

TÜRKİSFUND SICAV

UNAUDITED SEMI-ANNUAL REPORT
FOR THE PERIOD ENDED JUNE 30, 2002

No subscription can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current prospectus accompanied by the latest available annual report and the most recent semi-annual report, if published.

Registered Office:

69, route d'Esch
L-2953 Luxembourg

Board of Directors:*Chairman:*

Hamdi Engin TÜRELI
General Manager
ISBANK GmbH, Frankfurt

Members:

Ibrahim HIZLIKAN
Head of Capital Markets Department
TÜRKIYE IS BANKASI A.S., Istanbul

Dr. Gürman TEVFIK
Managing Director
IS PORTFOLIO MANAGEMENT CO., Istanbul

Klaus SCHREIBER
Assistant General Manager
ISBANK GmbH, Frankfurt

Léon HILGER
Vice-President
DEXIA BANQUE INTERNATIONALE À LUXEMBOURG,
Luxembourg

Investment Adviser:

IS PORTFOLIO MANAGEMENT COMPANY
IS Kuleleri 4,
80620 Levent Istanbul – Turkey

Custodian bank:

DEXIA BANQUE INTERNATIONALE À LUXEMBOURG
69, route d'Esch
L-2953 Luxembourg

Central Administration:

DEXIA BANQUE INTERNATIONALE À LUXEMBOURG
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L-2953 Luxembourg

Registrar and Transfer Agent:

FIRST EUROPEAN TRANSFER AGENT S.A.
5, rue Thomas Edison
L-1445 Strassen

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60311 Frankfurt/Main

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Versicherungsdienst GmbH
Gothaer Platz 2-8
37083 Göttingen

Paying Agent in Germany:

ISBANK GMBH
Rossmarkt 9
60311 Frankfurt/Main

Auditors:

DR. WOLLERT – DR. ELMENDORFF S.C.
52, avenue de la Gare
L-1610 Luxembourg

The annual general meeting of shareholders of the SICAV will be held at the registered office of the SICAV or at such other place in Luxembourg on the first Tuesday in May in each year at 11 a.m., or if any such day is not a bank business day in Luxembourg, on the next bank business day in Luxembourg.

Notices of all general meetings will be sent to the holders of registered shares by registered mail at least 8 days prior to the meeting at their addresses in the register of shareholders. Such notices will include the agenda and specify the time and place of the meeting and the conditions of admission and will refer to the requirements of Luxembourg law with regard to the necessary quorum and majorities required for the meeting.

The financial year-end of the SICAV will be the last day of December of each year. The first annual accounts were drawn up on December 31, 1998.

The first report of the SICAV was a semi-annual report as of June 30, 1998.

Audited annual reports will be published within 4 months after the financial year-end and unaudited semi-annual reports will be published within 2 months after the end of the relevant period. Such reports will be mailed to each registered shareholder at their registered address and will be made available at the registered office of the SICAV during normal business hours.

**STATEMENT OF NET ASSETS
AS OF JUNE 30, 2002**

TÜRKISFUND SICAV

	TÜRKISFUND- EQUITIES	TÜRKISFUND- BONDS	TÜRKISFUND- EUROBONDS	TÜRKISFUND- GOTHAER ANADOLU EQUITIES	TOTAL
	(expressed in EUR)	(expressed in EUR)	(expressed in EUR)	(expressed in EUR)	(expressed in EUR)
ASSETS					
Investments in securities market value (note 2)	23,771,355.59	84,738,066.82	1,287,719.65	411,603.16	110,208,745.22
Acquisition cost	61,884,932.88	133,237,775.45	1,427,508.36	604,078.21	197,154,294.90
Cash at bank	4,368,030.38	1,905,267.36	60,166.60	432,903.97	6,766,368.31
Amounts receivable on sale of investments	0.00	1,306,905.09	0.00	419.66	1,307,324.75
Amounts receivable from subscriptions	0.00	0.00	82,621.34	0.00	82,621.34
Interest and dividends receivable, net	19,554.35	1,450,883.11	36,143.73	0.00	1,506,581.19
Formation expense, net	5,855.30	5,855.30	0.00	19,752.92	31,463.32
	28,164,795.62	89,406,977.68	1,466,651.32	864,679.71	119,903,104.33
LIABILITIES					
Amounts payable on purchase of investments	0.00	994,694.88	0.00	17,348.07	1,012,042.95
Management commission payable (note 3)	66,909.50	110,394.60	3,078.16	99.99	180,482.25
Provision for expense	44,675.84	153,511.43	6,111.07	34,621.62	238,919.96
	111,585.34	1,258,600.91	9,189.23	52,069.68	1,431,445.16
Total net asset value	58,053,210.28	88,148,376.77	1,457,462.09	812,610.03	118,471,659.17
Number of shares outstanding	3,479,610.908	5,968,519.570	112,145.945	20,000.000	
Net asset value per share	8.06	14.77	13.00	40.63	

**CHANGES IN THE NUMBER OF SHARES OUTSTANDING
FOR PERIOD ENDING JUNE 30, 2002**

	TÜRKISFUND- EQUITIES	TÜRKISFUND- BONDS	TÜRKISFUND- EUROBONDS	TÜRKISFUND- GOTHAER ANADOLU EQUITIES
Number of shares at start of period	3,470,000.825	5,967,259.986	80,000.000	20,000.000
Number of shares issued	10,110.083	1,259.584	32,282.755	50.804
Number of shares redeemed	(500.000)	(0.000)	(136.810)	(50.804)
Number of shares at end of period	3,479,610.908	5,968,519.570	112,145.945	20,000.000

The accompanying notes are an integral part of the semi-annual report.

STATEMENT OF INVESTMENTS
AS OF JUNE 30, 2002

TÜRKISFUND-Equities

	Number of shares/ Face value	Denomination	Acquisition cost	Market value	% of net assets
A) LISTED SECURITIES					
1) SHARES					
TURKEY					
TRL	27.826.000	AKCANSAN CIMENTO SANAYI VE TIC	139,203.57	134,597.05	0.48
TRL	60.000.000	AKSA	845,331.70	458,251.25	1.63
TRL	65.000.000	ALARKO HLD.	1,617,841.63	806,713.13	2.88
TRL	140.000.000	ALCATEL TELEFAS	1,823,310.82	828,671.01	2.95
TRL	449.975.500	ANADOLU CAM SANAYII AS	1,325,151.42	365,149.08	1.30
TRL	1.214.569.560	ANADOLU HAYAT SIGORTA AS	8,482,420.11	966,281.28	3.44
TRL	1.493.078.609	ANADOLU SIGORTA	1,583,378.73	874,262.12	3.12
TRL	27.106.000	FORD OTOMOTIV SANAYI AS	374,398.55	245,839.38	0.88
TRL	1.040.498.000	IS YATIRIM ORTAKLIGI AS	3,389,825.26	450,320.09	1.61
TRL	2.772.802.883	ISGYO	4,604,632.90	1,341,231.52	4.78
TRL	100.000.000	KOC HLD. AS	1,390,221.26	906,955.60	3.23
TRL	32.364.000	MIGROS TURKEY T.A.S.	2,755,038.37	1,441,887.56	5.14
TRL	75.000.000	PETROL OFISI A.S.	2,734,613.89	1,133,694.50	4.04
TRL	666.665.000	SABANCI HOLDING	2,680,936.35	1,612,361.48	5.75
TRL	866.046.172	SODA SANAYII AS	6,709,172.62	992,166.85	3.54
TRL	301.520.000	TOFAS TURK OTOMOBIL FABRIKASI	1,135,412.99	767,621.76	2.74
TRL	199.999.000	TRAKYA CAN SANAYII AS	549,861.61	432,790.68	1.54
TRL	50.000.000	TUPRAS TURKIYE PETROL RAFINEL	446,692.27	203,667.22	0.73
TRL	644.018.512	TURK SISE CAM	186,397.43	491,870.48	1.75
TRL	5.254.462.512	TURKIYE SINAI KALKINMA BANKASI	9,276,500.37	1,805,898.01	6.44
TRL	700.000.000	VESTEL ELEKTR. SANAYI TICARET	2,082,839.72	1,336,566.15	4.76
TOTAL SHARES			54,133,181.57	17,596,796.20	62.73
2) BONDS					
TURKEY					
EUR	1.250.000	VAKIF FIN. 00/07.08.03/TV	1,252,250.00	1,162,500.00	4.14
TOTAL BONDS			1,252,250.00	1,162,500.00	4.14
TOTAL LISTED SECURITIES			55,385,431.57	18,759,296.20	66.87
B) SECURITIES TRADED IN ORGANIZED MARKETS					
DEBT INSTRUMENTS					
TURKEY					
TRL	10.000.000.000.000	TURKEY TB 02/11.12.02/0 %	6,499,501.31	5,012,059.39	17.87
TOTAL SECURITIES TRADED ON ORGANIZED MARKETS			6,499,501.31	5,012,059.39	17.87
TOTAL SECURITIES INVESTMENTS			61,884,932.88	23,771,355.59	84.74

The accompanying notes form an integral part of these financial statements.

A detailed schedule of portfolio changes during the fiscal year is available free of charge upon request at the registered office of the Fund and from the paying agents.

**STATEMENT OF INVESTMENTS
AS OF JUNE 30, 2002**

TÜRKİSFUND-Bonds

	Number of shares/ Face value	Denomination	Acquisition cost	Market value	% of net assets	
A) LISTED SECURITIES						
1) SHARES						
TURKEY						
TRL	62.500.000	AKSA	811,189.18	477,345.05	0.54	
TRL	160.000.000	AKSIGORTA	615,354.35	422,609.49	0.48	
TRL	20.000.000	ALARKO HLD	434,968.28	248,219.43	0.28	
TRL	684.001.747	ANADOLU HAYAT SIGORTA AS	4,302,146.56	544,174.75	0.62	
TRL	3.272.118.777	ANADOLU SIGORTA	7,728,791.46	1,915,967.11	2.17	
TRL	100.000.000	FORD OTOMOTIV SANAYI AS	1,239,712.81	906,955.60	1.03	
TRL	777.000.000	IS YATIRIM ORTAKLIGI AS	953,931.37	336,280.04	0.38	
TRL	6.217.497.204	ISGYO	12,340,207.55	3,007,463.41	3.41	
TRL	120.000.000	KOC HLD AS	1,186,153.55	1,139,045.54	1.29	
TRL	160.000.000	PETROL OFISI AS	5,393,114.68	2,569,707.53	2.92	
TRL	500.000.000	SABANCI HOLDING	1,754,722.63	1,209,274.13	1.37	
TRL	350.000.000	TOFAS TURK OTOMOBIL FABRIKASI	1,257,696.22	891,044.10	1.01	
TRL	1.979.729.062	TRAKYA CAN SANAYII AS	4,773,088.36	4,284,062.89	4.86	
TRL	2.866.296.000	TURK SISE CAM	829,583.79	2,189,139.54	2.48	
TRL	1.335.890.568	TURKIYE SINAI KALKINMA BANKASI	2,870,778.84	459,130.14	0.52	
TRL	963.198.000	VESTEL ELEKTR. SANAYI TICARET	2,330,331.85	1,839,111.20	2.09	
TOTAL SHARES			48,821,771.48	22,439,529.95	25.45	
2) BONDS						
TÜRKEI						
TRL	2.000.000	TURKEY	01/16.02.04/8.25 %	1,997,000.00	1,860,000.00	2.11
TRL	1.650.000	TURKEY	02/08.05.07/9.750 %	1,640,595.00	1,371,975.00	1.56
TRL	2.000.000	TURKEY	00/13.06.03/TV	1,945,000.00	1,855,000.00	2.10
USD	650.000	TURKEY	02/19.03.08/9.875 %	734,530.08	584,431.98	0.66
TRL	22.600.000.000.000	TURKEY S.36T4	99/02/TV	30,718,052.07	14,089,154.39	15.98
TOTAL BONDS			37,035,177.15	19,760,561.37	22.41	
TOTAL LISTED SECURITIES			85,856,948.63	42,200,091.32	47.86	

STATEMENT OF INVESTMENTS
AS OF JUNE 30, 2002

TÜRKISFUND-Bonds

	Number of shares/ Face value	Denomination		Acquisition cost	Market value	% of net assets
B) FINANCIAL INSTRUMENTS						
TREASURY NOTES						
TURKEY						
TRL	11.000.000.000.000	TURKEY TB	01/10.07.02/0 %	6,127,722.95	6,891,984.24	7.82
TRL	5.000.000.000.000	TURKEY TB	02/11.12.02/0 %	3,249,750.66	2,506,029.70	2.84
TRL	10.000.000.000.000	TURKEY TB	02/14.08.02/0 %	7,152,131.49	6,006,400.97	6.81
TRL	10.000.000.000.000	TURKEY TB	02/23.10.02/0 %	6,515,918.38	5,393,426.28	6.12
TRL	6.200.000.000.000	TURKEY TB	02/28.08.02/0 %	3,918,290.57	3,653,492.10	4.15
TRL	12.000.000.000.000	TURKEY TB	02/08.01.03/0 %	5,458,983.01	5,646,190.02	6.41
TRL	17.600.000.000.000	TURKEY TB	02/09.11.02/0 %	11,005,767.46	9,225,381.79	10.47
TRL	5.200.000.000.000	TURKEY TB	02/24.07.02/0 %	3,952,262.31	3,215,070.40	3.65
TOTAL FINANCIAL INSTRUMENTS				47,380,826.82	42,537,975.50	48.27
TOTAL SECURITIES				133,237,775.45	84,738,066.82	96.13

The accompanying notes form an integral part of these financial statements.

A detailed schedule of portfolio changes during the fiscal year is available free of charge upon request at the registered office of the Fund and from the paying agents.

**STATEMENT OF INVESTMENTS
AS OF JUNE 30, 2002**

TÜRKISFUND-Eurobonds

	Number of shares/ Face value	Denomination		Acquisition cost	Market value	% of net assets
LISTED SECURITIES						
BONDS						
GERMANY						
EUR	140.000	GERMANY	00/13.09.02/5 %	<u>140,525.00</u>	<u>140,406.00</u>	<u>9.63</u>
ITALY						
EUR	120.000	ITALY BTB	99/01.09.02/3.750 %	<u>120,078.00</u>	<u>120,060.00</u>	<u>8.24</u>
TURKEY						
EUR	200.000	TURKEY	01/07.02.05/11 %	206,500.00	188,000.00	12.90
USD	200.000	TURKEY	01/27.11.06/11.375 %	234,400.73	189,927.77	13.03
USD	50.000	TURKEY	00/30/11.875 %	54,841.95	42,637.77	2.93
USD	150.000	TURKEY	99/04/11.875 %	171,852.68	151,538.11	10.40
EUR	400.000	TURKEY	01/16.02.04/8.25 %	399,460.00	372,000.00	25.51
EUR	100.000	TURKEY	02/08.05.07/9.75 %	<u>99,850.00</u>	<u>83,150.00</u>	<u>5.71</u>
TOTAL SECURITIES				<u>1,427,508.36</u>	<u>1,287,719.65</u>	<u>88.35</u>

The accompanying notes form an integral part of these financial statements.

A detailed schedule of portfolio changes during the fiscal year is available free of charge upon request at the registered office of the Fund and from the paying agents.

**STATEMENT OF INVESTMENTS
AS OF JUNE 30, 2002**

TÜRKISFUND-Gothaer Anadolu Equities

	Number of shares/ Face value	Denomination	Acquisition cost	Market value	% of net assets
LISTED SECURITIES					
SHARES					
TURKEY					
TRL	6.000.000	AKCANSAN CIMENTO SANAYI VE TIC	42,089.09	29,022.58	3.57
TRL	10.000.000	AKSIGORTA	43,337.10	26,413.09	3.25
TRL	6.400.000	ARCELİK AS	47,325.69	39,104.11	4.81
TRL	100.000.000	IS YATIRIM ORTAKLIĞI AS	67,299.88	43,279.28	5.32
TRL	50.000.000	ISGYO	41,277.47	24,185.48	2.98
TRL	6.000.000	KOC HLD AS	77,225.77	54,417.34	6.70
TRL	750.000	MIGROS TURKEY T.A.S.	59,570.86	33,414.15	4.11
TRL	2.000.000	NETAS NORTH. EL. TELEKOMMUNIK.	36,653.72	29,277.16	3.60
TRL	2.000.000	PETROL OFİSİ AS	49,775.46	30,231.85	3.72
TRL	13.333.300	SABANCI HOLDING	46,783.15	32,247.23	3.97
TRL	12.500.000	TOFAS TÜRK OTOMOBİL FABRİKASI	46,471.25	31,823.00	3.92
TRL	380	TÜRK İSİE CAM	0.46	0.29	0.00
TRL	20.000.000	VESTEL ELEKTR. SANAYİ TİCARET	46,268.31	38,187.60	4.70
TOTAL SECURITIES			<u>604,078.21</u>	<u>411,603.16</u>	<u>50.65</u>

The accompanying notes form an integral part of these financial statements.

A detailed schedule of portfolio changes during the fiscal year is available free of charge upon request at the registered office of the Fund and from the paying agents.

NOTE 1 – GENERAL INFORMATION

TÜRKISFUND SICAV (“the Fund”) is an investment company organized as a corporation (Société Anonyme) under the laws of the Grand Duchy of Luxembourg and qualifies as a SICAV (Fr: Société d’Investissement à Capital Variable). The SICAV was incorporated in Luxembourg on November 19, 1997 for an unlimited period, with an initial capital of DEM 70,000. The Articles of Incorporation of the SICAV were published in the Memorial, official gazette of Luxembourg, on December 18, 1997. The SICAV is registered with the Register of Commerce, Luxembourg under number B-61596.

The Articles of Incorporation of the SICAV and a notice required by Luxembourg law in respect of the issue and sale of shares by the SICAV are on file with the Clerk of the Circuit Court (Greffe du Tribunal d’Arrondissement) of Luxembourg.

Shares are at present offered in the following sub-funds, each sub-fund having its own specific investment objectives and strategies:

- TÜRKISFUND-Equities
- TÜRKISFUND-Bonds
- TÜRKISFUND-Eurobonds
- TÜRKISFUND-Gothaer Anadolu Equities

The objective of the sub-fund TÜRKISFUND-Equities is mainly to invest in equities issued by Turkish issuers as well as equities expressed in Turkish Lira.

The objective of the sub-fund TÜRKISFUND-Bonds is mainly to invest in Turkish Bonds.

The objective of the sub-fund TÜRKISFUND-Eurobonds is mainly to invest in Turkish-issued Eurobonds.

The objective of the sub-fund TÜRKISFUND-Gothaer Anadolu Equities is mainly to invest in equities issued by Turkish issuers as well as equities expressed in Turkish Lira.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Determination of the Net Asset Value

The net asset value per share is calculated by dividing the total net asset value of the relevant sub-fund, i. e., the value of the assets of the sub-fund less its liabilities,

by the number of shares of the relevant sub-fund then outstanding.

It should be noted that the net asset value given for the half-year ending June 30, 2002 is based on the exchange rate prevailing on June 28, 2002.

Since June 30, 2000, the reference currency for the Fund is the EURO.

b) Valuation of investments

The value of each security listed or dealt in on any stock exchange shall be the last known price or, where appropriate, the market price on the stock exchange which is normally the principal market for such security.

The securities traded on any other regulated market are valued in a manner as near as possible to that described in the preceding paragraph.

In the event that any of the securities held in any portfolio on the relevant valuation day are not quoted or dealt in on a stock exchange or another regulated market, or if no price quotation is available, or if the price as determined pursuant to the last two paragraphs is not, in the opinion of the Directors, representative of the fair market value of the relevant securities, the value of such securities will be determined based on the sale price, determined prudently and in good faith, that may reasonably be expected.

c) Foreign currency conversion

The SICAV maintains its accounting records in EURO.

The value of the assets and liabilities denominated in a currency other than EURO will be converted at the rates of exchange prevailing at the end of the fiscal year. Transactions in foreign currencies are converted into EURO at the rates prevailing on the transaction date.

The exchange rates used as of June 30, 2002 (base rate at June 28, 2002) is the following:
1000 TRL = 0.063646 EUR

d) Net realized profit (loss) on sales of investments

The net realized profit or loss on sales of investments is determined on the basis of the average cost of investments sold.

e) *Forward foreign exchange contracts*

Unrealized profits or losses on outstanding forward foreign exchange contracts are valued on the basis of forward exchange rates prevailing at the relevant valuation date and are included in the Statement of Changes in Net assets.

f) *Start-up expenses*

Start-up expenses are amortised on the assets of the fund over 5 financial years.

NOTE 3 – ADVISORY FEES

As remuneration for its services, the Investment Adviser, IS Portfolio management Company, will receive quarterly, for each sub-fund, a fee at the annual rate of 1 % of the net assets of TÜRKISFUND-Equities, TÜRKISFUND-Bonds and TÜRKISFUND-Eurobonds.

With effect from December 1, 2000, the SICAV will pay the investment adviser for TÜRKISFUND-Equities, TÜRKISFUND-Bonds and TÜRKISFUND-Eurobonds a remuneration based on the following table:

Annual remuneration for the average quarterly value in EURO of each portfolio:

For the first 10 million	1 %
For the next 15 million	0.75 %
For the next 25 million	0.50 %
For the remainder of the portfolio	0.20 %

For the sub-fund TÜRKISFUND-Gothaer Anadolu Equities, IS Portfolio management Company will receive quarterly a fee at the annual rate of 0.75 % of the net assets of the sub-fund.

NOTE 4 – DISTRIBUTORS

Distributors are entitled to receive a sales fee up to 5 % of the net asset value per share of the relevant sub-fund, which they may recover as a direct deduction from the monies received from subscribers.

As remuneration for their services, the Distributors are to receive an annual fee of 0.1 % for each sub-fund, based upon the average total net assets of each sub-fund, payable quarterly.

Gothaer Anadolu Hayat Versicherungsdienst GmbH, as the distributor of the sub-fund TÜRKISFUND-Gothaer Anadolu Equities, receives an annual fee of 0.5 % of the average net asset value of that sub-fund.

NOTE 5 – SUBSCRIPTION TAX

Under present Luxembourg law and practice, the SICAV is not liable to any Luxembourg income tax, nor are dividends paid by the SICAV liable to any Luxembourg withholding tax. The SICAV is, however, liable in Luxembourg to a subscription tax of 0.05 % per annum of its net assets, such tax being calculated and payable quarterly on the basis of the value of the net assets of the Fund at the end of the relevant quarter.

No subscription tax is due on the assets held by the SICAV in other UCITS already subject in Luxembourg to that subscription tax.