
FINANSBANK ANNOUNCES FINANCIAL STATEMENTS AS OF DECEMBER 31, 2005

Istanbul, Turkey, February 16, 2006 - Finansbank (ISE: FINBN) announced its financial statements dated December 31, 2005.

All financial results in this press release are consolidated and prepared according to the Turkish Generally Accepted Accounting Principles, unless stated otherwise. The YTL exchange rate used in US\$ conversions is 1.30943.

HIGHLIGHTS OF 2005 YEAR END RESULTS

- Finansbank posted YTL470.2mn (US\$359.1mn) in net profit by a 68% increase, y/y, while net profit before tax and provisions amounted to YTL844.9mn (US\$645.3mn), an 84% rise
- Net interest income grew by 56%, y/y, reaching YTL1,101.4mn (US\$841.1mn) and net fees and commissions income totaled YTL410.3.mn (US\$313.3mn), a 45% increase
- Total loan portfolio further expanded by 35%,y/y, to YTL10,972.9mn (US\$8,379.9mn)
- Total assets reached YTL17,919.3mn (US\$13,684.9mn) representing a 33% annual growth
- The strong profitability improved Finansbank's capital base as total equity totaled YTL1,585.9mn (US\$1,211.1mn) by a 36% increase y/y

Comments from the GM, Sinan Sahinbas...

Finansbank continued its outstanding operating performance and produced strong financial results in 2005. Through the successful execution of our strategy of focusing on real banking and further expanding our customer base, we have quadrupled our loan book in the last three years, which amounted to US\$8.4bn. Furthermore, we continued to expand our branch network in 2005. In Turkey, we opened 38 new braches expanding our number of branches to 208, while our branches abroad reached 79 in five different countries. In 2006, we will continue to uphold our service quality and momentum.

Strong asset growth...

In line with its strategy to expand its customer base, Finansbank continued its loan growth in small and mid-sized enterprises ("SME") and in consumer segments. Finansbank's consolidated loans climbed to YTL10,972.9mn (US\$8,379.9mn) by a 35% increase, y/y, while unconsolidated loans totaled YTL7,615.9 (US\$5,816.2mn), a 47% rise. As a result, Finansbank having one of the highest loans-to-assets ratio of 61%, further expanded its assets to YTL17,919.3mn (US\$13,684.9mn) by 33%, y/y.



TL deposits continue to grow...

Finansbank continued its balanced growth in Turkish Lira ("TL" "YTL") deposits. Unconsolidated customer deposits registered a y/y increase of 24% and amounted YTL6,007.9mn (US\$4,588.2mn), while consolidated customer deposits totaled YTL9,708.9mn (US\$7,414.6mn). Foreign currency denominated customer deposits remained almost unchanged in 2005 whereas TL denominated customer deposits advanced by 51% to YTL3,243.8mn (US\$2,477.2mn).

Consolidated net profit up 68%...

In line with the aforementioned positive balance sheet performance, Finansbank elevated its net interest income to YTL1,101.4mn (US\$841.1mn) by a y/y rise of 56%. Moreover, the net fees and commission income totaled YTL410.3mn (US\$313.3mn), a 45% increase, y/y, yielding a net income of YTL470.2mn (US\$359.1mn) via a 68% advance. In 2005, Finansbank generated a return on average equity of 34%.

Unconsolidated net profit up 83%...

Considering the unconsolidated financial performance of Finansbank reflecting the results of banking operations in Turkey, Finansbank improved its net profit by 83%, y/y, and registered YTL350.4mn (US\$267.6mn) in net profit. Net interest income amounted to YTL832.5mn (US\$635.8mn), a 57% upswing, as net fees and commissions income grew 56% totaling YTL295.7mn (US\$225.8mn).

Strong capital...

As a result of strong profitability Finansbank's total shareholders' equity reached YTL1,585.9mn (US\$1,211.1mn) and free equity totaled YTL1,268.0mn (US\$968.3mn), respective annual increases of 36% and 48%. Finansbank's capital adequacy ratio appeared at 14.8% at 2005-end.

www.finansbank.com.tr

About Finansbank

Finansbank is the fifth largest private bank Turkey according to its 2005 consolidated asset size of US\$14bn. On top of its banking operations in Turkey, Finansbank has an extensive international banking network with its subsidiaries in the Netherlands, Switzerland, Romania Russia and Malta. Finansbank provides a wide range of products and services from commercial banking to private banking and investment banking. Finansbank with its staff of 10,300 people operates in 12 countries with 287 branches.

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FINANSBANK A.S.

CONSOLIDATED BALANCE SHEET

	31 December 2005 (*)	31 December 2005 (*)	31 December 2004 (*)	31 December 2004 (*)
	YTL in Thousands	USD in Thousands	YTL in Thousands	USD in Thousands
ASSETS				
Cash and due from banks	322,212	246,071	222,171	169,784
Short term placements	1,173,140	895,920	1,272,431	972,400
Reserve deposits	946,909	723,149	747,164	570,987
Securities	3,088,459	2,358,638	1,888,055	1,442,863
Loans, net	10,972,866	8,379,912	8,135,673	6,217,331
Accrued interest income	386,356	295,058	400,465	306,038
Equity participation:	7,676	5,862	16,774	12,819
Finance Lease Receivables	370,840	283,208	236,105	180,433
Premises and equipment	318,011	242,863	297,805	227,584
Other assets	332,833	254,183	226,290	172,932
TOTAL ASSETS	17,919,302	13,684,864	13,442,932	10,273,171

LIABILITIES AND**SHAREHOLDERS' EQUITY**

Customer Deposits	9,708,794	7,414,548	8,892,923	6,796,026
Bank Deposits	344,143	262,820	193,247	147,681
Funds borrowed from banks	4,204,812	3,211,190	1,659,148	1,267,931
Interbank money market	148,258	113,224	205,250	156,853
Debt securities issued	327,438	250,062	23,475	17,940
Accrued interest expense	342,872	261,849	187,403	143,215
Other liabilities	832,299	635,622	764,902	584,542
Minority Interest	65,609	50,105	92,162	70,431
Subordinated Debt	359,179	274,303	261,710	200,000
Equity	1,585,898	1,211,141	1,162,712	888,552
Total liabilities	17,919,302	13,684,864	13,442,932	10,273,171

Exchange Rate US \$ / TL

1.3094

1.3085

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CONSOLIDATED INCOME
STATEMENT

	31 December 2005 (*)	31 December 2005 (*)	31 December 2004 (*)	31 December 2004 (*)
	YTL in Thousands	USD in Thousands	YTL in Thousands	USD in Thousands
INTEREST INCOME				
Interest on loans	1,422,860	1,086,630	901,887	689,228
Interest on securities	321,880	245,818	289,166	220,982
Interest on deposits in bank:	204,763	156,376	167,097	127,697
Total interest income	1,949,503	1,488,824	1,358,150	1,037,907
INTEREST EXPENSE				
Interest on deposits	(644,281)	(492,034)	(584,359)	(446,571)
Interest on funds borrowed from bank:	(203,828)	(155,662)	(68,469)	(52,324)
Total interest expense	(848,109)	(647,696)	(652,828)	(498,895)
Net interest income	1,101,394	841,128	705,322	539,012
PROVISION FOR POSSIBLE LOAN AND OTHER LOSSES				
	(197,392)	(150,747)	(88,321)	(67,495)
Net Interest Income after provision	904,002	690,381	617,001	471,517
NON-INTEREST INCOME				
Income from banking services, ne	410,276	313,325	283,624	216,747
Capital market gain/(loss), ne	(88,290)	(67,427)	21,216	16,213
Income from equity participation	365	279	474	362
Foreign exchange gain/(loss), net	80,463	61,449	(5,822)	(4,449)
Other income, net	83,931	64,098	63,623	48,621
Total non-interest income	486,745	371,724	363,115	277,494
NON-INTEREST EXPENSE				
Salaries and employee benefit	(323,888)	(247,351)	(239,584)	(183,092)
General and administrative expense:	(338,854)	(258,781)	(229,547)	(175,421)
Depreciation and amortization	(55,777)	(42,597)	(57,089)	(43,628)
Taxes other than on income	(24,673)	(18,843)	(21,079)	(16,109)
Total non-interest expense	(743,192)	(567,572)	(547,299)	(418,250)
Income before taxation	647,555	494,534	432,817	330,761
TAXATION CHARGE				
Current	(177,394)	(135,475)	(90,815)	(69,401)
Deferred tax	(150,579)	(114,996)	(122,492)	(93,609)
	(26,815)	(20,478)	31,677	24,208
Net income before monetary loss	470,161	359,059	342,002	261,360
Loss on net monetary position	0	0	(61,758)	(47,196)
NET INCOME	470,161	359,059	280,244	214,164

(*) Audited by Ernst and Young

FINANSBANK A.S.

BALANCE SHEET

	31 December 2005 (*)	31 December 2005 (*)	31 December 2004 (*)	31 December 2004 (*)
	YTL in Thousands	USD in Thousands	YTL in Thousands	USD in Thousands
ASSETS				
Cash and due from banks	164,045	125,280	131,893	100,793
Short term placements	652,468	498,284	602,643	460,543
Reserve deposits	755,108	576,669	567,682	433,825
Portfolio available for sale	2,011,556	1,536,207	1,286,122	982,860
Loans, net	7,615,857	5,816,162	5,190,730	3,966,780
Accrued interest income	307,974	235,197	146,229	111,749
Equity participations	358,725	273,955	362,597	277,098
Premises and equipment	225,622	172,306	207,617	158,662
Other assets	222,790	170,144	134,584	102,850
TOTAL ASSETS	12,314,145	9,404,204	8,630,097	6,595,160
LIABILITIES AND SHAREHOLDERS' EQUITY				
DEPOSITS				
Deposits	6,115,397	4,670,274	5,091,704	3,891,104
Demand-YTL	574,318	438,602	380,945	291,120
Time-YTL	2,642,497	2,018,051	1,696,613	1,296,560
Foreign currency	2,791,114	2,131,549	2,751,372	2,102,611
Interbank deposits	107,468	82,072	262,774	200,813
Funds borrowed from banks	3,634,230	2,775,429	1,415,243	1,081,535
Interbank Money Market	134,542	102,749	193,012	147,501
Accrued interest expense	218,706	167,024	129,725	99,136
Other liabilities	552,110	421,641	491,681	375,745
Total liabilities	10,654,985	8,137,117	7,321,365	5,595,021
Subordinated Loans				
	261,885	200,000	261,710	200,000
Share capital	950,000	725,507	590,000	450,881
Retained earnings	96,834	73,951	265,462	202,867
Income for the year	350,441	267,629	191,560	146,391
Total shareholders' equity	1,397,275	1,067,087	1,047,022	800,139
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	12,314,145	9,404,204	8,630,097	6,595,160

Exchange Rate US \$ / YTL

1.30943

1.30855

FINANSBANK A.S.

INCOME STATEMENT

	31 December 2005 (*)	31 December 2005 (*)	31 December 2004 (*)	30 December 2004 (*)
	YTL in Thousands	USD in Thousands	YTL in Thousands	USD in Thousands
INTEREST INCOME				
Interest on loans	1,203,720	919,270	775,549	592,678
Interest on investment securities	239,314	182,762	219,881	168,034
Interest on deposits in banks	62,818	47,974	48,018	36,696
Total interest income	1,505,852	1,150,006	1,043,448	797,408
INTEREST EXPENSE				
Interest on deposits	(507,979)	(387,939)	(450,224)	(344,063)
Interest on funds borrowed from banks	(165,333)	(126,263)	(62,684)	(47,903)
Total interest expense	(673,312)	(514,202)	(512,908)	(391,966)
Net interest income	832,540	635,804	530,540	405,442
PROVISION FOR POSSIBLE LOAN LOSSES	(149,892)	(114,471)	(72,276)	(55,234)
Net Interest Income after provision	682,648	521,333	458,264	350,208
NON-INTEREST INCOME				
Income from banking services, net	295,695	225,820	189,640	144,924
Capital market gain/(loss), net	(70,661)	(53,963)	(12,244)	(9,357)
Income from equity participations	18,497	14,126	21,021	16,064
Foreign exchange gain/(loss), net	23,877	18,235	(3,929)	(3,003)
Other income, net	74,755	57,090	58,862	44,983
Total non-interest income	342,163	261,308	253,350	193,611
NON-INTEREST EXPENSE				
Salaries and employee benefits	(211,473)	(161,503)	(156,781)	(119,813)
General and administrative expenses	(251,969)	(192,426)	(166,060)	(126,904)
Depreciation and amortization	(41,908)	(32,005)	(42,707)	(32,637)
Taxes other than on income	(17,873)	(13,649)	(14,614)	(11,168)
Total non-interest expense	(523,223)	(399,583)	(380,162)	(290,522)
Income before taxation	501,588	383,058	331,452	253,297
TAXATION CHARGE				
Current	(151,146)	(115,429)	(63,366)	(48,424)
Deferred tax	(124,642)	(95,188)	(95,560)	(73,027)
	(26,504)	(20,241)	32,194	24,603
Net income before monetary loss	350,441	267,629	268,086	204,873
Loss on net monetary position	0	0	(76,526)	(58,482)
NET INCOME	350,441	267,629	191,560	146,391

(*) Audited by Ernst and Young