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**PRESS RELEASE ON THE REGULATION FOR FX PROFIT AND LOSS
CALCULATIONS IN ACCORDANCE WITH THE EUROPEAN CENTRAL BANK
LEGISLATIONS**

Central Bank of the Republic of Turkey conducts its operations related to the conformity of Acquis Communautaire in accordance with the Article 108 of the Maastricht Treaty and Article 14.1 of the Statute of the European System of the Central Banks which states that “In accordance with Article 108 of this Treaty, each Member State shall ensure, at the latest at the date of the establishment of the ESCB, that its national legislation including the statutes of its national central bank, is compatible with this Treaty and this Statute.”, and the decision of the European Union Council as of December 17, 2004 initiating the negotiations on the full membership to European Union on October 3, 2005.

Within this context, profit and loss, arising from FX purchases and sales performed by Central Bank of the Republic of Turkey, have been calculated according to “average cost method” as from January 1, 2006 described in “Guideline of the European Central Bank On The Legal Framework for Accounting and Financial Reporting in the European System of Central Banks” and were reflected to Central Bank of the Republic of Turkey’s financial statements on August,1, 2006.