

TÜRKISFUND

SICAV

**Unaudited Semi-annual Report
as of June 30, 2008**

No subscriptions may be accepted on the basis of the Annual or Semi-annual Reports. Subscriptions may only be made on the basis of the current Prospectus, to which the most recent Annual Report and, if available, the most recent Semi-annual Report are appended.

TÜRKISFUND

Management and Administration

Registered Office:

5, allée Scheffer
L-2520 Luxembourg

Board of Directors:

Chairman:

Since April 21, 2008
Dr. Gürman TEVFIK
General Manager
IS PORTFOLIO MANAGEMENT COMPANY, Istanbul

Directors:

Bayram ÖZTÜRK
General Manager
ISBANK GmbH, Frankfurt

Kaan TOKAT
Branch Manager
TÜRKIYE IS BANKASI A.S., London

Selami DÜZ
Managing Director
Isbank GmbH, Frankfurt

Investment Manager:

IS PORTFOLIO MANAGEMENT COMPANY
IS Kuleleri, Kule:2, Kat:3,
34330 4. Levent Istanbul - Turkey

Custodian Bank:

CACEIS Bank Luxembourg
5, allée Scheffer
L-2520 Luxembourg

Central Administration:

CACEIS Bank Luxembourg
5, allée Scheffer
L-2520 Luxembourg

Registrar and Transfer Agent:

CACEIS Bank Luxembourg
5, allée Scheffer
L-2520 Luxembourg

Distributor:

ISBANK GMBH
Rossmarkt 9
D-60311 Frankfurt am Main

Paying and Information Agent in Germany:

ISBANK GMBH
Rossmarkt 9
D-60311 Frankfurt am Main

Auditors:

Until May 6, 2008
DR. WOLLERT - DR. ELMENDORFF S.à r.l.
51, avenue de la Gare
L-1611 Luxembourg

Since May 6, 2008
Ernst & Young SA
Parc d'activité Syrdall 7
L-5365 Munsbach

Conducting Persons:

Cenk Aksoy
Assistant General Manager
IS PORTFOLIO MANAGEMENT COMPANY
IS Kuleleri, Kule:2, Kat:3,
34330 4. Levent Istanbul - Turkey

Zeynep Aslan
Director
Türkisfund SICAV
5, Allée Scheffer
L-2520 Luxembourg

TÜRKISFUND

Information for Shareholders

The Annual General Meeting of the SICAV's shareholders is held at the SICAV's registered office or at another place in Luxembourg each year at 11 a.m. on the first Tuesday in May. If this is a bank holiday in Luxembourg, the Annual General Meeting will be held on the next bank working day in Luxembourg.

Invitations to the Annual General Meeting are sent to the holders of registered shares by registered mail at the addresses entered in the register of shareholders at least 8 days before the Meeting. These invitations also include the agenda and indicate the time and place of the Meeting and the conditions of admission. In addition, they refer to the statutory requirements in Luxembourg with regard to voting majorities and the presence of a quorum.

The SICAV's fiscal year ends on December 31. The first Annual Report was prepared as of December 31, 1998.

The SICAV's first report was an unaudited Semi-annual Report as of June 30, 1998.

Audited annual reports are published within four months of the end of the fiscal year and unaudited semi-annual reports within two months of the end of the relevant period. These reports are sent to each registered shareholder at the address given in the register. Paper copies of the detailed and simplified prospectus, the annual and semi-annual reports and a list of changes to the investment portfolio are available free of charge from the SICAV's registered office as well as from the German paying and information agent.

Savings Directive

European Union Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (the "Savings Directive") was implemented into Luxembourg law by way of the Act dated June 21, 2005 (the "Act").

The Savings Directive is designed to ensure the effective taxation of interest payments arising from debt claims ("savings income in the form of interest payments") made in a member state of the European Union ("member state") to private individuals ("beneficial owners") who are resident in another member state. Under the Savings Directive, member states are obliged to provide the relevant authorities in the beneficial owner's member state with a certain minimum amount of information on the savings income in the form of interest payments and on the beneficial owner's identity ("exchange of information"). Exceptions to this Directive are Austria, Belgium and Luxembourg, which will levy withholding taxes on such savings income for a transitional period. Other countries, including Switzerland, dependent or associated territories of the EU member states, the Principalities of Monaco, Liechtenstein and Andorra as well as the Republic of San Marino, have also taken measures similar to the exchange of information or withholding taxation.

In Luxembourg, the Act provides for the levy of a withholding tax that will be raised in three stages from an initial 15% (July 1, 2005 to June 30, 2008) through 20% (July 1, 2008 to June 30, 2011) to 35% (from July 1, 2011).

However, Article 9 of the Act states that no withholding tax will be retained if the beneficial owner authorizes the paying agent in writing to pass on information as part of the exchange of information.

The dividends paid by the sub-fund of the SICAV fall within the scope of the Savings Directive if more than 15% of the relevant portfolio's assets is invested in debt claims (see the Act for a definition). The Savings Directive applies to redemption proceeds generated by shareholders when redeeming shares, insofar as more than 40% of the relevant sub-fund's assets is invested in debt claims.

The Company is entitled to reject applications to subscribe for shares if the applicant does not supply the SICAV with the information required by law sufficiently and in full.

TÜRKISFUND

Information for Shareholders (continued)

Savings Directive (continued)

Name of sub-fund	Tax status on redemption	Tax status on distribution	Procedure used to determine status	Period of validity of status
TÜRKISFUND EQUITIES			PROSPECTUS	Jan. 1, 2008 – Dec. 31, 2008
TÜRKISFUND BONDS			PROSPECTUS	Jan. 1, 2008 – Dec. 31, 2008
TÜRKISFUND EUROBONDS			PROSPECTUS	Jan. 1, 2008 – Dec. 31, 2008

| = In scope of the Act

0 = Out of the scope of the Act

TÜRKISFUND

Statement of Net Assets as of June 30, 2008

ASSETS	Note	TÜRKISFUND EQUITIES EUR	TÜRKISFUND BONDS EUR	TÜRKISFUND EUROBONDS EUR	Total EUR
Investment portfolio at market value	(2)	9,267,358.70	15,568,189.59	1,130,718.60	25,966,266.89
Bank balances		31,631.54	39,960.44	10,263.99	81,855.97
Amounts receivable on sales of investments		147,383.19	0.00	0.00	147,383.19
Interest and dividends receivable, net	(2)	27,272.81	1,514,472.54	41,047.61	1,582,792.96
TOTAL ASSETS		9,473,646.24	17,122,622.57	1,182,030.20	27,778,299.01
LIABILITIES					
Investment Manager's fee	(3)	20,516.67	34,192.55	2,588.16	57,297.38
Amounts payable on purchases of investments		56,078.56	0.00	0.00	56,078.56
Expenses payable		33,560.60	32,282.28	1,793.69	67,636.57
TOTAL LIABILITIES		110,155.83	66,474.83	4,381.85	181,012.51
TOTAL NET ASSETS		9,363,490.41	17,056,147.74	1,177,648.35	27,597,286.50
Net asset value per share					
Class A		25.73	64.69	17.54	
Class I		25.77	64.83	-	
Number of shares outstanding					
Class A		74,782.439	67,761.543	67,145.453	
Class I		288,651.185	195,479.166	-	

TÜRKISFUND

Changes in the Number of Shares Outstanding for the Period Ended June 30, 2008

	TÜRKISFUND EQUITIES	TÜRKISFUND BONDS	TÜRKISFUND EUROBONDS
Class A			
Number of shares outstanding at the beginning of the period	141,487.174	82,913.110	83,162.861
Number of shares issued	10,073.356	16,304.738	90,930.332
Number of shares redeemed	(-76,778.091)	(-31,456.305)	(-106,947.740)
Number of shares outstanding at the end of the period	74,782.439	67,761.543	67,145.453
Class I			
Number of shares outstanding at the beginning of the period	288,651.185	195,479.166	-
Number of shares issued	-	-	-
Number of shares redeemed	-	-	-
Number of shares outstanding at the end of the period	288,651.185	195,479.166	-

Statistics

	TÜRKISFUND EQUITIES	TÜRKISFUND BONDS	TÜRKISFUND EUROBONDS
	EUR	EUR	EUR
TOTAL NET ASSETS			
June 30, 2008	9,363,490.41	17,056,147.74	1,177,648.35
December 31, 2007	18,091,123.52	20,061,683.48	1,537,342.65
December 31, 2006	32,899,298.62	40,971,531.81	3,177,967.35
Net asset value per share at the end of the fiscal year			
June 30, 2008			
Class A	25.73	64.69	17.54
Class I	25.77	64.83	-
December 31, 2007			
Class A	42.02	71.97	18.49
Class I	42.08	72.10	-
December 31, 2006			
Class A	31.83	55.54	18.63
Class I	31.86	55.62	-

TÜRKİSFUND

TÜRKİSFUND EQUITIES

Statement of Investments
as of June 30, 2008
(Amounts in EUR)

Description	Number/ face value	Currency	Cost price	Market value	% of net assets
Quoted securities					
Shares					
Turkey					
AKBANK A.S.	220,000	TRY	735,539.48	494,538.48	5.28
ANADOLU HAYAT SIGORTA A.S.	498,267	TRY	910,082.02	671,001.54	7.17
ANADOLU SIGORTA A.S. Bearer	763,637	TRY	327,220.81	367,838.76	3.93
DOGAN SIRKETLER GRUBU HOLDINGS A.S.	300,000	TRY	448,928.14	247,062.06	2.64
DOGUS OTOMOTIV SERVIS A.S.	60,000	TRY	275,785.63	96,338.66	1.03
EREGLI DEMIR VE CELIK A.S.	1	TRY	4.73	7.30	0.00
FORD OTOMOTIV A.S.	20,000	TRY	131,921.77	99,446.36	1.06
HACI OMER SABANCI HOLDING A.S.	100,000	TRY	358,523.31	219,610.72	2.35
HURRIYET GAZETE A.S.	200,001	TRY	411,998.80	156,421.29	1.67
IS YATIRIM ORTAKLIGI A.S.	2,155,284	TRY	1,390,318.16	736,777.10	7.87
KOC HOLDING A.S. -B-	162,500	TRY	375,214.00	284,483.93	3.04
TAT KONSERVE A.S.	165,000	TRY	302,897.29	251,257.45	2.68
TOFAS TURK OTOMOBIL FABRIKASI A.S.	200,000	TRY	375,920.06	362,565.47	3.87
TRAKYA CAM SANAYII A.S.	495,279	TRY	325,567.61	346,314.94	3.70
TUPRAS TURKIYE PETROL RAFINELERI A.S.	35,000	TRY	523,560.96	498,526.69	5.32
TURK SISE CAM A.S.	547,240	TRY	535,122.01	382,648.01	4.09
TURK TELEKOM A.S.	200,000	TRY	476,536.29	439,221.44	4.69
TURKCELL ILETISIM HIZMET A.S.	130,000	TRY	769,041.96	494,901.04	5.29
TURKIYE GARANTI BANKASI A.S. (NAMEN-AKT)	325,000	TRY	546,332.32	491,534.37	5.25
TURKIYE HALK BANKA A.S. -SHS-	50,000	TRY	165,475.65	156,679.82	1.67
TURKIYE VAKIFLAR BANKASI TAO A.S.	1	TRY	1.03	0.50	0.00
YAPI VE KREDI BANKASI A.S.	200,000	TRY	329,033.73	244,472.80	2.61
YATIRIM FINANSMAN YATIRM ORTAKLIGI A.S.	300,000	TRY	194,111.11	74,584.77	0.80
			9,909,136.87	7,116,233.50	76.00
Total shares			9,909,136.87	7,116,233.50	76.00
Bonds					
Turkey					
TURKEY 0% 07-04.02.09U (*)	1,100,000	TRY	499,176.68	499,176.68	5.33
TURKEY 0% 08-10.09.08U (*)	1,500,000	TRY	739,190.24	739,190.24	7.89
TURKEY FL.R 05-17.02.10S	1,611,763	TRY	914,503.60	912,758.28	9.75
			2,152,870.52	2,151,125.20	22.97
Total bonds			2,152,870.52	2,151,125.20	22.97
Total quoted securities			12,062,007.39	9,267,358.70	98.97
TOTAL INVESTMENT PORTFOLIO			12,062,007.39	9,267,358.70	98.97

The accompanying Notes are an integral part of the Annual Report.

(*) Changes in the value of the zero coupon bonds are included in "interest and dividends receivable, net"

TÜRKISFUND

TÜRKISFUND BONDS

Statement of Investments
as of June 30, 2008
(Amounts in EUR)

Description	Number/ face value	Currency	Cost price	Market value	% of net assets
Quoted securities					
Shares					
Turkey					
ANADOLU HAYAT SIGORTA A.S.	274,526	TRY	568,160.73	369,696.21	2.17
IS YATIRIM ORTAKLIGI A.S.	3,545,896	TRY	1,813,835.84	1,212,153.59	7.11
TURK SISE CAM A.S.	56,046	TRY	9,180.13	39,189.04	0.23
YATIRIM FINANSMAN YATIRM ORTAKLIGI A.S.	295,632	TRY	196,991.25	73,498.82	0.43
			2,588,167.95	1,694,537.66	9.94
Total shares			2,588,167.95	1,694,537.66	9.94
Bonds					
Turkey					
TURKEY 0% 06-13.08.08U(*)	5,743,233	TRY	2,298,980.33	2,298,980.33	13.48
TURKEY 0% 07-.04.09U(*)	2,500,000	TRY	1,171,201.95	1,171,201.95	6.87
TURKEY 0% 07-26.11.08U(*)	7,437,639	TRY	2,948,312.94	2,948,312.94	17.29
TURKEY 0% 08-13.01.10U(*)	11,000,000	TRY	4,102,598.48	4,102,598.48	24.05
TURKEY 14% 05-10.02.10S	1,400,000	TRY	841,866.55	663,972.29	3.89
TURKEY 14% 06-19.01.11S	5,300,000	TRY	3,004,093.43	2,333,792.82	13.68
TURKEY FL.R 05-17.02.10S	626,499	TRY	355,471.54	354,793.12	2.08
			14,722,525.22	13,873,651.93	81.34
Total bonds			14,722,525.22	13,873,651.93	81.34
Total quoted securities			17,310,693.17	15,568,189.59	91.28
TOTAL INVESTMENT PORTFOLIO			17,310,693.17	15,568,189.59	91.28

The accompanying Notes are an integral part of the Annual Report.

(*) Changes in the value of the zero coupon bonds are included in "interest and dividends receivable, net"

TÜRKISFUND

TÜRKISFUND EUROBONDS

Statement of Investments
as of June 30, 2008
(Amounts in EUR)

Description	Number/ face value	Currency	Cost price	Market value	% of net assets
Quoted securities					
Bonds					
Turkey					
TURKEY 4.75% 05-06.07.12A	210,000	EUR	204,930.68	192,728.00	16.37
TURKEY 5% 06-01.03.16A	100,000	EUR	93,412.50	86,056.37	7.31
TURKEY 5.5% 04-21.09.09A	190,000	EUR	194,121.80	188,542.39	16.01
TURKEY 5.5% 05-16.02.17A	170,000	EUR	161,729.39	148,866.64	12.64
TURKEY 6.5% 04-10.02.14A	120,000	EUR	125,073.92	115,965.82	9.85
TURKEY 9.5% 00-09.02.10A	170,000	EUR	192,653.64	176,560.74	14.99
TURKEY 9.25% 03-18.01.11A	210,000	EUR	244,456.01	221,998.64	18.85
			1,216,377.94	1,130,718.60	96.01
Total bonds			1,216,377.94	1,130,718.60	96.01
Total quoted securities			1,216,377.94	1,130,718.60	96.01
TOTAL INVESTMENT PORTFOLIO			1,216,377.94	1,130,718.60	96.01

The accompanying Notes are an integral part of the Annual Report.

TÜRKISFUND

Notes to the Semi-annual Report as of June 30, 2008

NOTE 1 – GENERAL

TÜRKISFUND SICAV (the "Fund") is an investment company that was established as a public company (société anonyme) under the laws of the Grand Duchy of Luxembourg and qualifies as a SICAV (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 DM 70,000.00. It was governed by Part I of the Act dated March 18, 1988 until January 10, 2007. Since January 11, 2007, it has been governed by Part I of the Act dated December 20, 2002. The Articles of Incorporation of the SICAV were published in the Mémorial, Recueil des Sociétés et Associations (official gazette) of Luxembourg on December 18, 1997. The SICAV is entered in the Luxembourg commercial register under number B-61596.

Shares are currently offered in the following sub-funds, which each pursue their own investment objectives and strategies:

- TÜRKISFUND EQUITIES
- TÜRKISFUND BONDS
- TÜRKISFUND EUROBONDS

The main objective of the TÜRKISFUND EQUITIES sub-fund is to invest in equities issued by Turkish issuers and in equities denominated in Turkish lira.

The main objective of the TÜRKISFUND BONDS sub-fund is to invest in Turkish bonds.

The main objective of the TÜRKISFUND EUROBONDS sub-fund is to invest in eurobonds issued by the Republic of Turkey.

NOTE 2 – SUMMARY OF KEY ACCOUNTING POLICIES

a) Determination of 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 sub-fund's assets less its liabilities, by the total number of shares of the relevant sub-fund then outstanding.

It should be noted that the net asset values for the semi-annual financial statements as of June 30, 2008 are based on the exchange rates prevailing on June 30, 2008.

The reference currency for the Fund is the euro.

b) Valuation of investments

The value of each security listed or traded on any stock exchange is the last known price or the official average price on the exchange which is normally the principal market for the security in question.

Securities traded on another regulated market are valued in a manner as near as possible to that described in the following paragraph.

In the event that the securities held in a portfolio on the valuation date are not listed or traded on an exchange or another regulated market, or if no price quotation is available, or if the price as determined pursuant to the last two paragraphs does not reflect the fair market value of the relevant securities in the opinion of the Board of Directors, the value of these securities will be determined on the basis of the sale price, determined prudently and in good faith, that may reasonably be expected.

TÜRKISFUND

Notes to the Semi-annual Report (continued)
as of June 30, 2008

NOTE 2 – SUMMARY OF KEY ACCOUNTING PRINCIPLES (continued)

c) Foreign currency translation

The SICAV prepares its accounts in euros.

Assets and liabilities denominated in currencies other than the euro are translated at the exchange rates prevailing at the end of the reporting period. Transactions in foreign currencies are translated into euros at the exchange rates prevailing at the transaction date.

Exchange rates as of June 30, 2008:

TRY 1 = EUR 0.51795

USD 1 = EUR 0.63345

d) Net realized gain/loss on sales of investments

The gains or losses realized on sales of investments are calculated on the basis of the average cost price of investments sold.

e) Measurement of forward exchange contracts

Unrealized gains or losses on outstanding forward exchange contracts are calculated and entered at the forward exchange rate prevailing at the measurement date and are recognized in the changes in net assets.

f) Treatment of zero coupon bonds

Zero coupon bonds are recognized at cost in the investments item. Unrealized gains are reported under "Interest and dividends receivable, net".

NOTE 3 – INVESTMENT MANAGER'S FEE

Since July 7, 2005, the SICAV has received remuneration for each sub-fund of up to 1.00% of the average net asset value of the respective sub-fund as a fee each quarter.

NOTE 4 – DISTRIBUTOR FEES

The distributor receives a sales fee of up to 5% of the net asset value per share of the relevant sub-fund, which it may deduct directly from the subscription monies.

As remuneration for its services, the distributor receives 0.2% p.a. of the average net asset value of each sub-fund every quarter.

TÜRKISFUND

Notes to the Semi-annual Report (continued)
as of June 30, 2008

NOTE 5 – SUBSCRIPTION TAX

Under current law, the SICAV is not subject to income tax in Luxembourg, nor are the dividends paid by the SICAV subject to withholding tax for investors resident in Luxembourg. However, the SICAV must pay a subscription tax (taxe d'abonnement) on its net asset value in Luxembourg amounting to 0.05% p.a. for Class A shares and 0.01% p.a. for Class I shares.

This tax is calculated and payable each quarter on the basis of the net asset values of all the sub-funds at the end of the respective quarter.

No subscription tax is due on assets held by the Company in other UCITs (undertakings for collective investment in transferable securities) already subject to a taxe d'abonnement in Luxembourg.

NOTE 6 – MISCELLANEOUS

A list of changes to the investment portfolio during the period under review is available on request from the Company's registered office and the paying agents.

NOTE 7 – REPO AND REVERSE REPO TRANSACTIONS

Repo transactions represent borrowings that are guaranteed by the underlying asset contained in the investment portfolio of the sub-fund, which remains exposed to market risk. Reverse repos are comparable with guaranteed loans. In this case, the sub-fund is not subject to the risk of the underlying asset losing value. Repos and reverse repos are recognized as borrowings or loans in the amount of the cash received or paid. Income and expenses from repos and reverse repos are reported in the annual financial statements.

TÜRKISFUND EQUITIES

Description	Repurchase agreement	Measurement date	Maturity	Currency	Exposure (in TRY)
TURKEY FL.R 05-17.02.10S	1,611,763	Jun. 30, 2008	Jun. 30, 2008	TRY	1,762,252.37
				Total:	1,762,252.37

The fund's repo exposure amounted to TRY 1,762,252.37 as of June 30, 2008.

TÜRKISFUND BONDS

Description	Repurchase agreement	Measurement date	Maturity	Currency	Exposure (in TRY)
TURKEY FL.R 05-17.02.10S	626,499	Jun. 30, 2008	Jun. 30, 2008	TRY	684,995.17
				Total:	684,995.17

The fund's repo exposure amounted to TRY 684,995.17 as of June 30, 2008.