**FİNANS FİNANSAL KİRALAMA ANONİM ŞİRKETİ**

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2010

To the Board of Directors of
Finans Finansal Kiralama Anonim Şirketi
Istanbul

## INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of Finans Finansal Kiralama Anonim Şirketi ("the Company") which comprise the balance sheet as at December 31, 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended December 31, 2010, and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects the financial position of Finans Finansal Kiralama Anonim Şirketi as of December 31, 2010, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

İstanbul, May 9, 2011

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BALANCE SHEET AS AT DECEMBER 31, 2010
(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

| | Notes | December 31, 2010 | December 31, 2009 |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and cash equivalents | 6 | 642,569 | 333,351 |
| Finance lease receivables | 7 | 918,427 | 963,787 |
| Available for sale investments | 8 | 140 | 61 |
| Derivative financial instruments | 13 | 15 | 314 |
| Property, plant and equipment | 9 | 319 | 402 |
| Intangible assets | 10 | 558 | 512 |
| Other assets | 11 | 19,028 | 16,317 |
| Deferred tax assets | 16 | 26,300 | 27,029 |
| **Total assets** | | **1,607,356** | **1,341,773** |
| **LIABILITIES AND EQUITY** | | | |
| Funds borrowed | 12 | 1,107,925 | 916,891 |
| Trade payables | | 88,444 | 53,847 |
| Advances from customers | | 14,081 | 9,698 |
| Current income tax | 16 | 2,492 | 3,202 |
| Derivative financial instruments | 13 | 700 | 1,302 |
| Other liabilities and provisions | 14 | 3,915 | 4,203 |
| Reserve for employee termination benefits | 15 | 618 | 503 |
| **Total liabilities** | | **1,218,175** | **989,646** |
| **Equity** | | | |
| Share capital | 17 | 159,353 | 159,353 |
| Share premium | | 1,211 | 1,211 |
| Legal reserves | 18 | 18,810 | 16,749 |
| Retained earnings | 18 | 209,807 | 174,814 |
| **Total equity** | | **389,181** | **352,127** |
| **Total liabilities and equity** | | **1,607,356** | **1,341,773** |

The accompanying policies and explanatory notes on pages 5 through 47 form an integral part of the financial statements.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2010
(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

| | Notes | January 1 – December 31, 2010 | January 1 – December 31, 2009 |
|---|---|---|---|
| Interest income from finance leases | | 75,528 | 111,943 |
| **Total income from finance leases** | | **75,528** | **111,943** |
| Finance income | 21 | 278,504 | 324,263 |
| Finance expenses | 21 | (275,784) | (350,044) |
| **Net finance income / (expenses)** | | **2,720** | **(25,781)** |
| (Provision) / recovery for possible lease receivables losses and other receivables | 7 | (11,214) | (40,300) |
| **Income after finance income / (expenses) and provision for possible lease receivables losses and other receivables** | | **67,034** | **45,862** |
| Other operating income / (expenses) | 23 | 4,648 | 4,434 |
| Marketing, general and administrative expenses | 22 | (9,449) | (10,565) |
| Salaries and employee benefits | 22 | (13,428) | (12,754) |
| Depreciation and amortization | 9, 10 | (402) | (391) |
| **Profit from operating activities before income taxes** | | **48,403** | **26,586** |
| Income taxes | 16 | **(11,349)** | **13,683** |
| **Net profit for the year** | | **37,054** | **40,269** |
| **Other comprehensive income** | | **-** | **-** |
| **Total comprehensive income for the year** | | **37,054** | **40,269** |
| Weighted average number of shares (0,01 TRY par value) | | 11,500,000,000 | 11,500,000,000 |
| Earnings per 1 TRY (for full TRY) | 19 | 0.322 | 0.350 |

The accompanying policies and explanatory notes on pages 5 through 47 form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2010
(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

| | Share Capital | Inflation Adjustment to Share Capital | Share Premium | Legal Reserves | Retained Earnings | Total |
|---|---|---|---|---|---|---|
| **At December 31, 2008** | **105,000** | **44,353** | **1,211** | **14,357** | **146,937** | **311,858** |
| Transfer to legal reserves | - | - | - | 2,392 | (2,392) | - |
| Addition to share capital from retained earnings | 10,000 | - | - | - | (10,000) | - |
| Total comprehensive income for the year | - | - | - | - | 40,269 | 40,269 |
| **At December 31, 2009** | **115,000** | **44,353** | **1,211** | **16,749** | **174,814** | **352,127** |
| Transfer to legal reserves | - | - | - | 2,061 | (2,061) | - |
| Total comprehensive income for the year | - | - | - | - | 37,054 | 37,054 |
| **At December 31, 2010** | **115,000** | **44,353** | **1,211** | **18,810** | **209,807** | **389,181** |

The accompanying policies and explanatory notes on pages 5 through 47 form an integral part of the financial statements.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2010
(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

| | Notes | January 1, December 31, 2010 | January 1, December 31, 2009 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net profit for the year | | 37,054 | 40,269 |
| Adjustments for | | | |
| Depreciation and amortization | 9, 10 | 402 | 391 |
| Provision for employment termination benefits | 15 | 173 | 111 |
| Provision for unused vacation pay accrual | 14 | 209 | 209 |
| Provision and reversal of bonus accruals | 14 | 947 | 1,355 |
| Fair value (gain) / loss on derivative transactions | | (303) | 15 |
| Reserve for impairment of finance lease receivables | 7 | 11,214 | 40,300 |
| Unrealized foreign exchange losses | | 1,910 | 116 |
| Investment revenue recognized in profit and loss | 21 | (29,286) | (23,013) |
| (Income)/loss from available for sale investment | | (75) | - |
| Finance cost recognized in profit and loss | 21 | 25,956 | 49,101 |
| Corporate tax provision | 16 | 10,620 | 13,346 |
| Deferred tax charge / (benefit) | 16 | 729 | (27,029) |
| **Operating profit before changes in net operating assets and liabilities** | | **59,550** | **95,171** |
| Purchases of assets to be leased | | (383,571) | (96,919) |
| Principal payments received under leases | | 407,232 | 413,292 |
| Net increase in receivables from lease payments outstanding and other receivables | | (11,742) | (21,955) |
| Net (increase) / decrease in other assets | | (2,711) | 14,862 |
| Net increase in trade payables | | 34,597 | 12,457 |
| Net increase in advances from customers | | 4,383 | 1,009 |
| Net increase in other liabilities and provisions | | 360 | 58 |
| Income taxes paid | 16 | (11,330) | (10,144) |
| Bonuses paid | 14 | (1,784) | (1,018) |
| Unused vacation paid | 14 | (20) | (15) |
| Retirement benefits paid | 15 | (58) | (20) |
| **Net cash generated from operating activities** | | **94,906** | **406,778** |
| **Cash flows from investing activities** | | | |
| Purchases of furniture and equipment | 9 | (124) | (71) |
| Purchases of intangible assets | 10 | (241) | (161) |
| Purchases of available for sale investments | 8 | (4) | - |
| Interest received from investing activities | | 29,755 | 22,602 |
| **Net cash generated from investing activities** | | **29,386** | **22,370** |
| **Cash flows from financing activities** | | | |
| Proceeds from funds borrowed | | 1,063,408 | 517,280 |
| Repayments of funds borrowed | | (850,648) | (774,664) |
| Interest paid | | (27,365) | (82,658) |
| **Net cash generated from / (used) in financing activities** | | **185,395** | **(340,042)** |
| Net increase in cash and cash equivalents | | 309,687 | 89,106 |
| Cash and cash equivalents at the beginning of year | 6 | 331,066 | 241,960 |
| **Cash and cash equivalents at the end of year** | 6 | **640,753** | **331,066** |

The accompanying policies and explanatory notes on pages 5 through 47 form an integral part of the financial statements.

## 1. Corporate information

### General

Finans Finansal Kiralama Anonim Şirketi (a Turkish Joint Stock Company – "the Company") was established in İstanbul in March 1990, pursuant to the license obtained from the Undersecretariat of the Treasury and Foreign Trade for the purpose of financial leasing as permitted by the law number 3226.

42.13% (2009 – 42.13%) of the shares of the Company are listed on Istanbul Stock Exchange. The address of the registered office of the Company is Nispetiye Caddesi, Akmerkez B Kulesi, Kat: 10, 34620 Etiler, İstanbul – Turkey.

The Company has a branch operating in Atatürk Havalimanı Free Trade Zone ("FTZ").

The parent of the Company is Finansbank A.Ş. ("Finansbank"), and ultimate parent of the Company is National Bank of Greece S.A ("NBG").

The Company's financial statements for the year ended December 31, 2010 have been approved for issue by the Company's Board of Directors on May 9, 2011.

## 2. Basis of preparation

### 2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are based on the statutory records with adjustments and reclassifications for the purpose of fair presentation in accordance with IFRS.

The Company maintains its books of account and prepares its statutory financial statements in accordance with the regulations on accounting and reporting framework and accounting standards promulgated by Banking Regulation and Supervision Agency ("BRSA"), Turkish Commercial Code, Tax Legislation and Financial Leasing Law.

### 2.2 Basis of measurement

The financial statements have been prepared on an historical cost convention, except for those assets and liabilities measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

### 2.3 Functional and presentation currency

The accompanying financial statements are presented in thousands of Turkish Lira ("TRY"), which is the Company's functional and presentation currency. All financial information presented in TRY is rounded to the nearest digit. Until December 31, 2005, the date at which the Company considers that the qualitative and quantitative characteristics necessitating restatement pursuant to IAS 29 ("Financial Reporting in Hyperinflationary Economies") were no longer applicable, the financial statements of these companies were restated for the changes in the general purchasing power of TRY based on IAS 29, which requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the balance sheet date and the corresponding figures for previous periods be restated in the same terms.

## 2. Basis of preparation *(continued)*

### 2.4 Adoption of new and revised standards

Standards and interpretations that are implemented in the financial statements but had no effect on reported amounts are explained below.

<u>Standards, amendments and interpretations to existing standards effective in 2010 but not relevant to the Company</u>

The following new and revised IFRSs have been adopted in these financial statements. The application of these new and revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

IFRIC 17, "Distributions of non-cash assets to owners", effective for annual periods beginning on or after 1 July 2009. This is not currently applicable to the Company, as it has not made any non-cash distributions.

IFRIC 18, "Transfers of assets from customers", effective for transfer of assets received on or after 1 July 2009. This is not relevant to the Company, as it has not received any assets from customers.

"Additional exemptions for first-time adopters" (Amendment to IFRS 1) was issued in July 2009. The amendments are required to be applied for annual periods beginning on or after 1 January 2010. This is not relevant to the Company, as it is an existing IFRS preparer.

IFRS 2, "Share-based Payments – Group Cash-settled Share Payment Arrangements" is effective for annual periods beginning on or after 1 January 2010. This is not currently applicable to the Company, as the Company does not have share-based payment plans.

Amendments to IFRS 5 Non-current Assets Held for Sale and Discontinued Operations (as part of Improvements to IFRSs issued in 2008) clarify that all the assets and liabilities of a subsidiary should be classified as held for sale when the Company is committed to a sale plan involving loss of control of that subsidiary, regardless of whether the Company will retain a non-controlling interest in the subsidiary after the sale. This is not relevant to the Company, as it has no subsidiary.

*IFRS 3 (revised in 2008) Business Combinations*

IFRS 3 (revised), "Business Combinations" and consequential amendments to IAS 27, "Consolidated and separate financial statements", IAS 28, "Investments in associates", and IAS 31, "Interests in joint ventures", are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. The main impact of the adoption is as follows:

a) to allow a choice on a transaction-by-transaction basis for the measurement of non-controlling interests (previously referred to as 'minority' interests) either at fair value or at the non-controlling interests' share of the fair value of the identifiable net assets of the acquire.
b) to change the recognition and subsequent accounting requirements for contingent consideration.
c) to require that acquisition-related costs be accounted for separately from the business combination, generally leading to those costs being recognized as an expense in profit or loss as incurred.
d) in step acquisitions, previously held interests are to be remeasured to fair value at the date of the subsequent acquisition with the value included in goodwill calculation. Gain or loss arising from the re-measurement shall be recognized as part of profit or loss.
e) IFRS 3 (2008) requires the recognition of a settlement gain or loss when the business combination in effect settles a pre-existing relationship between the Company and the acquiree.

This is not relevant to the Company, as it has no subsidiary.

## 2. Basis of preparation *(continued)*

### 2.4 Adoption of new and revised standards *(continued)*

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

*IAS 27 (revised in 2008) Consolidated and Separate Financial Statements*

Specifically, the revised standard has affected the accounting policies regarding changes in ownership interests in the subsidiaries that do not result in loss of control. In prior years, in the absence of specific requirements in IFRSs, increases in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised, when appropriate; for decreases in interests in existing subsidiaries that did not involve a loss of control, the difference between the consideration received and the adjustment to the non-controlling interests was recognised in profit or loss. Under IAS 27(2008), all such increases or decreases are dealt with in equity, with no impact on goodwill or profit or loss.

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, the revised standard requires to derecognise all assets, liabilities and non-controlling interests at their carrying amount and to recognise the fair value of the consideration received. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. The resulting difference is recognised as a gain or loss in profit or loss.

This is not relevant to the Company, as it has no subsidiary.

*IAS 28 (revised in 2008) Investments in Associates*

The principle adopted under IAS 27(2008) (see above) that a loss of control is recognised as a disposal and re-acquisition of any retained interest at fair value is extended by consequential amendments to IAS 28. Therefore, when significant influence over an associate is lost, the investor measures any investment retained in the former associate at fair value, with any consequential gain or loss recognised in profit or loss.

As part of Improvements to IFRSs issued in 2010, IAS 28(2008) has been amended to clarify that the amendments to IAS 28 regarding transactions where the investor loses significant influence over an associate should be applied prospectively.

This is not relevant to the Company, as it has no investments in associates.

Improvements to International Financial Reporting Standards 2009 were issued in April 2009. The improvements cover 12 main standards/intepretations as follows: IFRS 2 Share-based Payments, IFRS 8 Operating Segments, IAS 1 Presentation of Financial Statements, IAS 17 Leases, IAS 18 Revenue, IAS 36 Impairment of Assets, IAS 38 Intangible Assets, IAS 39 Financial Instruments: Recognition and Measurement, IFRIC 9 Reassessment of Embedded Derivatives, IFRIC 16 Hedges of Net Investment in a Foreign Operation. The effective dates vary standard by standard but most are effective 1 January 2010.

## 2. Basis of preparation *(continued)*

### 2.4 Adoption of new and revised standards *(continued)*

<u>New and Revised IFRSs in issue but not yet effective</u>

*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.

On 20 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.
- 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 Company, 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 Company has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

*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 Company 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 Company has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

## 2. Basis of preparation *(continued)*

### 2.4 Adoption of new and revised standards *(continued)*

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

*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. The Company has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

*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. The Company has not yet had an opportunity to consider the potential impact of the adoption of this amendment to the standard.

*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. The Company does not expect any impact of the adoption of this amendment on the financial statements.

*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. The Company has not yet had an opportunity to consider the potential impact of the adoption of this amendment to the standard.

*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 7 main standards/intepretations as follow: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 3 Business Combinations; IFRS 7 Financial Instruments: Disclosures; 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. Early adoption of these amendments are allowed. The Company has not yet had an opportunity to consider the potential impact of the adoption of these amendments to the standards.

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 2. Basis of preparation *(continued)*

### 2.5 Significant accounting judgments and estimates

The preparation of the financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and the significant judgments (apart from those involving estimations) with the most significant effect on amounts recognized in the financial statements are discussed in the relevant sections of the note below; where particulars for Impairment of Financial Assets, Finance Lease Receivables, Employee Termination Benefits, Income Taxes are disclosed.

## 3. Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the accompanying financial statements.

### 3.1 Foreign currency translation

Transactions in foreign currencies are translated at the foreign exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are converted into TRY at the exchange rates ruling at balance sheet date with the resulting exchange differences recognized in the income statement as foreign exchange gain or loss. Gains and losses arising from foreign currency transactions are reflected in the income statement as realized during the course of the period.

Foreign currency translation rates used by the Company as of respective year-ends are as follows:

| **Dates** | **EUR / TRY (Full TRY)** | **USD / TRY (Full TRY)** |
|---|---|---|
| December 31, 2009 | 2.1603 | 1.5057 |
| December 31, 2010 | 2.0491 | 1.5460 |

## 3. Summary of significant accounting policies *(continued)*

### 3.2 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets, which is 5 years.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.

The carrying values of tangible assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets of cash generating units are written down to their recoverable amount. The recoverable amount is defined as the amount that is the higher of the asset's fair value less costs to sell and value in use. Impairment losses are recognized in the income statement.

An item of tangible is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognized.

### 3.3 Intangible assets

Intangible assets represent computer software licences and rights. Intangible assets are carried at cost, less accumulated amortisation, and impairment losses. Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

### 3.4 Financial instruments

**Non-derivative financial instruments**

Non-derivative financial instruments comprise financial assets and financial liabilities that are recognized in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

## 3. Summary of significant accounting policies *(continued)*

### 3.4 Financial instruments *(continued)*

**Non-derivative financial instruments** *(continued)*

*Cash and cash equivalents* comprise cash balances, demand and time deposits with an original maturity of three months or less.

Investments are recognized and derecognized on a trade date where the purchase or sale of an investment under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets as ‘at fair value through profit or loss’ (FVTPL), ‘held-to-maturity investments’, ‘available-for-sale’ (AFS) financial assets and ‘loans and receivables’.

Financial assets at fair value through profit or loss:

Financial assets are classified as financial assets at fair value through profit or loss where the Company acquires the financial asset principally for the purpose of selling in the near term, the financial asset is a part of an identified portfolio of financial instruments that the Company manages together and has a recent actual pattern of short term profit taking as well as derivatives that are not designated as effective hedging instruments. A gain or loss from valuation of a financial asset classified as at fair value through profit or loss shall be recognized in profit or loss. Net gain / loss recognized in profit or loss includes interest and dividend income earned on the financial asset.

Effective interest rate method:

The effective interest rate method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or where appropriate a shorter period.

Held to maturity and available for sale debt instruments and profit from financial assets classified as loans and receivables are recognized in income by using the effective interest rate method.

Held-to-maturity investments:

Policies and bonds with fixed or determinable payments and fixed maturity where the Company both has the intention of and the ability to hold to maturity are classified as held-to-maturity. Held-to-maturity investments are recognized at amortized cost using the effective interest method, less any impairment in value.

As at balance sheet date, the Company has no held-to-maturity investments.

## 3. Summary of significant accounting policies *(continued)*

### 3.4 Financial instruments *(continued)*

**Non-derivative financial instruments** *(continued)*

Available for sale financial assets:

The Company has investments in unquoted equity investments that are not traded in an active market but are classified as available-for-sale financial assets and stated at cost since their value cannot be reliably measured. Gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated in the investments revaluation reserve with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognized in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available for sale equity instruments are recognized in profit and loss when the Company has the right to receive any payment.

The fair value of available for sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the prevailing exchange rate at the reporting date. The change in fair value attributable to translation differences that result from a change in amortized cost of the asset is recognized in profit or loss, and other changes are recognized in equity.

Finance lease receivables and other receivables are carried at fair value at initial recognition and they are carried at amortized cost subsequent to initial recognition, using the effective interest method. Provision for doubtful finance lease receivables and other receivables are recognized as an expense and written off against the profit for the year. Provision for receivables under follow-up is allocated assessing the Company’s loan portfolio, quality and risk and considering the economic conditions and other factors including the related legislation against the potential losses that may be resulted from the current finance lease receivables.

When the Company annuls overdue foreign currency leasing contracts, it converts foreign currency receivables into TRY using the exchange rate at the annulment date and does not evaluate such amounts starting from the annulment date. Since invoice issuance for such receivables is ceased, the Company also ceases its income accrual calculation starting from the annulment date.

*Bank borrowings*

Bank borrowings are recognized initially at cost, net of any transaction costs incurred. Subsequent to initial recognition, bank borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the borrowings.

*Other*

Other non-derivative financial instruments including time deposits are measured at amortized cost using the effective interest method, less any impairment losses.

## 3. Summary of significant accounting policies *(continued)*

### 3.4 Financial instruments *(continued)*

**Derivative financial instruments**

The Company holds derivative financial instruments to economically hedge its foreign currency risk exposure.

Derivatives are recognized initially at fair value; attributable transaction costs are recognised in income statement when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

*Hedge accounting*

Hedge accounting is not applied to derivative instruments that economically hedge monetary assets and liabilities denominated in foreign currencies. Changes in the fair value of such derivatives are recognised in income statement as part of finance (expense) / income.

### 3.5 Offsetting

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

### 3.6 Impairment

**Financial assets**

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

The Company assesses individually whether objective evidence of impairment exists for loans that are considered individually significant and collectively for loans that are not considered individually significant.

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the loans' carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the loan's original effective interest rate.

The calculation of the present value of the estimated future cash flows of a collateralised loan reflects the cash flows that may result from obtaining and selling the collateral, whether or not foreclosure is probable.

For the purposes of a collective evaluation of impairment, loans are grouped on the basis of similar credit risk characteristics. Those characteristics are relevant to the estimation of future cash flows for pools of loans by being indicative of the debtors' ability to pay all amounts due and together with historical loss experience for loans with credit risk characteristics similar to those in the pool form the foundation of the loan loss allowance computation. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions.

All impairment losses are recognised in income statement.

## 3. Summary of significant accounting policies *(continued)*

### 3.6 Impairment *(continued)*

**Financial assets** *(continued)*

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets, the reversal is recognised in the income statement.

**Non-financial assets**

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in profit or loss.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 3.7 Employee benefits

**Defined benefit plans**

In accordance with the existing social legislation in Turkey, the Company is required to make certain lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are calculated on the basis of an agreed formula, are subject to certain upper limits and are recognized in the accompanying financial statements as accrued. The reserve has been calculated by estimating the present value of the future obligation of the Company that may arise from the retirement of the employees.

**Defined contribution plans**

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

### 3.8 Leases

**Finance leases**

***(a) The Company as lessor***

The Company classifies leased assets as a receivable equal to the net investment in the lease. Finance income is based on a pattern reflecting a constant periodic rate of return on the net investment outstanding. Initial direct costs are included in the initial measurement of the finance lease receivables and reduce the amount of income recognized over the lease term.

## 3. Summary of significant accounting policies *(continued)*

### 3.8 Leases *(continued)*

**Finance leases** *(continued)*

***(b) The Company as lessee***

Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are charged directly against income. Capitalized leased assets are depreciated over the estimated useful life of the asset.

**Operating leases**

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

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which the termination takes place.

### 3.9 Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### 3.10 Related parties

For the purpose of this report, the shareholders and the ultimate shareholders of the Company, Finansbank and NBG Group of companies, members of the key management personnel of the Company or its parent and the companies controlled by/associated with all of the above are referred to as related parties.

### 3.11 Income and expense recognition

Interest income and expense are recognized in the income statement for all interest bearing instruments on an accrual basis using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

## 3. Summary of significant accounting policies *(continued)*

### 3.12 Income tax

Taxes on income comprise current tax and the change in the deferred taxes. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided, using the balance sheet liability method, on all taxable temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax liabilities and assets are recognized when it is probable that the future economic benefits resulting from the reversal of taxable temporary differences will flow to or from the Company. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deferred tax asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Currently enacted tax rates are used to determine deferred taxes on income.

### 3.13 Earnings per share

Earnings per share presented in the accompanying income statement is determined by dividing net income by the weighted average number of shares in existence during the year concerned.

In Turkey, companies can raise their share capital by distributing “bonus shares” to shareholders from retained earnings. In computing earnings per share, such “bonus share” distributions are treated as issued shares. Accordingly, the retrospective effect for those share distributions is taken into consideration in determining the weighted-average number of shares outstanding used in this computation.

### 3.14 Statement of Cash Flows

The Company prepares its cash flows to inform financial statement users about the changes in Company’s net assets, financial situation and the ability to manage the amount and timing of cash flows in accordance with changes in circumstances.

## 4. Determination of fair values

A number of the Company’s accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price.

The estimated fair values of financial instruments have been determined using available market information by the Company, and where it exists, appropriate valuation methodologies. However, judgement is necessary to interpret market data to determine the estimated fair value. While management has used available market information in estimating the fair values of financial instruments, the market information may not be fully reflective of the value that could be realized in the current circumstances. Fair value has been determined by discounting the relevant cash flows using current interest rates for bank borrowings and finance lease receivables. The carrying amounts of the cash at banks-time, and trade payables approximate their fair values due to their short-term maturities.

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 4. Determination of fair values *(continued)*

The Company utilizes currency forward and interest rate swap derivative instruments. "Currency forwards" represent commitments to purchase or to sell foreign and domestic currency, including undelivered spot transactions. An "interest rate swap" is a derivative in which one party exchanges a stream of interest payments for another party's stream of cash flows. The Company conducts these transactions in order to hedge foreign currency position and manage the fixed or floating assets and liabilities on the balance sheet. The fair values of derivative instruments held at December 31, 2010 and 2009, are disclosed in note 13.

Set out below is a comparison by category of carrying amounts and fair values of the Company's finance lease receivables and funds borrowed that are carried in the financial statements at other than fair values.

| | **Carrying amount** | | **Fair value** | |
|---|---|---|---|---|
| | **2010** | **2009** | **2010** | **2009** |
| **Financial assets** | | | | |
| Finance lease receivables | 918,427 | 963,787 | 949,008 | 1,008,717 |
| **Financial liabilities** | | | | |
| Funds borrowed | 1,107,925 | 916,891 | 1,111,158 | 920,860 |

The fair values of other financial assets and liabilities approximate their carrying values.

The interest used to determine the fair values of lease contracts receivables, applied on the balance sheet date to reflect active market price quotations are as follows:

| | **Interest Rates Applied (%)** | |
|---|---|---|
| | **2010** | **2009** |
| Turkish Lira | 9.68 | 11.19 |
| USD | 3.62 | 4.76 |
| EURO | 4.18 | 4.66 |
| CHF | 7.00 | 7.64 |

Current interest rates are used for each borrowing individually to determine fair values of funds borrowed.

## 5. Segment information

Since the Company operates only in leasing activities and in a single geographical area, segment information is not provided.

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 6. Cash and cash equivalents

The breakdown of cash and cash equivalents is as follows:

| | 2010 | 2009 |
|---|---|---|
| Cash on hand | 28 | 28 |
| Cash at banks | 642,541 | 333,323 |
| **Cash and cash equivalents** | **642,569** | **333,351** |

As of December 31, 2010 and 2009, composition of bank deposit is as follows:

| | 2010 | | | |
|---|---|---|---|---|
| | Amount | | Effective interest rate | |
| | Turkish Lira | Foreign currency | Turkish Lira | Foreign Currency |
| Time deposit | 199,279 | 442,706 | 2.55 – 9.40 | 0.34 – 4.15 |
| Demand deposit | 135 | 421 | - | - |
| **Total** | **199,414** | **443,127** | | |

| | 2009 | | | |
|---|---|---|---|---|
| | Amount | | Effective interest rate | |
| | Turkish Lira | Foreign currency | Turkish Lira | Foreign Currency |
| Time deposit | 192,524 | 139,194 | 7.50 – 10.50 | 1.50 – 3.50 |
| Demand deposit | 299 | 1,306 | - | - |
| **Total** | **192,823** | **140,500** | | |

Cash and cash equivalents as stated in the cash flow statement is as follows:

| | 2010 | 2009 |
|---|---|---|
| Cash on hand | 28 | 28 |
| Cash at banks | 642,541 | 333,323 |
| Interest accrual on time deposits | (1,816) | (2,285) |
| **Cash and cash equivalents as stated in the cash flow statement** | **640,753** | **331,066** |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 7. Finance lease receivables

As of December 31, 2010 and 2009 details of gross investments in finance lease receivables, is as follows:

| | 2010 | 2009 |
|---|---|---|
| Minimum lease payments receivable, gross | 841,627 | 927,703 |
| Finance lease receivables outstanding | 31,146 | 41,942 |
| Others (*) | 6,009 | 6,506 |
| Less: Unearned interest income | (85,441) | (104,802) |
| | 793,341 | 871,349 |
| Equipments to be leased (**) | 86,737 | 51,238 |
| Advances given related with finance leases | 9,385 | 9,723 |
| | 889,463 | 932,310 |
| Impaired finance lease receivables | 90,650 | 91,809 |
| Reserve for impairment | (61,686) | (60,332) |
| **Finance lease receivables** | **918,427** | **963,787** |

(*) Others, consist of insurance receivables from lessees and expenses charged to lessees related to finance lease contracts.

(**) The Company purchases machinery and equipment from foreign and domestic vendors in relation to the finance lease agreements signed in the current year for projects in progress of its customers, which will be completed in the subsequent year. As of December 31, 2010 and 2009, the equipment to be leased balance includes cost of the equipment to be leased as described above together with related expenses.

The maturity profile of long-term net finance lease receivables is as follows;

| | 2010 | 2009 |
|---|---|---|
| 2011 | - | 246,926 |
| 2012 | 225,599 | 134,959 |
| 2013 | 116,288 | 46,458 |
| 2014 | 51,647 | 11,308 |
| 2015 | 18,609 | 3,767 |
| 2016 | 8,468 | 2,488 |
| 2017 | 4,803 | 2,510 |
| 2018 | 1,413 | 875 |
| **Total** | **426,827** | **449,291** |

As of December 31, 2010 effective interest rates for USD, Euro and TRY lease receivables are 7.52%, 7.91% and 16.66%; respectively (2009 – 8.41% for USD, 9.44% for Euro and 26.03% for TRY).

The guarantees received for finance lease receivables are provided in note 24, Financial Risk Management, Credit Risk.

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 7. Finance lease receivables *(continued)*

Movements in the reserve for individual impairment, for the year ending December 31, 2010 and 2009 are as follows:

| | **2010** | **2009** |
|---|---|---|
| Reserve at the beginning of the year | 54,692 | 20,050 |
| Provision | 13,470 | 37,630 |
| Recoveries | (2,237) | (2,970) |
| Receivables written-off | (9,860) | (18) |
| **Reserve at the end of year** | **56,065** | **54,692** |

Movements in the reserve for collective impairment for the year ending December 31, 2010 and 2009 are as follows:

| | **2010** | **2009** |
|---|---|---|
| Reserve for collective impairment at the beginning of the year | 5,640 | - |
| Provision / (recovery) for collective impairment | (19) | 5,640 |
| **Reserve for collective impairment at the end of year** | **5,621** | **5,640** |
| Provision / (recovery) of the reserve for individual impairment | 11,233 | 34,660 |
| Provision / (recovery) of the reserve for collective impairment | (19) | 5,640 |
| **Provision for the year** | **11,214** | **40,300** |

## 8. Available-for-sale investments

| | **2010** | **2009** |
|---|---|---|
| Equity instruments – unlisted | 140 | 61 |
| | **140** | **61** |

Available-for-sale investments at cost represent the Company's equity holdings in the companies, shares of which are not publicly traded. The list of equity instruments is as follows:

| | **2010** | | **2009** | |
|---|---|---|---|---|
| | **Amount** | **Participation-%** | **Amount** | **Participation-%** |
| **Equity instruments - unlisted** | | | | |
| Finans Yatırım Menkul Değerler A.Ş. | 136 | Less than 1 | 61 | Less than 1 |
| Ibtech Uluslararası Bil. Ve İlet. Tekn. Araşt.Gel. Dan.Des.San.Ve Tic. A.Ş. | 4 | Less than 1 | - | - |
| Finans Portföy Yönetimi A.Ş. | <1 | Less than 1 | <1 | Less than 1 |
| | **140** | | **61** | |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 9. Property, plant and equipment

| | Furniture and Equipment | Motor Vehicles | Leasehold Improvements | Total |
|---|---|---|---|---|
| **January 1, 2010, net of accumulated depreciation** | **302** | **-** | **100** | **402** |
| Additions | 105 | | 19 | 124 |
| Depreciation charge for the year | (170) | - | (37) | (207) |
| **At December 31, 2010, net of accumulated depreciation** | **237** | **-** | **82** | **319** |
| **At December 31, 2009** | | | | |
| Cost | 6,232 | 41 | 305 | 6,578 |
| Accumulated depreciation | (5,930) | (41) | (205) | (6,176) |
| **Net carrying amount, at December 31, 2009** | **302** | **-** | **100** | **402** |
| **At December 31, 2010** | | | | |
| Cost | 6,337 | 41 | 324 | 6,702 |
| Accumulated depreciation | (6,100) | (41) | (242) | (6,383) |
| **Net carrying amount, at December 31, 2010** | **237** | **-** | **82** | **319** |

As of December 31, 2010, net carrying value of assets acquired through finance leases amount to TRY 17 (2009 – TRY 92) and consist of vehicles, furniture and equipments.

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 10. Intangible assets

| | Software | Total |
|---|---|---|
| **At January 1, 2010, net of accumulated amortization** | **512** | **512** |
| Additions | 241 | 241 |
| Amortization charge for the year | (195) | (195) |
| **At December 31, 2010, net of accumulated amortization** | **558** | **558** |
| **At December 31, 2009** | | |
| Cost | 1,112 | 1,112 |
| Accumulated amortization | (600) | (600) |
| **Net carrying amount, at December 31, 2009** | **512** | **512** |
| **At December 31, 2010** | | |
| Cost | 1,353 | 1,353 |
| Accumulated amortization | (795) | (795) |
| **Net carrying amount, at December 31, 2010** | **558** | **558** |

## 11. Other assets

| | 2010 | 2009 |
|---|---|---|
| Value Added Tax receivables | 14,604 | 12,207 |
| Prepaid expenses | 4,200 | 3,907 |
| Advances and deposits given | 81 | 71 |
| Other prepaid taxes | 23 | 9 |
| Others | 120 | 123 |
| | **19,028** | **16,317** |

## 12. Funds borrowed

| | | 2010 | | |
|---|---|---|---|---|
| | | **Original Amount ('000 )** | **TRY Equivalent** | **Interest rate (%)** |
| **Short term** | | | **174** | |
| Fixed interest | | | | |
| | TRY | 174 | 174 | - |
| **Medium / Long-term** | | | **1,107,751** | |
| Fixed interest | | | | |
| | EUR | 33,195 | 68,020 | 4.63 |
| | USD | 10,037 | 15,515 | 1.25 |
| Floating interest | | | | |
| | EUR | 362,627 | 743,059 | 1.60 – 4.09 |
| | USD | 181,859 | 281,157 | 1.05 – 5.20 |
| **Total** | | | **1,107,925** | |

| | | 2009 | | |
|---|---|---|---|---|
| | | **Original Amount ('000 )** | **TRY Equivalent** | **Interest rate (%)** |
| **Short term** | | | **148** | |
| Fixed interest | | | | |
| | TRY | 148 | 148 | - |
| **Medium / Long-term** | | | **916,743** | |
| Fixed interest | | | | |
| | EUR | 7,885 | 17,033 | 4.95– 6.19 |
| Floating interest | | | | |
| | EUR | 296,005 | 639,460 | 1.55 – 3.76 |
| | USD | 172,844 | 260,250 | 1.38 – 5.28 |
| **Total** | | | **916,891** | |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 12. Funds borrowed *(continued)*

Repayments of medium/long-term funds borrowed are as follows:

| | 2010 | | 2009 | |
|---|---|---|---|---|
| | **Fixed rate** | **Floating rate** | **Fixed rate** | **Floating rate** |
| 2010 | - | - | 17,033 | 329,719 |
| 2011 | 976 | 514,836 | - | 528,053 |
| 2012 | 9,586 | 160,387 | - | 13,854 |
| 2013 | 19,172 | 309,203 | - | 17,282 |
| 2014 | 20,361 | 36,772 | - | 10,802 |
| 2015 | 21,550 | 3,018 | - | - |
| 2016 | 2,378 | - | - | - |
| 2017 | 2,378 | - | - | - |
| 2018 | 2,378 | - | - | - |
| 2019 | 2,378 | - | - | - |
| 2020 | 2,378 | - | - | - |
| **Total** | **83,535** | **1,024,216** | **17,033** | **899,710** |

The Company has obtained letters of guarantee amounting to TRY 868 and USD 14 Thousand (2009 – TRY 703 and USD 14 Thousand) and submitted to various legal authorities.

Additionally, the shareholder bank has given letter of comfort for the funds borrowed amounting to EUR 10,470 Thousand and USD 1,810 Thousand (2009 – EUR 21,488 Thousand and USD 2,714 Thousand) and letters of guarantee amounting to TRY 25 (2009 – TRY 74) to customs authorities and courts.

## 13. Derivative financial instruments

The fair value of derivative financial instruments is calculated by using Euribor rates for interest rate swap transactions.

The breakdown of derivative financial instruments as of December 31, 2010 and 2009 is as follows:

| **2010** | **Fair value assets** | **Fair value liabilities** | **Notional amount in TRY equivalent** |
|---|---|---|---|
| **Derivatives held for trading** | | | |
| Interest rate swap purchase contracts | 15 | (700) | 3,880 |
| **Total** | **15** | **(700)** | **3,880** |

| **2009** | **Fair value assets** | **Fair value liabilities** | **Notional amount in TRY equivalent** |
|---|---|---|---|
| **Derivatives held for trading** | | | |
| Interest rate swap purchase contracts | 314 | (1,302) | 5,765 |
| **Total** | **314** | **(1,302)** | **5,765** |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 14. Other liabilities and provisions

| | **2010** | **2009** |
|---|---|---|
| Bonus accrual | 2,000 | 2,837 |
| Unused vacation pay accrual | 955 | 766 |
| Taxes and social security premiums payable | 445 | 413 |
| Others | 515 | 187 |
| **Total** | **3,915** | **4,203** |

| Movement for bonus accrual | **2010** | **2009** |
|---|---|---|
| Balance at the beginning of the year | 2,837 | 2,500 |
| Paid during the year | (1,784) | (1,018) |
| Charge for the year | 947 | 1,355 |
| **Balance at the end of the year** | **2,000** | **2,837** |

| Movement for unused vacation pay accrual | **2010** | **2009** |
|---|---|---|
| Balance at the beginning of the year | 766 | 572 |
| Paid during the year | (20) | (15) |
| Charge for the year | 209 | 209 |
| **Balance at the end of the year** | **955** | **766** |

## 15. Reserve for employee termination benefits

In accordance with existing social legislation in Turkey, the Company is required to make lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are calculated on the basis of 30 days' pay, maximum of TRY 2,623.23 in full currency at January 1, 2011 (January 1, 2010 – TRY 2,427.04 in full currency) per year of employment at the rate of pay applicable at the date of retirement or termination. The principal assumption used in the calculation of the total liability is that the maximum liability for each year of service will increase in line with inflation semi-annually.

The liability is not funded, as there is no funding requirement.

As of December 31, 2010 and 2009 retirement pay liability of the Company is accounted based on the actuarial calculations performed by an independent actuary. IAS 19 requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. The reserve has been calculated by estimating the present value of future probable obligation of the Company arising from the retirement of the employees. Accordingly, the following actuarial assumptions were used in the calculation of the following liability by the independent actuary:

| | **2010** | **2009** |
|---|---|---|
| Inflation rate | 5.00% | 4.80% |
| Discount rate | 10.25% | 11.00% |
| Average future working life | 14.49 | 14.40 |
| Rate of compensation increase | 6.50% | 6.30% |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

**15. Reserve for employee termination benefits** *(continued)*

Movements in the reserve for employee termination payments are as follows:

| | **2010** | **2009** |
|---|---|---|
| Balance at the beginning of the year | 503 | 412 |
| Period charge | 173 | 111 |
| Payments during the year | (58) | (20) |
| **Balance at the end of the year** | **618** | **503** |

**16. Income taxes**

**Corporate Tax**

The Company is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Company's results for the years and periods.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

The effective rate of tax in 2010 is 20% (2009 – 20%).

In Turkey, advance tax returns are filed on a quarterly basis. The advance corporate income tax rate in 2010 is 20% (2009 – 20%).

Losses are allowed to be carried 5 years maximum to be deducted from the taxable profit of the following years. Tax carry back is not allowed. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns between 1-25 April following the close of the accounting year to which they relate. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

**Income withholding tax**

In addition to corporate taxes, companies should also calculate income withholding taxes and funds surcharge on any dividends distributed, except for companies receiving dividends who are Turkish residents and Turkish branches of foreign companies. Income withholding tax applied in between 24 April 2003 – 22 July 2006 is 10% and commencing from 23 July 2006, this rate has been changed to 15% upon the Council of Ministers' Resolution No: 2006/10731. Undistributed dividends incorporated in share capital are not subject to income withholding tax.

The application of investment incentives is revoked commencing from 1 January 2006. However, companies were allowed to offset their carried forward outstanding allowances as of 31 December 2005 against the 2006, 2007 and 2008's taxable income in cases where they have sufficient taxable profits. After offsetting from the 2008's taxable income, unused investment incentives cannot be carried forward to following years.

The effective tax rate of the Company as of December 31, 2010 is 20% (2009 – 20%).

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

**16. Income taxes** *(continued)*

| | **2010** | **2009** |
|---|---|---|
| **Tax Provision** | | |
| Current corporate tax provision | (10,620) | (13,346) |
| Less: advance taxes and surcharges | 8,128 | 10,144 |
| | **(2,492)** | **(3,202)** |

| | | |
|---|---|---|
| **Tax income comprises:** | | |
| Current tax charge | (10,620) | (13,346) |
| Deferred tax (charge) / benefit | (729) | 27,029 |
| | **(11,349)** | **13,683** |

**Deferred Tax**

The Company recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for IFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for IFRS and tax purposes and they are given below.

Under IAS 12, which deals with income taxes, deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deferred tax asset can be utilized and deferred tax assets should be reduced to the extent that it is no longer probable that the related tax benefit will be realized.

In accordance with the Constitutional Court’s resolution published in the Official Gazette on 8 January, 2010, time restriction on the deduction of investment incentives from taxable income was revoked. Accordingly, unused investment incentive amount of the Company will be used as a tax deductible item in the tax computation without any time restriction, with the publishment of the resolution of the Constitutional Court. Therefore, deferred tax asset is computed on unused investment allowances at 20% effective tax rate as of December 31, 2010 and 2009.

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

**16. Income taxes** *(continued)*

**Deferred Tax** *(continued)*

The breakdown of deductible and taxable temporary differences as of December 31, 2010 and 2009 is as follows:

| | **2010** | **2009** |
|---|---|---|
| **Deductible temporary differences** | | |
| Tax credits of unused investment incentive allowances | 22,487 | 24,994 |
| Reserve for possible lease receivable losses | 5,359 | 5,068 |
| Bonus accrual | 400 | 567 |
| Unused vacation pay liability | 191 | 153 |
| Expense accruals on derivative transactions | 140 | 260 |
| Employee termination benefit | 124 | 101 |
| | **28,701** | **31,143** |
| **Taxable temporary differences** | | |
| Leasing income accruals | (1,774) | (3,430) |
| Accrued interest income on overdue receivables | (555) | (550) |
| Restatement effect on property, plant and equipment and intangible assets | (53) | (55) |
| Expense accruals on funds borrowed | (16) | (16) |
| Income accruals on derivative transactions | (3) | (63) |
| | **(2,401)** | **(4,114)** |
| **Net deferred tax assets** | **26,300** | **27,029** |

A reconciliation of income tax applicable to profit from operating activities before income tax at the statutory income tax rate to income tax at the Company's effective income tax rate for the years ended December 31, 2010 and 2009 is as follows:

| | **2010** | **2009** |
|---|---|---|
| Profit from operations before tax | 48,403 | 26,586 |
| Tax at the income tax rate of 20% | (9,681) | (5,317) |
| Tax effects of: | | |
| - Deferred tax on unused investment incentive | (2,507) | 24,994 |
| - Revenue that is exempt from taxation | 15,683 | 10,452 |
| - Expenses that are not deductible in determining taxable profit | (20,432) | (18,076) |
| - Investment incentives used | 3,540 | - |
| - Other | 2,048 | 1,630 |
| **Income tax** | **(11,349)** | **13,683** |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 17. Share capital

| | 2010 | 2009 |
|---|---|---|
| Number of common shares (authorized, issued and outstanding) 0.01 TRY par value | 11,500,000,000 | 11,500,000,000 |

In the prior year, the Company increased its share capital by distributing bonus shares amounting to TRY 10,000 in accordance with the resolution of General Assembly held at March 31, 2009. The capital increase is registered on July 2, 2009.

The movement of the share capital (in numbers and in historical TRY) of the Company during 2010 and 2009 is as follows:

| | 2010 | | 2009 | |
|---|---|---|---|---|
| | **Number** | **TRY** | **Number** | **TRY** |
| At January 1 | 11,500,000,000 | 115,000 | 10,500,000,000 | 105,000 |
| Shares issued in: | | | | |
| - transfer from statutory retained earnings | - | - | 1,000,000,000 | 10,000 |
| **At December 31** | **11,500,000,000** | **115,000** | **11,500,000,000** | **115,000** |

As of December 31, 2010 and 2009, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

| | 2010 | | 2009 | |
|---|---|---|---|---|
| | **Amount** | **%** | **Amount** | **%** |
| Finansbank A.Ş. | 58,715 | 51.06 | 58,715 | 51.06 |
| National Bank of Greece S.A | 34,346 | 29.87 | 2,931 | 2.55 |
| Finans Yatırım Menkul Değerler A.Ş. | 15,317 | 13.32 | 9,444 | 8.21 |
| Other | 6,622 | 5.75 | 43,910 | 38.18 |
| **Total in historical TRY** | **115,000** | **100.00** | **115,000** | **100.00** |
| Restatement effect | 44,353 | | 44,353 | |
| **Total** | **159,353** | | **159,353** | |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 18. Legal reserves and retained earnings

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory profits at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's share capital. The first and second legal reserves are not available for distribution unless they exceed 50% of the share capital, but may be used to absorb losses in the event that the general reserve is exhausted.

The statutory accumulated profits and statutory current year profit are available for distribution, subject to the reserve requirements referred to above and the Capital Markets Board ("CMB") regulations regarding profit distribution.

According to the General Assemblies held on March 23, 2011 and March 31, 2010, the Company has resolved to retain the profit of the years 2010 and 2009 as retained earnings after appropriating legal reserve.

**Dividends**

Public companies pay dividends according to the CMB Standards as explained below:

In accordance with the CMB Decree issued as of 27 January 2010, in relation to the profit distribution of earnings derived from the operations in 2010 and 2009, minimum profit distribution is not required for listed companies, and accordingly, profit distribution should be made based on the requirements set out in the Board's Communiqué Serial:IV, No: 27 "Principles of Dividend Advance Distribution of Companies That Are Subject To The CMB Regulations", terms of articles of corporations and profit distribution policies publicly disclosed by the companies.

## 19. Earnings per share

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

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("Bonus Shares") to existing shareholders without consideration for amounts resolved to be transferred to share capital from retained earnings and revaluation surplus. For the purpose of the EPS calculation, such Bonus Share issues are regarded as stock dividends. Dividend payments, which are immediately reinvested in the shares of the Company, are regarded similarly. Accordingly, the weighted average number of shares used in EPS calculation is derived by giving retroactive effect to the issue of such shares without consideration through December 31, 2010.

The following reflects the income and share data used in the basic earnings per share computations:

| | **2010** | **2009** |
|---|---|---|
| Net profit attributable to ordinary equity holders of the parent for basic earnings per share | 37,054 | 40,269 |
| Weighted average number of ordinary shares for basic earnings per share (0,01 TRY par value) | 11,500,000,000 | 11,500,000,000 |
| Basic earnings per 1 TRY share | 0.322 | 0.350 |

Capital increase is financed through internal sources and prior year earnings per share figure is revised by using the number of shares subsequent to the capital increase.

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 20. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making the operating decisions. The Company is controlled by Finansbank A.Ş., which owns 51.06% (2009 – 51.06%) of ordinary shares. The ultimate owner of the Company is NBG, which also owns 29.87% (2009- 2.55%) of ordinary shares. For the purpose of these financial statements, associates, shareholders and affiliated companies are referred to as related parties. Related parties also include individuals that are principal owners, management and members of the Company's Board of Directors and their families.

(a) Balances outstanding and other transactions with the shareholder bank:

| | 2010 | 2009 |
|---|---|---|
| **Balances outstanding** | | |
| Cash and cash equivalents | 326,949 | 259,664 |
| Finance lease receivables | 199 | 4,957 |
| Advances from customers | 100 | 17 |
| Trade payables and other liabilities | 79 | - |
| **Transactions** | | |
| Interest income on bank deposits | 10,736 | 5,983 |
| Interest expense | 482 | 174 |
| Other administrative expenses | 150 | - |
| Income from finance leases | 97 | 1,320 |
| Rent expense | 93 | 106 |
| Commissions paid | 16 | 72 |
| Loss on derivative transactions | - | 68 |

Additionally, the shareholder bank has given letter of comfort for the funds borrowed amounting to EUR 10,470 Thousand and USD 1,810 Thousand (2009 – EUR 21,488 Thousand and USD 2,714 Thousand) and letters of guarantee amounting to TRY 25 (2009 – TRY 74) to customs authorities and courts.

(b) Balances outstanding and other transactions with NBG:

| | 2010 | 2009 |
|---|---|---|
| **Balances outstanding** | | |
| Funds borrowed | 958,926 | 782,687 |

| | 2010 | 2009 |
|---|---|---|
| **Transactions** | | |
| Interest expense | 17,008 | 28,392 |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 20. Related party transactions *(continued)*

(c) Balances outstanding and other transactions with other related parties:

| | **2010** | **2009** |
|---|---|---|
| **Balances Outstanding** | | |
| Cash and cash equivalents | 45,776 | 53,124 |
| Fair value loss on derivative transactions | 700 | 1,302 |
| Fair value gain on derivative transactions | 15 | 314 |
| Finance lease receivables | 2 | 646 |
| Advances from customers | 2 | 3 |
| Trade payables and other liabilities | - | 2,273 |
| **Transactions** | | |
| Interest income on bank deposits | 11,405 | 11,608 |
| Loss on derivative transactions | 766 | 269 |
| Rent expense | 681 | 659 |
| Staff costs | 25 | 16 |
| Other operating income / (expenses) | 5 | 2 |
| Insurance agency commission income | - | 1,268 |
| Income from finance leases | - | 98 |

(d) In 2010, compensation of the key management personnel of the Company amounted to TRY 2,257 (2009 – TRY 1,946).

## 21. Finance income / (expenses)

The breakdown of finance income and expense is as follows:

| | **2010** | **2009** |
|---|---|---|
| **Finance income** | | |
| Foreign exchange gains | 249,203 | 300,834 |
| Interest income on bank deposits and reverse repo agreements | 29,286 | 23,013 |
| Income on derivative transactions | 15 | 416 |
| | **278,504** | **324,263** |
| **Finance expenses** | | |
| Foreign exchange losses | (249,047) | (300,292) |
| Interest expenses on funds borrowed | (25,956) | (49,101) |
| Expenses on derivative transactions | (781) | (651) |
| | **(275,784)** | **(350,044)** |
| **Net finance income / (expenses)** | **2,720** | **(25,781)** |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 22. General & administrative expenses and salaries & employee benefits

| | 2010 | 2009 |
|---|---|---|
| Expenses originating from leasing transactions | 3,328 | 5,002 |
| Rent expenses | 1,820 | 1,548 |
| Consultancy and audit fees | 1,107 | 607 |
| Travel and transportation expenses | 521 | 452 |
| Taxes and duties other than on income | 479 | 300 |
| Communication expenses | 275 | 352 |
| Other administrative expenses | 1,919 | 2,304 |
| **Total general and administrative expenses** | **9,449** | **10,565** |

| | 2010 | 2009 |
|---|---|---|
| **Staff costs** | | |
| Wages and salaries | 9,070 | 8,116 |
| Provision for bonuses | 2,000 | 2,500 |
| Provision for unused vacation pay liability | 209 | 209 |
| Provision for employee termination benefits | 173 | 111 |
| Other fringe benefits | 934 | 888 |
| | **12,386** | **11,824** |
| **Defined contribution share** | | |
| Social security premiums – employer share | 1,042 | 930 |
| | **1,042** | **930** |
| **Total salaries and employee benefits** | **13,428** | **12,754** |

## 23. Other operating income / (expenses)

The breakdown of other operating income and other operating expense is as follows:

| | 2010 | 2009 |
|---|---|---|
| Income from sale of tangible assets and assets acquired through foreclosure proceedings | 8,450 | 4,311 |
| Insurance commission income | 1,404 | 1,268 |
| Provision reversal | 1,053 | 1,145 |
| Income from associates | 75 | 1 |
| Miscellaneous income | 1,194 | 1,008 |
| **Total other operating income** | **12,176** | **7,733** |
| Miscellaneous expenses (*) | (7,528) | (3,299) |
| **Total other operating expenses** | **(7,528)** | **(3,299)** |
| **Total other operating income (net)** | **4,648** | **4,434** |

(*) Miscellaneous expenses are comprised of cost of leased assets acquired through foreclosure proceedings which are sold to third parties.

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 24. Financial risk management

### Capital risk management

The Company manages its capital by achieving the continuity of its operations while maximizing the return to stakeholders through the optimization of the debt and the equity balance.

As of December 31, 2010 and 2009, the leverage ratios are as follows:

| | **2010** | **2009** |
|---|---|---|
| Total borrowings | 1,210,450 | 980,436 |
| Less: Cash and cash equivalents | (642,569) | (333,351) |
| Net liabilities | 567,881 | 647,085 |
| Total shareholders' equity | 389,181 | 352,127 |
| Shareholders' equity / liabilities | 68.53% | 54.42% |

According to the credit rating of the Company announced by Moody's Investors Service, as of January 27, 2011, the foreign currency issuer rating of the Company is Ba1 and the outlook is stable.

Financial instruments:

| | **2010** | **2009** |
|---|---|---|
| Financial assets | | |
| - Cash equivalents | 642,569 | 333,351 |
| - Finance lease receivables | 918,427 | 963,787 |
| - Available for sale investments | 140 | 61 |
| - Derivatives | 15 | 314 |
| Financial liabilities | | |
| - Funds borrowed | 1,107,925 | 916,891 |
| - Trade payables | 88,444 | 53,847 |
| - Advances from customers | 14,081 | 9,698 |
| - Derivatives | 700 | 1,302 |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 24. Financial risk management *(continued)*

### Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties, and continually assessing the creditworthiness of counterparties.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographic location.

The Company seeks to manage its credit risk exposure through diversification of lending activities to avoid undue concentrations of risks with individuals or groups of customers in specific locations or businesses. The Company also obtains guarantees when appropriate.

The concentration of the Company's net finance lease receivables to industry groups is as follows:

| | **2010** | **2009** |
|---|---|---|
| Textile | 16.1% | 14.7% |
| Building and Construction | 15.9% | 15.4% |
| Manufacturing | 14.2% | 12.9% |
| Health and Social Activities | 12.2% | 11.3% |
| Metal | 7.3% | 6.5% |
| Agriculture, Hunting and Forestry | 5.8% | 9.9% |
| Printing | 5.6% | 4.1% |
| Mining and Quarrying | 5.4% | 6.2% |
| Transportation, Storage and Comm. | 5.2% | 6.7% |
| Food | 4.4% | 4.4% |
| Services | 3.4% | 3.1% |
| Chemical | 2.1% | 1.2% |
| Wood and Wood product | 1.0% | 1.3% |
| Financial Institutions | 0.4% | 0.9% |
| Other | 1.0% | 1.4% |
| **Total** | **100.0%** | **100.0%** |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 24. Financial risk management *(continued)*

### Credit Risk *(continued)*

The breakdown of finance lease receivables is as follows:

| | 2010 | 2009 |
|---|---|---|
| Neither past due nor impaired | 797,525 | 777,898 |
| Past due but not impaired | 91,938 | 154,412 |
| Individually impaired | 90,650 | 91,809 |
| Reserve for impairment | (61,686) | (60,332) |
| **Total** | **918,427** | **963,787** |

As of December 31, 2010 and 2009 internal rating results for the neither past due nor impaired finance lease receivables are as follows:

| | 2010 | 2009 |
|---|---|---|
| Debtor has a strong financial structure | 4.0% | 3.9% |
| Debtor has a good financial structure | 34.1% | 26.5% |
| Debtor has a medium financial structure | 53.7% | 59.6% |
| Debtor has a financial structure which needs attention in medium term | 8.2% | 10.0% |
| **Total** | **100.0%** | **100.0%** |

As of December 31, 2010 and 2009 aging of past due but not impaired finance lease receivables is as follows:

| 2010 | Invoiced and Accrued Amounts | Outstanding Principal |
|---|---|---|
| Between 1-30 days | 4,308 | 24,672 |
| Between 1-3 months | 5,125 | 17,463 |
| Between 3-12 months | 5,105 | 9,817 |
| Between 1-5 years | 18,887 | 6,561 |
| **Total** | **33,425** | **58,513** |

| 2009 | Invoiced and Accrued Amounts | Outstanding Principal |
|---|---|---|
| Between 1-30 days | 7,345 | 46,885 |
| Between 1-3 months | 10,707 | 35,503 |
| Between 3-12 months | 11,539 | 22,520 |
| Between 1-5 years | 15,643 | 4,270 |
| **Total** | **45,234** | **109,178** |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 24. Financial risk management *(continued)*

### Credit Risk *(continued)*

As of December 31, 2010 and 2009 the guarantees received for the finance lease receivables are as follows:

| | **2010** | | **2009** | |
|---|---|---|---|---|
| | **Nominal Value (*)** | **Fair Value (*)** | **Nominal Value (*)** | **Fair Value (*)** |
| Mortgages | 697,763 | 272,850 | 762,272 | 297,379 |
| Assignment of receivables | 41,827 | 41,827 | 37,613 | 37,613 |
| Pledges | 12,255 | 8,858 | 13,499 | 9,386 |
| Cash blockages | 2,438 | 2,438 | 3,195 | 3,195 |
| Transferral of cheques received | 180 | 180 | 650 | 650 |
| Letters of guarantee | 778 | 778 | 174 | 174 |
| | **755,241** | **326,931** | **817,403** | **348,397** |

(*) Leased assets are not included in the collateral amounts stated above.

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 24. Financial risk management *(continued)*

### Liquidity Risk

Liquidity risk is defined as the risk that the Company will be unable to meet its cash requirements as a result of a change in cash flows. The Company monitors its cash flows on a daily basis. The Company manages this risk by diversifying its funding resources and by conducting its assets in liquidity priority. The table below analyses assets and liabilities of the Company into relevant maturity groupings based on the remaining period at balance sheet date to discounted contractual maturity date.

| **2010:** | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **LIABILITIES** | **Carrying Amount** | **Up to 1 month** | **1 to 3 months** | **3 to 6 months** | **6 to 12 months** | **Over 1 year** | **Unallocated** | **Total** |
| Funds borrowed | 1,107,925 | 9,712 | 41,384 | 125,906 | 358,002 | 616,584 | - | 1,151,588 |
| Trade payables (*) | 88,444 | 10,315 | - | - | - | - | 78,129 | 88,444 |
| Advances from customers | 14,081 | 14,081 | - | - | - | - | - | 14,081 |
| **Total liabilities** | **1,210,450** | **34,108** | **41,384** | **125,906** | **358,002** | **616,584** | **78,129** | **1,254,113** |

| **2009:** | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **LIABILITIES** | **Carrying Amount** | **Up to 1 month** | **1 to 3 months** | **3 to 6 months** | **6 to 12 months** | **Over 1 year** | **Unallocated** | **Total** |
| Funds borrowed | 916,891 | 62,354 | 57,403 | 109,489 | 134,996 | 580,343 | - | 944,585 |
| Trade payables (*) | 53,847 | 8,411 | - | - | - | - | 45,436 | 53,847 |
| Advances from customers | 9,698 | 9,698 | - | - | - | - | - | 9,698 |
| **Total liabilities** | **980,436** | **80,463** | **57,403** | **109,489** | **134,996** | **580,343** | **45,436** | **1,008,130** |

(*) The unallocated portion of trade payables consists of letters of credit accruals whose payment terms are not finalized yet.

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 24. Financial risk management *(continued)*

### Currency Risk

Foreign currency denominated assets and liabilities together with purchase and sale commitments give risk to foreign exchange exposure. The Company's policy is to match cash flows arising from highly probable future sales and purchases in each foreign currency.

The concentrations of assets, liabilities and off balance sheet items:

| | 2010 | | | | | | |
|---|---|---|---|---|---|---|---|
| **ASSETS** | **TRY** | **USD** | **Euro** | **CHF** | **Japanese Yen** | **Others** | **Total** |
| Cash and cash equivalents | 199,414 | 106,952 | 336,108 | 89 | 1 | 5 | 642,569 |
| Finance lease receivables | 160,246 | 210,719 | 539,377 | 8,085 | - | - | 918,427 |
| Available for sale investments | 140 | - | - | - | - | - | 140 |
| Derivative financial instruments | - | - | 15 | - | - | - | 15 |
| Property, plant and equipment | 319 | - | - | - | - | - | 319 |
| Intangible assets | 558 | - | - | - | - | - | 558 |
| Other assets | 18,127 | 176 | 725 | - | - | - | 19,028 |
| Deferred tax assets | 26,300 | - | - | - | - | - | 26,300 |
| **Total assets** | **405,104** | **317,847** | **876,225** | **8,174** | **1** | **5** | **1,607,356** |
| **LIABILITIES** | | | | | | | |
| Funds borrowed | 174 | 296,672 | 811,079 | - | - | - | 1,107,925 |
| Trade payables | 2,062 | 6,461 | 72,023 | 6,934 | 964 | - | 88,444 |
| Advances from customers | 3,609 | 1,371 | 9,101 | - | - | - | 14,081 |
| Current income tax | 2,492 | - | - | - | - | - | 2,492 |
| Derivative financial instruments | - | - | 700 | - | - | - | 700 |
| Other liabilities and provisions | 3,915 | - | - | - | - | - | 3,915 |
| Reserve for employee termination benefits | 618 | - | - | - | - | - | 618 |
| Equity | 389,181 | - | - | - | - | - | 389,181 |
| **Total liabilities** | **402,051** | **304,504** | **892,903** | **6,934** | **964** | **-** | **1,607,356** |
| **Net balance sheet position** | **3,053** | **13,343** | **(16,678)** | **1,240** | **(963)** | **5** | **-** |
| **Net off balance sheet position** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Net position** | **3,053** | **13,343** | **(16,678)** | **1,240** | **(963)** | **5** | **-** |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 24. Financial risk management *(continued)*

**Currency Risk** *(continued)*

| | 2009 | | | | | | |
|---|---|---|---|---|---|---|---|
| **ASSETS** | **TRY** | **USD** | **Euro** | **CHF** | **Japanese Yen** | **Others** | **Total** |
| Cash and cash equivalents | 192,823 | 24,006 | 116,156 | 262 | 100 | 4 | 333,351 |
| Finance lease receivables | 146,448 | 246,500 | 563,447 | 7,272 | 120 | - | 963,787 |
| Available for sale investments | 61 | - | - | - | - | - | 61 |
| Derivative financial instruments | - | - | 314 | - | - | - | 314 |
| Property, plant and equipment | 402 | - | - | - | - | - | 402 |
| Intangible assets | 512 | - | - | - | - | - | 512 |
| Other assets | 15,976 | 21 | 320 | - | - | - | 16,317 |
| Deferred tax assets | 27,029 | - | - | - | - | - | 27,029 |
| **Total assets** | **383,251** | **270,527** | **680,237** | **7,534** | **220** | **4** | **1,341,773** |
| **LIABILITIES** | | | | | | | |
| Funds borrowed | 148 | 260,250 | 656,493 | - | - | - | 916,891 |
| Trade payables | 3,912 | 4,555 | 39,924 | 5,456 | - | - | 53,847 |
| Advances from customers | 3,754 | 924 | 5,020 | - | - | - | 9,698 |
| Current income tax | 3,202 | - | - | - | - | - | 3,202 |
| Derivative financial instruments | - | - | 1,302 | - | - | - | 1,302 |
| Other liabilities and provisions | 4,203 | - | - | - | - | - | 4,203 |
| Reserve for employee termination benefits | 503 | - | - | - | - | - | 503 |
| Equity | 352,127 | - | - | - | - | - | 352,127 |
| **Total liabilities** | **367,849** | **265,729** | **702,739** | **5,456** | **-** | **-** | **1,341,773** |
| **Net balance sheet position** | **15,402** | **4,798** | **(22,502)** | **2,078** | **220** | **4** | **-** |
| **Net off balance sheet position** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Net position** | **15,402** | **4,798** | **(22,502)** | **2,078** | **220** | **4** | **-** |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 24. Financial risk management *(continued)*

### Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect the fair value or future cash flows of financial instruments. The Company is exposed to interest rate risk as a result of mismatches or gaps in the amounts of monetary assets and liabilities that mature or reprice in a given period. The asset /liability committee manages this risk which occurs from the position of the company and from the volatility of the interest rates. The Company realizes derivative transactions in order to limit the risk. The table below summarizes the Company's exposure to interest rate risk on the basis of the remaining period at the balance sheet date to the re-pricing or contractual dates whichever is earlier.

| | | | 2010 | | | | |
|---|---|---|---|---|---|---|---|
| **ASSETS** | **Up to 1 month** | **1 to 3 months** | **3 to 6 months** | **6 to 12 months** | **Over 1 year** | **Non interest bearing** | **Total** |
| Cash and cash equivalents | 298,722 | 343,847 | - | - | - | - | 642,569 |
| Finance lease receivables | 139,437 | 56,185 | 85,856 | 148,594 | 392,233 | 96,122 | 918,427 |
| Available for sale investments | - | - | - | - | - | 140 | 140 |
| Derivative financial instruments | 15 | - | - | - | - | - | 15 |
| Property, plant and equipment | - | - | - | - | - | 319 | 319 |
| Intangible assets | - | - | - | - | - | 558 | 558 |
| Other assets | - | - | - | - | - | 19,028 | 19,028 |
| Deferred tax assets | - | - | - | - | - | 26,300 | 26,300 |
| **Total assets** | **438,174** | **400,032** | **85,856** | **148,594** | **392,233** | **142,467** | **1,607,356** |
| **LIABILITIES** | | | | | | | |
| Funds borrowed | 978,734 | 24,469 | 21,986 | - | 82,562 | 174 | 1,107,925 |
| Trade payables | - | - | - | - | - | 88,444 | 88,444 |
| Advances from customers | - | - | - | - | - | 14,081 | 14,081 |
| Current income tax | - | - | - | - | - | 2,492 | 2,492 |
| Derivative financial instruments | 700 | - | - | - | - | - | 700 |
| Other liabilities and provisions | - | - | - | - | - | 3,915 | 3,915 |
| Reserve for employee termination benefits | - | - | - | - | - | 618 | 618 |
| Equity | - | - | - | - | - | 389,181 | 389,181 |
| **Total liabilities** | **979,434** | **24,469** | **21,986** | **-** | **82,562** | **498,905** | **1,607,356** |
| **Interest sensitivity gap** | **(541,260)** | **375,563** | **63,870** | **148,594** | **309,671** | **(356,438)** | **-** |
| **Off balance sheet gap** | **(686)** | **-** | **-** | **-** | **-** | **-** | **(686)** |
| **Total interest sensitivity gap** | **(541,946)** | **375,563** | **63,870** | **148,594** | **309,671** | **(356,438)** | **(686)** |

(Currency – Thousands of Turkish Lira (TRY) unless otherwise stated)

## 24. Financial risk management *(continued)*

**Interest Rate Risk** *(continued)*

| | 2009 | | | | | | |
|---|---|---|---|---|---|---|---|
| **ASSETS** | **Up to 1 month** | **1 to 3 months** | **3 to 6 months** | **6 to 12 months** | **Over 1 year** | **Non interest bearing** | **Total** |
| Cash and cash equivalents | 302,537 | 30,814 | - | - | - | - | 333,351 |
| Finance lease receivables | 162,842 | 69,907 | 100,682 | 168,647 | 398,214 | 63,495 | 963,787 |
| Available for sale investments | - | - | - | - | - | 61 | 61 |
| Derivative financial instruments | 314 | - | - | - | - | - | 314 |
| Property, plant and equipment | - | - | - | - | - | 402 | 402 |
| Intangible assets | - | - | - | - | - | 512 | 512 |
| Other assets | - | - | - | - | - | 16,317 | 16,317 |
| Deferred tax assets | - | - | - | - | - | 27,029 | 27,029 |
| **Total assets** | **465,693** | **100,721** | **100,682** | **168,647** | **398,214** | **107,816** | **1,341,773** |
| **LIABILITIES** | | | | | | | |
| Funds borrowed | 816,170 | 72,181 | 13,270 | 15,122 | - | 148 | 916,891 |
| Trade payables | - | - | - | - | - | 53,847 | 53,847 |
| Advances from customers | - | - | - | - | - | 9,698 | 9,698 |
| Current income tax | - | - | - | - | - | 3,202 | 3,202 |
| Derivative financial instruments | 1,302 | - | - | - | - | - | 1,302 |
| Other liabilities and provisions | - | - | - | - | - | 4,203 | 4,203 |
| Reserve for employee termination benefits | - | - | - | - | - | 503 | 503 |
| Equity | - | - | - | - | - | 352,127 | 352,127 |
| **Total liabilities** | **817,472** | **72,181** | **13,270** | **15,122** | **-** | **423,728** | **1,341,773** |
| **Interest sensitivity gap** | **(351,779)** | **28,540** | **87,412** | **153,525** | **398,214** | **(315,912)** | **-** |
| **Off balance sheet gap** | **(971)** | **-** | **-** | **-** | **-** | **-** | **(971)** |
| **Total interest sensitivity gap** | **(352,750)** | **28,540** | **87,412** | **153,525** | **398,214** | **(315,912)** | **(971)** |

(Currency – Thousands of New Turkish Lira (TRY) unless otherwise stated)

**24. Financial risk management** *(continued)*

**Interest Rate Sensitivity**

Company's interest rate sensitive financial assets and liabilities are as follows:

| | 2010 | 2009 |
|---|---|---|
| **Financial instruments with fixed interest rate** | | |
| Financial assets | | |
| - Banks (Note 6) | 642,541 | 333,323 |
| - Finance lease receivables (*) | 777,184 | 839,195 |
| Financial liabilities | | |
| - Funds borrowed | 83,709 | 17,181 |
| **Financial instruments with floating interest rate** | | |
| Financial assets | | |
| - Finance lease receivables (*) | 50,742 | 69,271 |
| Financial liabilities | | |
| - Funds borrowed | 1,024,216 | 899,710 |

(*) Finance lease receivables, is before reserve for collective impairment and does not include equipment to be leased and advances given related with finance leases.

The interest rate sensitivity analysis is based on interest rate risk as of the balance sheet date and estimated interest rate fluctuations at the beginning of the fiscal year. The Company realized its sensitivity analysis based on 100 base points interest rate fluctuation scenario.

In the case of interest rates being 100 base points higher at balance sheet date and holding all other variables fixed:

- Interest income from floating interest rate finance lease contracts would increase by TRY 504 (2009 – TRY 672).
- Interest expense from floating interest rate borrowings would increase by TRY 10,233 (2009 – TRY 8,979).

**Foreign Currency Sensitivity**

The Company is mainly exposed to USD and EURO exchange rate risks. The statement below shows the sensitivity of the Company to USD and EURO when a 10% increase occurs at those currencies' exchange rates. Foreign currency sensitivity analysis for the reporting period of the Company is determined based on the change at the beginning of the fiscal year and fixed during the reporting period. Positive amount refers to increase in net profit.

| | USD Effect | | EURO Effect | |
|---|---|---|---|---|
| | **2010** | **2009** | **2010** | **2009** |
| **Profit / (Loss)** | 1,334 | 480 | (1,668) | (2,250) |

(Currency – Thousands of New Turkish Lira (TRY) unless otherwise stated)

## 24. Financial risk management *(continued)*

**Fair value of financial instruments**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable:

| 2010 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets at FVTPL** | | | | |
| Derivative financial instruments | - | 15 | - | 15 |
| | - | 15 | - | 15 |
| **Financial liabilities at FVTPL** | | | | |
| Derivative financial instruments | - | 700 | - | 700 |
| | - | 700 | - | 700 |

| 2009 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets at FVTPL** | | | | |
| Derivative financial instruments | - | 314 | - | 314 |
| | - | 314 | - | 314 |
| **Financial liabilities at FVTPL** | | | | |
| Derivative financial instruments | - | 1,302 | - | 1,302 |
| | - | 1,302 | - | 1,302 |

There are no transfers between the levels during the year.

The fair values of financial assets and financial liabilities are determined and grouped as follows:

- Level 1: the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;

- Level 2: the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and

- Level 3: the fair value of the financial assets and financial liabilities where there is no observable market data.

## 25. Subsequent Events

According to the General Assembly held on March 23, 2011, the Company has resolved to retain the profit of the year 2010 as retained earnings after appropriating legal reserve.

## 26. Other Matters

a) Under the CMB's Communiqué Serial IV, No: 8, with regards to the call for the Company shares, the call price of TL 3.97 determined for TL 1 of nominal value share upon the CMB's resolution no: 51/1447 issued on December 6, 2006 is cancelled as a result of the lawsuits filed by Griffin International Umbrella Fund, East Capital Asset Management AB and Charlamange Capital (IOM) with respect to the resolutions no:2010/149 E., 2010/390 K., 2010/147 E., 2010/389 K. and 2010/148 E. 2010/388 K. issued respectively by the 16th Administration Court of Ankara on March 25, 2010. In order to meet the CMB's resolutions, NBG, with an obligatory call liabilities, is required to file for an application by the CMB in relation to make a call over the minimum retrospectively adjusted share value of TL 2,60 calculated by using the basis specified in court's resolutions in relation to TL 1 of each nominal share value in accordance with the CMB's Communiqué Serial: IV, No:44 because retrospectively adjusted share value calculated by using the ISE basis amounts to TL 2,60 as a result of the Company's bonus share issuance in 2008 and 2009 and the increase of its issued capital from TL 75,000 to TL 105,000 and TL 105.000 and 115.000, respectively subsequent to August 18, 2006, as well as the Company's share value was TL 3,98 on August 18, 2006, which has the highest value in ISE. NBG reserves the legal rights in relation to the ongoing process and declared through its application filed to the CMB on June 21, 2010 that NBG will make the required call over the retrospectively adjusted share value of TL 2,60 calculated by using the basis specified in court's resolutions and ISE basis in relation to TL 1 of each nominal share value in order to meet the CMB's resolutions. Call process was finalized within the specified call term - August 2, 2010 –August 13, 2010 - and as a result of this operation, NBG's shares in Finans Finansal Kiralama A.Ş. has increased from 2.55% to 29.87%.

b) The application of investment incentives was revoked commencing from January 1, 2006 in accordance with Law No: 5479 issued on March 30, 2006, and the companies were allowed to offset their carried forward unused investment incentives only against the taxable income of 2006, 2007 and 2008 and the application of unused investment allowances has been ceased as of December 31, 2008. Therefore, corporate tax returns and temporary tax returns for 2009 were submitted to tax authorities with reservations and the tax payable amounts on those returns were paid within the respective legal terms. However, the Company has filed lawsuits by the Tax Courts of Istanbul in relation to the amounts paid in relation to such taxes submitted with reservations on the account of the fact that, the three years of restriction imposed on the use of vested rights and in that sense investment incentives are considered as vested rights, is against the Constitution.

   Upon the Constitutional Court's resolution no: 2009/144 issued on October 15, 2009 published in the Official Gazette no: 27456 on January 8, 2010, the term "solely for the periods related to 2006, 2007 and 2008" specified in the Provisional Article No: 69 of Income Tax Law No: 193 has been annulled.

**26. Other Matters** *(continued)*

The following lawsuits are concluded in favour of the Company; the lawsuit filed in relation to the temporary tax attributable to the 1st quarter of 2009 is finalized on December 23, 2009; the lawsuit filed in relation to the temporary tax attributable to the 4th quarter of 2009 is finalized on October 14, 2010; and the lawsuit filed in relation to the temporary tax attributable to the 2nd Quarter of 2009 is finalized on November 25, 2010 based on referencing the resolution of the Constitutional Court. For the execution of resolutions of the related Tax Courts, adjustment receipts are issued for the reversal of 1st, 2nd and 4th quarters' temporary tax accruals. As the lawsuits are given to a higher court, the prepaid amounts were not received by the Company. However, the respective Tax Office assumed that the related temporary tax amounts for the 1st, 2nd and 4th quarters' amounting to TL 3,708, TL 3,455 and TL 3,193, respectively, are refunded to the Company and the Tax Office has recalled those payments even though they have not been actually paid to the Company on the account of the fact that no corporate tax adjustments have been made and the corporate tax was calculated inadequately. Furthermore, the Company has been charged with 1.5 times of respective amount of tax loss penalties in relation to 1st, 2nd and 4th quarters temporary tax amounting to TL 5,561, TL 5,183 and TL 4,790, respectively. The total tax charge imposed by the respective Tax Office through notification amounts to TL 10,356 and the total tax loss penalty amounts to TL 15,534.

The Company has been accrued by total amount of TL 25,890 of the tax charge and tax loss penalty imposed by the Tax Office. Accordingly has made an objection to the total tax charges and tax loss penalties because the respective Tax Office has disregarded the Constitutional Court's resolution issued on October 15, 2009 published in the Official Gazette no: 27456 on January 8, 2010 which gives rise to the continuation of investment incentive application. With respect to the above mentioned explanations, no provision has been provided in the accompanying financial statements concerning the related tax penalties because the Company management did not foresee any cash outflows.

In addition, on March 29, 2010, the lawsuit filed against the Company in relation to the corporate tax of 2009 was also finalized in favor of the Company by the respective court by referencing the Constitutional Court's resolution. The Company has filed for an application by the respective tax office for the cancellation of the tax penalties imposed on the Company based on the grounds that the basis of charges/penalties imposed over the Company for the insufficient corporate tax payment in relation to the 1st, 2nd and 4th periods' advance corporate taxation have been dismissed by the respective court order. As of the report date, the Company has not received any response to the related application from the tax office yet.