FCY hedging products to minimize the FX exposure)
- Marketing of private banking products

In the year 2002, TEB N.V. will continue to improve the quality of its services putting a specific emphasis on trade finance operations. Prudent and risk-averse credit evaluation will also continue to be an important basis for growth.

FINANCIAL INSTITUTIONS

During 2001, TEB N.V. has continued its long-lasting relationships with 321 correspondent banks all over the world. Participation in syndicated facilities as well as the securitisation facilities shows our commitment to our correspondents. We have been active in international forfaiting markets and continued to be an active member of International Forfaiting Association (IFA).

In 2002, we aim to initiate relationships with export credit insurance agencies to respond to our export-oriented corporate clients' requirements of financing under export credit programmes.

REPORT OF THE MANAGEMENT BOARD TO SUPERVISORY BOARD

TREASURY

Treasury Department continued to add value both to the clients business and to the Bank by its expertise in the foreign exchange trading, money market and fixed income markets. Although trading volumes dipped in the first couple of months following the February devaluation, it started to pick up quickly following customer preference for sound and risk-averse banks with extensive Turkey expertise like TEB N.V. and the TEB Group in general.

In addition to supporting the Marketing and Private Banking Departments with competitive pricing, the department was also involved in building up new trading relationships. In 2002, the Treasury Department is fully devoted to improving its service to its primary clients; marketing and private banking departments adhering to TEB's traditional prudent banking principles.

PRIVATE BANKING

The private banking operations have started in 2001. During the year, our private banking activities concentrated in forming a stable client base and establishing long-term relationships. Our client portfolio is composed of select group of private individuals. With a broad range of products, TEB N.V. offers private banking services to clients who have different risk profiles.

In the coming years, our aim is to expand our client portfolio and continue offering our clients those products, which specifically meet their

private investment objectives supported with updated information technology.

RISK MANAGEMENT AND CONTROL

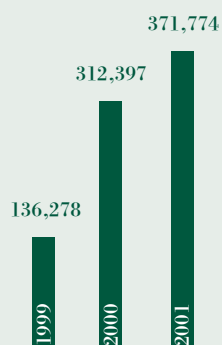
Risk management approach of TEB N.V. is a direct consequence of the prudent banking approach of TEB Financial Group to treat the credit risk, market risk, currency risk, liquidity risk and operational risk with its well defined structure of control mechanisms composed of the cooperative work of several control functions of the Bank.

TEB Group gives special emphasis to maintaining its strong financial position while keeping relatively higher solvency ratios compared to its peer group banks, by applying conservative credit policies and by keeping high asset quality and generous liquidity position. The objective of TEB Group Risk Management (RM) is to ensure that TEB Group keeps on growing in a controlled manner with a satisfactory return on capital, which is in line with macroeconomic conditions.

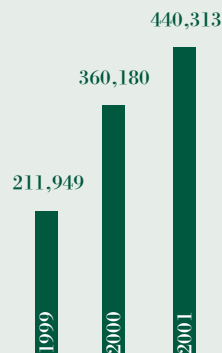
Financial control, internal control and Group RM are central control functions, independent of line management, whose roles include monitoring the Bank's activities to ensure compliance with financial and operational control.

REPORT OF THE MANAGEMENT BOARD TO SUPERVISORY BOARD

LOANS AND ADVANCES (Thousand Euro)



FUNDS ENTRUSTED (Thousand Euro)



INFORMATION TECHNOLOGY

TEB N.V. gives significant importance to the use of information technology (IT).

IT Department at TEB N.V. keeps abreast of the latest trends. Existing systems are monitored and evaluated continuously and new technologies and IT best practices are carefully selected for implementation.

One particular area of interest is the information systems security. To this end, TEB N.V. has asked an independent company, specialized in information systems security, to review its security procedures and network. The result was excellent yet both the IT Department and TEB N.V. executive management are aware of the need of constant review and updates in this area.

We are grateful to our correspondents for the confidence they have bestowed upon our Bank. The positioning of the Bank itself within the banking environment is a clear indication of this trust. We

would like to extend our sincere appreciation to our correspondents for their close cooperation.

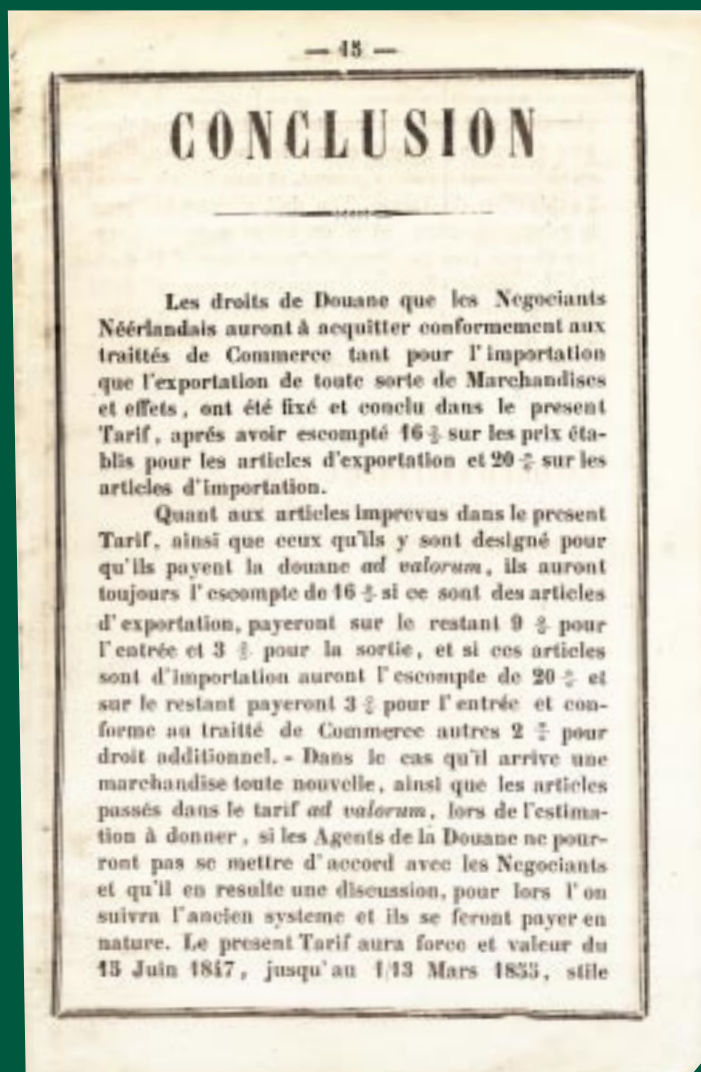
We would like to express our gratitude to our shareholders for their continuous support in all aspects and our appreciation to our staff for successfully achieving the set goals.

We firmly believe that three elements play a crucial role in our success: loyal clients, dedicated staff and financial prudence. We thank all our shareholders for making 2001 a successful year for us.

August 1, 2002

Özden Başaran Odabaşı, Managing Director

Aşkın Dolaştır, Deputy Managing Director



On January 24, 1985, an agreement was signed between Turkey and the Netherlands establishing an economic and technical cooperation commission. As of 1993, economic and commercial issues were taken up and discussed by the Turkish-Dutch Business Council, which is an advisory body bringing together prominent representatives from each country's private sector.

THE ECONOMY BANK N.V.
BALANCE SHEET

As at December 31, 2001 After Proposed Profit Appropriation (in Euro)



	31 December 2001	31 December 2000
Assets		
Cash	10,079,453	8,269,319
Banks	217,753,238	141,376,031
Loans and Advances to Private Sector	371,774,496	312,396,850
Property and Equipment	439,841	507,698
Other Assets	169,966	241,972
Prepayments and Accrued Income	12,705,858	11,730,442
Total Assets	612,922,852	474,522,312
Liabilities		
Banks	118,063,078	67,511,289
Funds Entrusted	440,312,512	360,179,802
Other Liabilities	5,805,672	3,462,404
Accruals and Deferred Income	12,725,971	13,257,187
Provisions	-	100,568
	576,907,233	444,511,250
Fund for General Banking Risk	888,017	538,964
Share Capital	21,000,041	21,000,041
Other Reserves	14,127,561	8,472,057
Own Funds	35,127,602	29,472,098
Total Liabilities	612,922,852	474,522,312
Contingent Liabilities	31,028,835	46,746,961

Management Board

Özden Başaran Odabaşı - Managing Director
Aşkın Dolaştır - Deputy Managing Director

THE ECONOMY BANK N.V.
INCOME STATEMENT
For the Financial Year Ended December 31, 2001 (in Euro)



	31 December 2001	31 December 2000
Interest Income	57,498,118	45,236,543
Interest Expense	(49,335,430)	(35,657,004)
Interest	8,162,688	9,579,539
Commission Income	4,742,972	3,288,386
Commission Expense	(36,432)	(41,484)
Commission	4,706,540	3,246,902
Result on Financial Transactions	(237,451)	(1,176,498)
Other Income	60,590	-
Total Income	12,692,367	11,649,943
Administrative Expenses		
Staff Costs	(2,204,063)	(1,908,268)
Other Administrative Expenses	(988,010)	(898,600)
	(3,192,073)	(2,806,868)
Depreciation	(266,358)	(222,944)
Operating Expenses	(3,458,431)	(3,029,812)
Value Adjustment to Receivables	-	3,047,444
Transfer to Fund for General Banking Risks	(537,006)	(721,359)
Total Expenses	(3,995,437)	(703,727)
Operating Result before Taxation	8,696,930	10,946,216
Taxation on Operating Result	(3,041,426)	(3,828,675)
Net Profit	5,655,504	7,117,541

THE ECONOMY BANK N.V.
CASH FLOW STATEMENTS
For the Financial Year Ended December 31, 2001 (in Euro)

	31 December 2001	31 December 2000
Cash flows from operating activities		
Net profit	5,655,504	7,117,541
Adjustments for:		
Depreciation	266,358	222,944
Value adjustment to receivables	-	(3,047,444)
Change in fund for general banking risks	349,053	468,883
Change in provisions	(100,568)	4,248
Other changes in other assets and liabilities	908,642	2,476,700
Cash flow from banking operations	7,078,989	7,242,872
Change in securities	-	1,783,745
Change in banks (not on demand)	(25,986,625)	17,164,833
Change in loans and advances	(59,377,646)	(175,762,218)
Change in funds entrusted	80,132,710	148,230,551
Total cash flows from operating activities	1,847,428	(1,340,217)
Cash flows from investment activities		
Investment in property and equipment	(198,501)	(86,876)
Total cash flows from investment activities	(198,501)	(86,876)
Cash flows from financing activities		
Increase in share capital	-	2,485,808
Total cash flows from investment activities	-	2,485,808
Net cash flow	1,648,927	1,058,715
Cash Balance as at January 1	9,971,024	8,912,309
Cash Balance as at December 31	11,619,951	9,971,024
Specifications of Cash and Cash Equivalents		
Cash	10,079,453	8,269,319
Due from Banks on Demand	1,540,498	1,701,705

THE ECONOMY BANK N.V.
NOTES TO THE FINANCIAL STATEMENTS

General

The Economy Bank N.V. (Bank) was incorporated on 17 November 1998 in Amsterdam, The Netherlands. The Bank is wholly owned by Türk Ekonomi Bankası A.Ş., which is ultimately owned by Çolakoğlu Group in Turkey. The financial information of the bank will be consolidated in the financial statements of Türk Ekonomi Bankası A.Ş. incorporated in Turkey. Türk Ekonomi Bankası A.Ş. is a listed company in the Istanbul and London (GDR) Stock Exchanges.

The trade registry office of The Economy Bank N.V. is located at Amsterdam.

The financial statements of the bank are audited by Deloitte & Touche Accountants.

The financial statements only cover the financial information of The Economy Bank N.V. The custody services company of the bank (Stichting Custody Services TEB) has not been consolidated to the financial statements of the Bank since the assets of the participation are separated from the Bank's capital.

The Bank's main activities are trade and commodity finance and private banking activities.

Basis of Presentation

The annual accounts for the financial year ended December 31, 2001 were prepared in accordance with the legal requirements for the annual accounts of the banks contained in Part 9, Book 2 of the Netherlands Civil Code with the recommendations as given by De Nederlandsche Bank N.V. (DNB-Central Bank of The Netherlands).

All amounts are stated in Euro, unless otherwise stated.

Accounting Principles

General

Assets and liabilities are carried at face value, unless stated otherwise below.

Foreign Currency Translation

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of transaction.

Assets and liabilities denominated in foreign currencies, forward contracts and currency swap operations entered into for hedging purposes, are translated into Euro, at the spot exchange rates prevailing at balance sheet date. The difference between the foreign exchange contract rates and the current rates are taken to the profit and loss account under 'Result on Financial Transactions'.

Property and Equipment

The Bank's equipment is stated at cost less straight-line depreciation over the estimated useful life. Depreciation is calculated using the following rates:

Furniture and Fixtures	20.00%
Office Machinery	33.33%
Motor Vehicles	20.00%
IT Hardware	33.33%
IT Software	33.33%
Pre-operating Expenses	20.00%

THE ECONOMY BANK N.V.
NOTES TO THE FINANCIAL STATEMENTS

Sale and Repurchase Agreements

Securities sold subject to a linked repurchase agreement (repo) and securities bought under agreements to resell (reverse repo) are recorded at face value under 'Loans and Advances to Private Sector' and counterparty liability is included in 'Banks', respectively. Income from repo and reverse repo transactions is realized at the interest income and expense lines of the income statement and accrued over the life of the agreements.

Allowance for Credit Losses

Based upon its evaluation on loans granted, management estimates the total allowance, if any, that it believes adequate to cover uncollectable amounts in the Bank's portfolio and losses under contingencies and commitments. The estimates used to determine the allowance for credit losses, are reviewed periodically, and if any adjustment is necessary, they are reported in the income statement of the period in which they become known.

De Nederlandsche Bank N.V. has revised its country risk policy with effect from December 31, 2000 regarding that the obligation to make a provision for the net exposure to medium and low risk countries, including Turkey, has been replaced by additional solvency requirements. Accordingly, the provision booked by the Bank in 1999, was reversed in the income statement of 2000 under the caption 'Value adjustment to receivables'. There is no country risk provision in the income statement for 2001, and the new regulation from DNB to include the country risk exposure in the solvency ratio, has been applied for the period.

Fund for General Banking Risks

This fund relates to the general banking risks. The movement in the fund is recognized in the income statement under 'Transfer to Fund for General Banking Risks'. The tax payable or reclaimable on the movements in the fund is charged or added to this fund. The level of the fund is based on management's evaluation of the banking risks involved.

Revenue and Expense Recognition

All income and expense items are recognized on an accrual basis.

Cash Flow Statement

For the purposes of reporting of cash flows, cash and cash equivalents are defined as those amounts included in the balance sheet under the caption 'cash' and 'due from banks on demand' excluding the short term placements to banks. The cash flow statement is presented in line with the indirect method.

Derivative Financial Instruments

Derivative financial instruments consisting of foreign currency forward and swap contracts, are initially realized at their cost and then fair value of the instruments are realized at the financial statements of the bank through the marking to market method. Fair value of the derivative contracts are included in the "Prepayments and Accrued Income" and "Accruals and Deferred Income" lines of balance sheet and changes in the fair value are included in the income statement, under result on financial transactions.

Risk Management

TEB Group gives special emphasis to maintaining its strong financial position while keeping relatively higher solvency ratios compared to its peer group banks, by applying conservative credit policies and by keeping high asset quality and generous liquidity position. The objective of TEB Group Risk Management (RM) is to ensure that TEB Group keeps on growing in a controlled manner with a satisfactory return on capital, which is in line with macro economic conditions.

During 2001 The Economy Bank N.V. identified approaches with respect to credit risk, market risk and liquidity risk and delegated its monitoring and control responsibilities to the credit committee for credit matters and asset and liability committee (ALCO) for market risk and liquidity.

THE ECONOMY BANK N.V.
NOTES TO THE FINANCIAL STATEMENTS

Without any exception the credit committee takes decisions with regard to credit proposals. These decisions are required to be approved by at least two Supervisory Board members. Parameters for all types of credit exposure are initially discussed in the credit and marketing meetings and are approved by the Management Board. Thereafter credit limits are set down in the proposals and all applications for credit are assessed within these parameters. Finally these parameters constitute a guideline in order to form an internal rating system.

ALCO regularly meets to discuss market risk, liquidity and asset allocation. During the meetings management reports are carefully reviewed and the outcome of the decisions are distributed among related personnel in writing. Treasury manages the day-to-day liquidity and this process is monitored by the Financial Control department.

The Economy Bank N.V. also recognizes the necessity of operational risk management. For this purpose the bank has established an Internal Control Unit. This unit performs periodic as well as ad hoc checking of all operational departments. In order to monitor these activities a team from Head Office carries out internal audit function on a yearly basis.

The Information Technology Department's policy is set out in a detailed policy manual, which has been approved by the Management Board. The policy manual, which is regularly updated, among others provides all necessary guidelines in respect of general procedures, maintenance of hardware and disaster recovery issues.

Balance Sheet

Cash

This includes cash in hand and demand deposits with De Nederlandsche Bank NV.

Banks (Asset)

The item includes all loans and advances to banks, which are supervised by their local supervisory authorities.

In 2001, the balance of Banks includes placements, loans and advances to group credit institutions amounting to Euro 11,857,059 (2000 Euro 22,007,881).

Loans and Advances to Private Sector

These include all loans and advances, excluding the loans and advances given to banks. The balance also includes the funds provided to the private sector under securities resale agreements.

In 2001, the balance of loans and advances to private sectors, includes receivables from group companies amounting Euro 155,408,716 of which Euro 73,985,073 is cash collateralized (2000 Euro 179,411,285 of which Euro 172,463,924 is cash collateralized). There are no uncollectable loans and advances to private sector for the periods ended as of December 31, 2001 and 2000.

THE ECONOMY BANK N.V.
NOTES TO THE FINANCIAL STATEMENTS



Property and Equipment

The breakdown of property and equipment as at December 31, 2001 and 2000 is as follows:

	2001	2000
Balance Sheet Value as at January 1	507,698	643,767
Additions	198,501	87,578
Disposals	-	(703)
Depreciation	(266,358)	(222,944)
Balance Sheet Value as at December 31	439,841	507,698
Cost of Property and Equipment	1,103,397	904,896
Accumulated Depreciation	(663,556)	(397,198)

Other Assets

This item comprises some advances to suppliers and taxes receivable as well as the participation of the Bank in "Stichting Custody Services TEB" which is the custody services company of the bank.

Prepayments and Accrued Income

This item comprises accrued interest receivables and prepaid expenses.

Banks (Liabilities)

This includes all the debts to credit institutions, which have no subordinated nature. This balance also includes funds borrowed under securities repurchase agreements.

In 2001, the amounts owed to banks include Euro 7,425,397 (2000 Euro 32,435,955) payables to group credit institutions.

Funds Entrusted

This includes funds entrusted to the Bank by customers such as current accounts amounting to Euro 19,945,404 and time deposits of Euro 420,367,108. In 2001, the funds entrusted include Euro 187,059,411 payables to group and affiliated companies (2000 Euro 221,986,133).

Other Liabilities

This item comprises payables to various suppliers and payables to tax authorities. Corporate income taxes payable of the Bank, net of prepaid taxes, is Euro 5,737,797 (2000 Euro 3,448,043) and wage tax receivable of Euro 394 (classified under other assets) as of December 31, 2001 (2000 Euro 99,235 payable).

Accruals and Deferred Income

This item includes expenses recognized, but whose actual payment occurs in a different period as well as the unearned interest income of the bills and letters of credit discounted.

THE ECONOMY BANK N.V.
NOTES TO THE FINANCIAL STATEMENTS



Fund for General Banking Risks

The breakdown of the fund for general banking risks is as follows:

	2001	2000
Balance as at January 1	538,964	70,081
Transfer to Fund for General Banking Risks	537,006	721,359
Taxes Regarding Fund for General Banking Risks	(187,953)	(252,476)
Balance as at December 31	888,017	538,964

The accumulated transfer to the Fund for General Banking Risks in 2001 and 2000 is Euro 1,366,181 and Euro 829,175 respectively. The accumulated taxes regarding the Fund for General Banking Risks in 2001 and 2000 are Euro 478,163 and Euro 290,211 respectively.

Retirement Benefits

The pension plan is based on a fixed contribution as a percentage of the annual salary, whereby the terms and conditions of the plan are based on each individual's requirements, within a fixed framework, also allowing the individual staff member to contribute for his/her own account. The Bank does not carry any obligation with regards to the retirement pay liability.

Share Capital

The authorized capital amounts to NLG 60,000,000 (Euro 27,226,813) consisting of 60,000 shares with a nominal value of NLG 1,000 (Euro 453.78) each, of which NLG 46,278,000 (Euro 21,000,041) have been issued and fully paid. The changes in the share capital are as follows:

	2001	2000
Balance as at January 1	21,000,041	18,514,233
Issues of new shares paid in cash	-	2,485,808
Balance as at December 31	21,000,041	21,000,041

Other Reserves

The changes in other reserves are as follows:

	2001	2000
Balance as at January 1	8,472,057	1,354,516
Profit distribution	5,655,504	7,117,541
Balance as at December 31	14,127,561	8,472,057

Contingent Liabilities

This balance includes all liabilities arising from transactions in which the bank has guaranteed the commitments to third parties.

	2001	2000
Letters of Guarantee	15,691,997	15,890,509
Irrevocable Letters of Credit	15,336,838	30,856,452
	31,028,835	46,746,961

THE ECONOMY BANK N.V.
NOTES TO THE FINANCIAL STATEMENTS



Irrevocable Facilities

There are no outstanding irrevocable facilities that could result in a credit risk for the bank as of 2001 and 2000.

Commitments

Commitments of the Bank in connection with rental obligations amount to Euro 409,541 as of December 31, 2001, which all of the balance is short term (2000 Euro 618,041).

Derivatives

All foreign currency contracts are entered into for hedging purposes. In order to determine the risks involved in the foreign currency and swap contracts, the marking to market method is used. Marking the contracts to market also includes the replacement costs for all contracts with positive value. A contract has a positive value if the bank would lose profit in the event of non-performance by the counterparty. The notional amounts do not reflect the potential future risks, but can be used as indication of the size of the business.

As at December 31, 2001, the total Euro equivalent of outstanding forward foreign exchange transactions entered into for hedging purposes was Euro 7,619,869 (2000 Euro 2,589,253).

The breakdown of the derivative contracts is as follows:

Derivative Currency Instruments

Year 2001	Total	Less than 1 Year	Between 1 and 5 Years	Longer than 5 Years	Positive
					Replacement Cost
Swaps	7,619,869	7,619,869	-	-	-
Total	7,619,869	7,619,869	-	-	-

Year 2000	Total	Less than 1 Year	Between 1 and 5 Years	Longer than 5 Years	Positive
					Replacement Cost
Swaps	2,589,253	2,589,253	-	-	56,188
Total	2,589,253	2,589,253	-	-	56,188

Derivative Currency Instruments	Credit Equivalent			
	December 31, 2001		December 31, 2000	
	Unweighted	Weighted	Unweighted	Weighted
Swaps	76,199	15,240	81,498	36,948
Total	76,199	15,240	81,498	36,948

Custody Services

The Bank provides custody services to its clients with respect to their security transactions through its participation, Stichting Custody Services TEB. Since these assets are fully separated from the Bank's capital, they have not been consolidated. The total nominal amount of assets held in custody for the clients of the Bank is Euro 1,468,071,566 (2000 nil).

THE ECONOMY BANK N.V.
NOTES TO THE FINANCIAL STATEMENTS



Liabilities Pledged to the Bank

In connection with the risk assets and contingent transactions, funds entrusted amounting Euro 245,274,978 and Euro 7,124,279 have been allocated as under pledge to the bank against the assets and contingent items, respectively as of December 31, 2001.

Related Party Transactions

A number of transactions have been facilitated with group and affiliated companies on an arm's length basis in the normal course of the business. These transactions include loans, deposits, letters of credit, bills discounted, reverse-repos, and letters of guarantee and were carried out on commercial terms at market rates.

Concentration of Credit Risks

The loans and advances to the private sector, letters of guarantee and import letters of credit issued on behalf of the customers amount to Euro 396,463,227 of which credit risk of Euro 234,598,730 is secured in the form of cash collateral and credit risk of Euro 78,231,596 relates to loans granted under security resale agreements. The loans and advances to banks, letters of guarantee and export letters of credit amount to Euro 224,093,342 of which credit risk of Euro 10,177,542 is secured in the form of cash collateral. The Bank also received letters of guarantee from other banks amounting to Euro 391,900. The breakdown of banks, loans and advances and contingent liabilities by concentration of geographical regions is as follows:

	2001		2000	
Turkey	347,671,072	56.0%	425,146,870	84.9%
The Netherlands	26,443,326	4.3%	15,572,373	3.2%
Other	246,442,171	39.7%	59,800,599	11.9%
	620,556,569	100%	500,519,842	100%

Industry distribution of loans and advances to private sector, letters of guarantee and import letters of credit issued on behalf of the customers is as follows:

	2001		2000	
Trade Companies	110,713,448	27.9%	45,771,348	13.1%
Electric	61,489,314	15.6%	76,889,942	22.1%
Wood and Paper Products	46,688,572	11.8%	36,760,918	10.5%
Pharmaceuticals and Chemicals	31,896,328	8.0%	22,903,439	6.6%
Textiles	31,275,545	7.9%	23,661,126	6.8%
Petroleum	17,022,525	4.3%	-	0.0%
Metals and Metallurgy	15,981,876	4.0%	83,189,958	23.9%
Transportation	13,505,598	3.4%	1,938,402	0.6%
Investment Companies	11,986,882	3.0%	11,845,789	3.4%
Construction and Side Industries	9,527,776	2.4%	9,745,392	2.8%
Factoring	8,532,370	2.2%	1,476,761	0.4%
Private persons	7,745,632	2.0%	6,784,407	1.9%
Automotive	6,379,666	1.6%	2,087,486	0.6%
Financial Services	5,654,190	1.4%	-	0.0%
Agriculture and Fertilizers	5,532,837	1.4%	1,292,537	0.4%
Others	12,530,668	3.1%	24,139,714	6.9%
	396,463,227	100.0%	348,487,219	100.0%

THE ECONOMY BANK N.V.
NOTES TO THE FINANCIAL STATEMENTS



Foreign Currency

As at December 31, 2001 the total Euro equivalent of assets denominated in foreign currencies amounts to Euro 559,773,115 (2000 Euro 446,184,427), and the total equivalent of liabilities denominated in foreign currencies is Euro 552,241,372 (2000 Euro 434,532,260). All currencies fixed to the Euro are classified as local currencies.

Maturity Distribution

As at December 31, 2001, the maturity distribution of risk assets and liabilities is as follows:

Assets	Up to 3 Months	3 to 12 Months	1 to 5 Years	Longer than 5 Years	Total
Banks	180,162,976	33,066,910	4,523,352	-	217,753,238
Loans and Advances to Customers	152,689,588	179,193,829	39,891,079	-	371,774,496
Total	332,852,564	212,260,739	44,414,431	-	589,527,734

Liabilities	Up to 3 Months	3 to 12 Months	1 to 5 Years	Longer than 5 Years	Total
Banks	117,879,013	184,065	-	-	118,063,078
Funds Entrusted	242,924,786	151,565,646	45,822,080	-	440,312,512
Total	360,803,799	151,749,711	45,822,080	-	558,375,590

Fair Value of Financial Instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The assets and liabilities of The Economy Bank N.V. mainly consist of financial instruments. The interest period of most financial instruments is remaining within one year as at December 31, 2001 and 2000. For most of the financial instruments market values are not available, therefore fair values of financial instruments are calculated through their amortized costs, using internal rates of return. The impact of the fair value adjustment to the own funds would be a decrease of Euro 87,116 from the other reserves, net of deferred taxes (Euro 134,024 before deferred taxes), if it had been booked to the annual accounts.

Solvency Ratio

The solvency ratio of the Bank is 29% and 30% as of December 31, 2001 and 2000, respectively.

The solvency ratio, calculated in accordance with the new directive of DNB, which is applicable starting from December 31, 2000 and requiring the inclusion of an additional country risk exposure, is 14% and 15% as of December 31, 2001 and 2000.

When the solvency ratio as of December 31, 2000 is calculated, the reversal effect of country risk provision on the retained earnings is neutralized and the retained earnings as of December 31, 2000 is calculated such that the directive of DNB on the country risk provision was not amended.

Own funds of the Bank consist of only Tier-1 capital amounting Euro 35,127,602 (2000 Euro 29,472,098).

Income Statement

Interest

This item includes interest income from loans and advances, placements and interest expenses on funds entrusted and borrowed. The foreign exchange loss incurred by the Turkish lira placements is classified in "Results on Financial Transactions".

THE ECONOMY BANK N.V.
NOTES TO THE FINANCIAL STATEMENTS



Commission

This includes the income from domestic and international payments, income received through the letters of credit and letters of guarantee issued or confirmed by the bank, and the private banking service commissions. Commissions generated from trade finance transactions and payments amount to Euro 3,051,562 and commissions generated from brokerage and other banking services amount to Euro 1,654,978.

Result on Financial Transactions

The breakdown of the result on financial transactions is as follows:

	2001	2000
Forfeiting Income	108,841	186,053
Securities Trading Income/(Loss)	(16,374)	418,249
Foreign Exchange Gain/(Loss)	(329,918)	(1,780,800)
	(237,451)	(1,176,498)

Other Income

This item consists of the income realized through the reversal of taxation reserve surplus booked for the previous year.

Staff Costs

The breakdown of the staff costs is as follows:

	2001	2000
Salaries and Bonuses	2,035,102	1,752,141
Pension Expenses	20,053	17,130
Social Security Contributions	54,323	44,545
Others	94,585	94,452
	2,204,063	1,908,268

The average number of employees for the year of 2001 is 28 (2000 is 24). The number of personnel employed in The Netherlands is 26 and 2 personnel are employed in Turkey. The remuneration of members of the Supervisory Board and Management Board amounted to Euro 30,411 (2000 Euro 3,196) and Euro 660,696 (2000 Euro 635,160), respectively.

Other Administrative Expenses

This item includes office overheads, automation costs and other general expenses.

Depreciation

This item is made up of depreciation of equipment.

Value Adjustment to Receivables

Due to the change in the country risk policy of DNB, the country risk provision, which was presented as value adjustment to receivables at the annual accounts of 1999, is reversed as of December 31, 2000.

There is no country risk provision booked in the annual accounts of 2001 in accordance with the regulations of DNB.

The breakdown of the value adjustments to receivables, which are reversed as of December 31, 2000, is as follows:

	2001	2000
Banks	-	2,601,489
Loans and Advances to Private Sector	-	356,768
Interest-bearing Securities	-	89,187
	-	3,047,444

THE ECONOMY BANK N.V.
NOTES TO THE FINANCIAL STATEMENTS

Transfer to Fund for General Banking Risks

This item comprises movements in the fund for general banking risks in order to maintain the fund, at the required level.

Taxation on Operating Result

The effective tax rate of the Bank is 35%, which does not differ materially from the nominal tax rate.

Supplementary Information

The Articles of Association with respect to Profit Appropriation

Profit is appropriated in accordance with the article 31 of the articles of association. The main stipulations governed in this are as follows:

- The profits shall be at the disposal of the general shareholders meeting
- Dividends may be paid only up to an amount, which does not exceed the amount of the distributable part of the net assets.
- Dividends shall be paid after adoption of the annual amounts from which it appears that payment of dividends is permissible.

Proposed Profit Appropriation

Appropriation of net profit pursuant to article 31 of the articles of association is as follows:

Additions to Other Reserves	5,655,504
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AUDITORS' REPORT

Introduction

We have audited the financial statements of The Economy Bank N.V., Amsterdam for the year 2001. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with auditing standards generally accepted in The Netherlands. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the company as at December 31, 2001 and of the result for the year then ended in accordance with accounting principles generally accepted in The Netherlands and comply with the financial reporting requirements included in Part 9, Book 2 of The Netherlands Civil Code.

Deloitte & Touche Accountants
Amsterdam, August 1, 2002

TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED FINANCIAL STATEMENTS



The attached financial statements have been extracted from the
2001 Annual Report of Türk Ekonomi Bankası A.Ş.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2001 AND 2000
(Currency - Billions of Turkish lira in equivalent purchasing power at December 31, 2001)



ASSETS	December 31, 2001	December 31, 2000
CASH AND CURRENT ACCOUNTS WITH BANKS	149,120	114,067
CALL AND TIME DEPOSITS WITH BANKS	407,043	665,564
INTERBANK FUNDS SOLD	515,473	344,776
FUNDS LENT UNDER SECURITIES RESALE AGREEMENTS	100,419	45,293
RESERVE DEPOSITS AT CENTRAL BANK	101,255	79,836
MARKETABLE SECURITIES	161,990	198,665
LOANS, net	935,765	880,035
LEASE CONTRACTS RECEIVABLES, net	47,264	74,956
FACTORING RECEIVABLES, net	40,902	84,915
DERIVATIVE FINANCIAL INSTRUMENT ASSETS	509	33,128
OTHER ASSETS	19,247	23,770
EQUITY PARTICIPATIONS, net	1,010	2,875
PREMISES AND EQUIPMENT, net	33,788	35,747
TOTAL ASSETS	2,513,785	2,583,627

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2001 AND 2000
(Currency - Billions of Turkish lira in equivalent purchasing power at December 31, 2001)

LIABILITIES AND SHAREHOLDERS' EQUITY	December 31, 2001	December 31, 2000
DEPOSITS		
Demand	314,956	131,041
Time	1,324,928	1,139,885
Total deposits	1,639,884	1,270,926
FUNDS BORROWED		
Local banks	29,082	47,774
Foreign banks	334,726	801,266
Under securities repurchase agreements	203,054	76,406
PROMISSORY NOTES, net	5,407	11,884
INTERBANK FUNDS BORROWED	-	1,509
DERIVATIVE FINANCIAL INSTRUMENT LIABILITIES	415	44,868
OTHER LIABILITIES	94,939	73,427
TAXES PAYABLE:		
Taxes on income	12,122	5,958
Other taxes	5,535	6,943
Deferred income tax	2,991	18,012
Total liabilities	2,328,155	2,358,973
MINORITY INTEREST PAYABLE	7,908	13,121
SHAREHOLDERS' EQUITY:		
Share capital	352,095	352,095
Transfers to share capital	(220,825)	(220,825)
Retained earnings	80,394	60,933
Other reserves	5,083	(311)
Current year net income/(loss)	(39,025)	19,641
Total shareholders' equity	177,722	211,533
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,513,785	2,583,627
CONTINGENCIES AND COMMITMENTS		
Guarantees given	630,724	759,460
	630,724	759,460

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF INCOME FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000
(Currency - Billions of Turkish lira in equivalent purchasing power at December 31, 2001)

	2001	2000
INTEREST INCOME:		
Interest on loans	195,157	141,136
Fees and commissions on loans	5,518	940
Interest on marketable securities, net	61,947	82,873
Interest on deposits with banks	184,974	188,235
Other interest income	70,682	61,055
	518,278	474,239
INTEREST EXPENSE:		
Interest on funds borrowed	(113,334)	(72,371)
Interest on local currency deposits	(130,159)	(38,907)
Interest on foreign currency deposits	(124,972)	(90,882)
Other interest expense	(222)	(1,964)
	(368,687)	(204,124)
Net interest income	149,591	270,115
PROVISION FOR POSSIBLE LOAN LOSSES	(7,042)	(5,559)
Net interest income after provision for possible loan losses	142,549	264,556
FOREIGN EXCHANGE LOSS, NET	(29,703)	(77,096)
OTHER OPERATING INCOME:		
Income from banking services	25,723	41,894
Marketable securities trading income, net	18,336	12,737
Other income	31,950	17,926
	76,009	72,557
OTHER OPERATING EXPENSES:		
Salaries and employee benefits	(48,389)	(67,008)
Administration and other expenses	(59,473)	(65,369)
Taxation other than on income	(13,110)	(26,923)
Depreciation and amortization	(10,406)	(9,459)
	(131,378)	(168,759)
Income before provision for income tax, minority interest and monetary loss	57,477	91,258
PROVISION FOR INCOME TAX	(13,893)	(27,311)
Income before minority interest and monetary loss	43,584	63,947
MINORITY INTEREST	5,196	(6,103)
Income before monetary loss	48,780	57,844
MONETARY LOSS	(87,805)	(38,203)
Net income/(loss)	(39,025)	19,641
Earnings/(loss) per share (in full TL)	(354)	188
Weighted average number of shares outstanding (in billions)	110.25	104.54

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000
(Currency - Billions of Turkish lira in equivalent purchasing power at December 31, 2001)

	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Income before provision for income tax, minority interest and monetary loss	57,477	91,258
Adjustments for:		
Monetary gain/loss, net	(85,033)	(5,460)
Depreciation and amortization	10,406	9,459
Provision for loan impairment	7,042	5,559
Provision for retirement pay, net	1,121	1,084
Provision for decline in value of marketable securities	52	-
Operating profit before changes in operating assets and liabilities	(8,935)	101,900
Net increase/(decrease) in funds borrowed from banks	(486,742)	322,124
Net increase/(decrease) in discounted promisory notes	(6,477)	11,884
Net (increase)/decrease in loans	(55,283)	(330,390)
Net increase/(decrease) in deposits	368,958	234,451
Net (increase)/decrease in interbank funds sold	(170,697)	(301,176)
Net (increase)/decrease in call and time deposits with banks	258,521	41,606
Net (increase)/decrease in reserve deposits at Central Bank	(21,419)	(3,478)
Net (increase)/decrease in lease receivables	27,692	(25,304)
Net (increase) in factoring receivables	44,013	(34,252)
Net (increase)/decrease in marketable securities	36,675	262,964
Net (increase)/decrease in funds lent under reverse repurchase agreements	(55,126)	(24,651)
Net increase/(decrease) in funds borrowed under securities repurchase agreements	126,648	(193,340)
Net (increase)/decrease in derivative financial assets	32,619	-
Net increase/(decrease) in derivative financial liabilities	(44,453)	-
Net increase/(decrease) in other assets and liabilities	26,037	4,934
Income taxes paid	(24,940)	(53,319)
Net cash provided by/(used in) operating activities	56,026	(87,947)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investment securities	-	254,437
Purchase of investment securities	-	(293,822)
Purchases of premises and equipment	(9,228)	(19,905)
Disposals of premises and equipment	611	2,880
Decrease in equity participations due to the change of consolidation structure	1,675	1,416
Net cash (used in) investing activities	(6,942)	(54,994)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Share capital cash increase	-	45,579
Effects of consolidation	117	(837)
Net increase/(decrease) in minority interest payable	(5,213)	(807)
Net cash provided by/(used in) financing activities	(5,096)	43,935
NET INCREASE/(DECREASE) IN CASH AND DUE FROM BANKS	35,053	2,894
CASH AND DUE FROM BANKS AT BEGINNING OF THE YEAR	114,067	111,173
CASH AND DUE FROM BANKS AT END OF THE YEAR	149,120	114,067
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
a) The cash paid by the Bank for interest and income taxes and the cash received as interest during the years ended December 31, 2001 and 2000 were as follows:		
Interest paid	455,243	113,336
Interest received	609,550	429,934
b) For purposes of the statements of cash flows, the Bank considers cash on hand and current accounts with banks as cash and cash equivalents.		
Cash and cash equivalents as previously reported in historical terms	60,481	83,778
Effect of restatement	53,586	27,395
Cash and cash equivalents as restated	114,067	111,173

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY FOR THE YEARS ENDED
DECEMBER 31, 2001 AND 2000

(Currency - Billions of Turkish lira in equivalent purchasing power at December 31, 2001)

	Total	Share Capital (*)	Adjustment to Share Capital	Legal and General Reserves/ (Accumulated Deficit) Net of Transfers to Share Capital	Other Reserves	Current Year Net Income/ (Loss)
Balances, December 31, 1999	149,817	22,000	63,690	24,503	-	39,624
Restatement effect of share capital	-	-	193,528	(193,528)	-	-
Restatement effect of fixed assets	(1,586)	-	-	(1,586)	-	-
Balances, December 31, 1999 as restated	148,231	22,000	257,218	(170,611)	-	39,624
Transfers to legal and general reserves	-	-	-	39,624	-	(39,624)
Share capital increase	45,649	33,125	39,752	(27,228)	-	-
Cash	5,680	2,500	3,180	-	-	-
Retained earnings	-	13,034	14,194	(27,228)	-	-
Emission premium	39,969	17,591	22,378	-	-	-
Effect of change in the consolidation structure	(837)	-	-	(837)	-	-
Foreign currency translation adjustment	(311)	-	-	-	(311)	-
Provision for general banking risks	(840)	-	-	(840)	-	-
Current year net income	19,641	-	-	-	-	19,641
Balances, December 31, 2000	211,533	55,125	296,970	(159,892)	(311)	19,641
Transfers to legal and general reserves	-	-	-	19,641	-	(19,641)
Effect of change in the consolidation structure	117	-	-	117	-	-
Foreign currency translation adjustment	4,256	-	-	-	4,256	-
Current year net income	(39,025)	-	-	-	-	(39,025)
Provision for general banking risks	841	-	-	(297)	1,138	-
Balances, December 31, 2001	177,722	55,125	296,970	(140,431)	5,083	(39,025)

(*) Share capital represents statutory historical paid-in capital.

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