



TEB

2015 Annual Report



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AGENDA OF THE ORDINARY GENERAL ASSEMBLY MEETING ON 28 MARCH 2016

1- Opening and formation of the Presidential Board,

2- Granting authorization to the Presidential Board for signing the meeting minutes,

3- Reading, discussion and approval of the Board of Directors' Activity Report for the year 2015,

4- Reading, discussion and approval of the 2015 financial statements,

5- Release of the Board Members from their transactions in 2015,

6- Discussion and approval of the Board of Director's proposal on the dividend distribution or passing resolution on approval of the amended version or disapproval of the same,

7- Reading of the summary of the annual audit report prepared by the Independent Audit Firm, and passing resolution on the appointment of the Independent Audit Firm proposed by the Board of Directors for independent auditing of the year 2016,

8- Reaching a conclusion on the amendment of the Bank's Articles of Association to take account of the Bank shares being delisted from the stock exchange, and therefore being outside the scope of Capital Market Law,

9- Determination of number and term of office of the Board Members and election of the same,

10- Determination of benefit such as fees and remunerations to be paid to the Board Members,

11- Reaching a conclusion on the appointments made pursuant to Article 363 of the Turkish Trade Act to replace members who left the Board of Directors,

12- Authorizing the Board of Directors for a period of 15 months in order to issue capital market instruments as a debt instrument,

13- Reaching a conclusion for Board Members to carry out the procedures set out in Articles 334 and 335 of the Turkish Trade Act,

14- Reaching a conclusion for the approval of internal guidelines regarding the principles and procedures of the General Assembly's work, which was prepared by the Board of Directors.

SECTION 1 - PRESENTATION

STATEMENT CONCERNING THE 2015 ANNUAL REPORT OF TÜRK EKONOMİ BANKASI A.Ş.

The Annual Report of Türk Ekonomi Bankası A.Ş. has been prepared in accordance with the “Regulation on Principles and Standards for the Preparation and Publication of Annual Reports by Banks” published in the Official Journal numbered 26333, dated 1 November 2006 and “Regulation on Minimum Requirements for the Preparation of Annual Reports by Companies” published in the Official Journal numbered 28395, dated 28 August 2012 by the Ministry of Customs and Trade.



Yavuz CANEVI
Chairman of the
Board of Directors



**Jacques Roger Jean Marie
RININO**
Board Member and
Chairman of Audit
Committee



Dr. Akın AKBAYGİL
Vice Chairman of the
Board of Directors and
Vice Chairman of Audit
Committee



Ümit LEBLEBİCİ
General Manager



M. Aşkın DOLAŞTIR
Assistant General Manager
in Charge of Financial
Reporting



Gökhan KAZCILAR
Director in Charge of
Financial Reporting

TÜRK EKONOMİ BANKASI A.Ş. 2015 ANNUAL REPORT

Reporting Per:	01.01.2015-31.12.2015
Title of the Bank:	Türk Ekonomi Bankası A.Ş.
Headquarters:	TEB Kampüs C ve D Blok Saray Mah. Sokullu Cad. No: 7A-7B Ümraniye 34768 İstanbul, Turkey
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Fax:	+90 216 636 36 36
Web site:	www.teb.com.tr
E-mail:	yatirimciiliskileri@teb.com.tr
Trade Registration Number:	189356
Central Registry Number (Mersis):	876004342000105

SHAREHOLDING STRUCTURE OF TEB

THE DISTRIBUTION OF THE BANK'S TL 2,204,390,000 PAID-IN CAPITAL AS OF 31 DECEMBER 2015

Shareholder's Name/Title	Within TL 2,204,390,000.00 Capital;	
	Amount	Share
TEB HOLDING A.Ş.	1,212,414,500.002	55.00%
BNPP YATIRIMLAR HOLDING A.Ş.	518,342,498.520	23.51%
BNP PARIBAS FORTIS YATIRIMLAR HOLDING A.Ş.	467,879,148.835	21.23%
BNP PARIBAS SA	5,253,352.000	0.24%
KOCAELİ TİCARET ODASI (KOCAELİ CHAMBER OF COMMERCE)	500,500.643	0.02%
TOTAL	2,204,390,000.000	100.00%

TEB Holding A.Ş. is a member of the Çolakoğlu Group and BNP Paribas Group of Companies. A total of 50% of the shares in TEB Holding A.Ş. are controlled by BNP Paribas Fortis Yatırımlar Holding A.Ş., with the other 50% of the shares controlled by the Çolakoğlu Group. BNP Paribas Fortis Yatırımlar Holding A.Ş. is controlled by BNP Paribas Fortis NV/SA, which holds 100% of the shares in BNP Paribas Fortis Yatırımlar Holding A.Ş. On the other hand, BNP Paribas S.A. controls BNPP Yatırımlar Holding A.Ş. by holding 100% of the shares.

Explanations Regarding the Shares Owned by the Bank's Chairman and Board Members, General Manager and Deputy General Managers:

There are no Bank shares owned by the Bank's Chairman and Board Members, General Manager or Deputy General Managers.

Information on Participation of Board Members and Committee Members into Respective Meetings:

As of 31.12.2015 the Board of Directors have accepted 210 resolutions.

The Board Members and Committee Members have participated into respective meetings at sufficient levels.

TEB: PAST AND PRESENT

Starting out as Kocaeli Halk Bankası TAŞ in 1927, a small local bank based in İzmit. TEB was acquired by the Çolakoğlu Group in 1982. The same year its name was changed to “Türk Ekonomi Bankası A.Ş.” and its headquarters were relocated to İstanbul.

Having focused its attentions on the foreign trade finance and investment banking business lines beginning in the 1980s, TEB undertook an initial public offering in February 2000 after which its shares began trading on the İstanbul Stock Exchange’s national market and was simultaneously quoted on the London Stock Exchange’s depository receipt market.

On 10 February 2005, TEB entered into a partnership agreement with BNP Paribas, a leading Europe-based international financial services group whose members had operations in 75 countries as of end-2015. By joining forces with the BNP Paribas Group, one of the most respected names in international markets, TEB further expanded the scope of its global vision.

In 2009 the BNP Paribas Group acquired majority stakes in Fortis Bank Belgium and Fortis Bank Luxembourg, as a result of which purchases the group also became the biggest shareholder in Fortis Bank’s Turkish subsidiary. Subsequently the BNP Paribas Group, which now indirectly controlled a majority stake in TEB, and the Çolakoğlu Group reached an agreement under which it was decided to merge Fortis Bank Turkey into TEB. This merger formally took place on 14 February 2011.

As a result of this merger, TEB Holding now controls a majority (55%) stake in TEB while the Çolakoğlu Group and BNP Paribas each control an equal (50%) stake in TEB Holding.

At a time when TEB’s publicly-traded shares were being quoted on Borsa İstanbul National Market,

on 14 November 2014, BNP Paribas Fortis Yatırımlar Holding A.Ş., acting on behalf of shareholders controlling a sufficient majority in TEB, applied to exercise their squeeze-out rights as provided for under current capital market regulations. With the completion of the delisting process on 25 June 2015, the shares in TEB A.Ş. were delisted from the stock exchange and TEB A.Ş. was excluded from the scope of Capital Market Law as a share issuer. Following an application from TEB, which is listed on the London Stock Exchange, depository receipts were also closed to processing and delisted as of 31 March 2015. Furthermore, the depository receipt program was terminated on 6 June 2015.

Benefitting from the worldwide organization and expertise of the BNP Paribas Group, TEB provides its customers with a complete array of corporate, small-business, treasury, capital market, retail, and private banking financial products and services as well as an extensive line-up of investment, leasing, factoring, insurance, and portfolio management products and services through its subsidiaries and group companies.

As of year-end 2015 TEB was at the service of

- 4.9 million customers with
- 9,927 employees
- 532 branches
- 1,698 ATMs
- on online branch at www.teb.com.tr
- a call center on 444 0 666.

Supported by BNP Paribas’s strength and a presence in 75 countries, TEB gives its customers access to BNP Paribas’s global vision and operational capabilities. A synergetic collaboration with BNP Paribas also makes it possible for the Bank to keep a close and constant watch on developments taking place in global markets as they unfold.

CHAIRMAN'S MESSAGE

Esteemed Shareholders,

The US Central Bank (Fed) went on to hike interest rates after a 10 year break with the decision that it took on 16 December 2015.

The US economy also continued to grow in 2015. The recovery in the employment market continued and unemployment edged down towards its pre-crisis levels. At the same time, the US dollar maintained its strength and inflation remained below the 2% target. The US economy grew by 2% in the third quarter of 2015 compared to the same period of the previous year.

In light of these developments, the US Central Bank (Fed) raised interest rates by 0.25 base points on 16 December 2015, in the first interest rate hike for 10 years. Although this may appear to be a small step, it is a giant leap in terms of its significance which will determine the course of the global economy in the short and medium term.

In addition to its decision taken on 16 December 2015, the Fed stated that it would closely follow developments in the economy and decide on any new interest rate hikes accordingly. As Governor Janet Yellen also stated, the developments that will emerge in economic parameters and the progress of inflation towards 2% target will be primary factors to take into account of in the future decisions on interest rates. We would expect the Fed to act cautiously before raising rates again, with any further rate hikes being limited.

Although the Fed's interest hike had long been expected, the market welcomed the move with the US dollar gaining value and the US Treasury bonds clawing back losses.

The impetus behind the Fed's decision to raise interest rates was the recent performance of the US economy, the improvement in employment and the sustainable developments in growth rates. During this process, the US economy decoupled from the EU and Japan; and while policies aimed at tackling deflation continued to

be implemented in the Euro zone and Japan, the US began reaping the fruits of the asset purchasing programs that it has been implementing unwaveringly.

Successful policy implementations by the European Central Bank (ECB) also reflected to economic performance in Euro zone.

The recovery in the Euro zone began in 2015 as production of capital goods and durable consumer goods increased. The Manufacturing PMI (Purchasing Managers' Indices) index, one of the most important indicators of these positive developments, also exceeded expectations in December 2015.

The ECB extended the duration of its asset purchasing program which it had started implementing in 2015, initially announcing that would continue to implement the program until September 2016 before later stating that the program would continue until March 2017. Due to the soft trend in inflation indicators, the ECB is expected to extend the asset purchasing program further and to further decrease deposit interest rates, which are already negative. Such a step to be taken by ECB would provide stronger leverage for positive developments in the Euro zone, helping ensure that economic growth is sustainable and paving the way for improvements in employment conditions.

Slowdown in growth in developing countries

Increasing volatility in developing countries in the second half of 2015 caused economic growth to lose momentum. The growth composition of developing countries over the last two years illustrates that internal factors are not sufficient to enable strong growth.

In addition to external factors such as geopolitical factors and the monetary policies pursued by the central banks of developed countries, the economic success of developing countries was also influenced by trade flows and global competition. Besides the volatility experienced in financial markets during 2015, there were falls in

the currencies of developing countries as a result of the improvement observed in the advanced economies, particularly the United States and the Euro zone.

According to the IMF, the three main themes will shape the world economy.

In its Global Prospects and Policy Challenges report, the IMF refers to three themes that will determine the course of the global economy in the near and mid-term: approaching end of the ongoing downward trend in commodity prices - particularly in oil for 10 years; the Fed's normalization of its monetary policy; and the balancing process of China's growth model. The IMF also highlighted the issue of international migration, as this puts pressure on the economies of countries that have been receiving waves of migration and those countries migrants have been fleeing from.

The weakness in emerging markets and ongoing fragility in developed countries remain obstacles for the global economy. Reaching balanced and sustainable growth will require some time, especially for the Euro zone. Structural economic differences in the countries of the Euro zone require new and fast policy harmonization.

Has China's run of rapid growth come to an end?

China's economy grew by 6.8% in the fourth quarter of 2015 and by 6.9% in the whole year. This growth performance, which was dominated by domestic consumption and the service sector, marked the lowest level of growth recorded by China in the last 25 years.

Independent analysts come up with different arguments about the future of China's economy. Some argue that the slowdown has been due to the transformation in China's economic structure, and that it is a normal process, while others argue that China is wrought by very deep problems with the country facing a large credit balloon. There is also a view that China's economy will experience a sharp contraction, not a soft landing.

All these views may have merit, but what is clear is that the Chinese economy is in a process of transition into a consumption-driven growth phase from one driven by investment growth. With this process is bound to come a certain degree of slowdown and structural changes.

What's in store for the global economy in 2016?

The deflationary environment which the global economy has been in for some time will continue, and in this context, commodity prices are likely to remain low in the global market. On the other hand, only a moderate rate of growth can be expected. By economic bloc, it would be reasonable to assume that the recovery in advanced economies will continue in 2016 and beyond, while emerging economies will come under increasing pressure by the tightening in capital flows and structural problems.

A strong economic performance from Turkey despite volatility in the markets

In addition to fluctuations in global markets, two general elections and political uncertainty in Turkey, and the unrest experienced in the Middle East - particularly in neighboring countries - has put pressure on Turkey's economic growth. Despite the challenges both at home and abroad, Turkey's economy notched up 4% growth in the third quarter of 2015, exceeding market expectations of 2.8%. The result stood as testament to the strength of Turkey's structural dynamics in its economy, its financial system's and its sustainable growth potential, despite all the difficulties the country faces in a global and national conjuncture.

The country realized a rate of growth of 3.4% in the first 9 months of 2015 when compared to the previous year and the government announced that it had met the growth target of 4% for 2015 when it revised its Medium Term Program in January.

Inflation was realized at 8.81% in 2015, above the target of 5%. Steep rises in food prices and a fall in the currency played a role in the continued high levels of inflation.

Fiscal discipline was carefully maintained in 2015, with the budget deficit to GDP ratio realized at 1.2% - an extremely low rate. The current account deficit narrowed as a result of the impact caused by the decline in imports due to the weaker currency as well as the fall in oil prices.

Central Bank still implementing a tight monetary policy

The Central Bank continued to implement a tight monetary policy in order to limit the impact of exchange rate movements during 2015 and the volatility in energy and food prices on inflation. In this context, market interest rates have been kept at the upper boundary of interest rate corridor. By revising the operational framework of its liquidity policy in 2015, the low interest rate that the Central Bank provided for overnight borrowing by the market maker banks was removed and guarantee conditions were simplified. However, due to continued volatility in global markets, the Central Bank maintained the wide interest rate corridor.

Continued growth in the Turkish banking sector

In a year marked by high volatility, the Turkish banking sector maintained its sustainable growth. The sector's balance sheet continued to grow while profitability exceeded the levels seen in the previous year.

There was a slowdown in the growth rate of personal loans, while the growth in commercial loans indicates that the banking sector continues to increasingly support economic development. The Turkish banking sector is expected to maintain its healthy growth in 2016.

Esteemed Shareholders,

In this second part of my message I would like to touch on TEB's gains in 2015, our strong cooperation and synergy with BNP Paribas and my views for the future.

TEB, one of the most established and respected members of the Turkish banking sector, ended 2015 with nearly TL 72 billion of assets and TL 53 billion of loan volume. In addition to SMEs that produce, provide employment, pay taxes, carry out exports - in other words build the future of the country's economy - we adopt a mission of supporting women entrepreneurs, whom we attach great importance to and support their participation in economic life, and other economic actors during their production-trade cycles. We continued our work in this direction in 2015.

Providing products, services and solutions with high levels of value added to its customers in all areas of banking, TEB implemented a number of new initiatives in 2015 focused on differentiating and simplifying the customer experience. Technology based innovative products that we put to the market as a financial service provider which we have developed through integration and innovation, strengthens our rightful and prestigious position that we have reached in the Turkish market.

Working together with our strategic partner, BNP Paribas, in a synergic cooperation based on mutual trust and respect, TEB always stands with its customers even in the most difficult economic circumstances. Within the scope of our strategic partnership with BNP Paribas, we are focused on playing a pioneering role in the sector and demonstrate our difference in every field. TEB's vast experience and knowledge in Turkish market combined with our partner's global services strength and vision enables us to continue to create value not only for our customers, but for our all stakeholders, benefitting from our strategies and our business model based on specialization and knowledge.

TEB's other key strength is its service delivery platform created with its subsidiaries. When our Bank's service delivery capacity is evaluated together with our subsidiaries', it is clearly seen that we play a role in planning and building the economic future of a large audience's.

Despite the hectic and ever-changing economic and geopolitical agenda we have been experienced in 2015, we have high expectations for 2016.

Our business model that is built on innovation will continue to create value for all of our stakeholders in 2016.

Thanks to its professional management team, its strong shareholders structure and equity, TEB will continue to take firm steps forward.

In concluding my message, I would like to submit TEB's operating results and financial statements pertaining to 2015 for the review of our esteemed stakeholders.

I would like to thank all of my colleagues who contributed to the 2015 results for their devoted work, while I would also like to extend my gratitude to our shareholders for their continued support, both personally and on behalf of our Board of Directors.

Yours respectfully,



Yavuz Canevi
Chairman of the Board

MESSAGE FROM THE CEO

Esteemed shareholders, customers, business partners, and colleagues,

In the light of the vision of being a "Best Bank" determined by a long-term perspective, TEB is focused on creating increasing value added not only for the Bank itself, but also for its employees, customers and for all stakeholders in a wider sense. In this context, TEB created value for all stakeholders, particularly its millions of customers in 2015, by implementing numerous projects in many areas ranging from innovation to sport, financial literacy to enterprise and from SMEs to women entrepreneurs. TEB unwaveringly maintained its growth in accordance with its strategic plans.

Economic growth held back by a volatile global and national environment

Turkey's macroeconomic performance came under pressure from the delays caused by holding two general elections and volatility, especially in the markets of developing countries in the second half of the year. However, Turkey's economy notched up growth in the third quarter of the year, backed by domestic demand-driven growth. While the rate of growth was limited, it did represent a success among developing countries. It is estimated that GDP growth was around 3.5% in the 2015 full year.

The improvement in the current account deficit to GDP ratio also continued in 2015. The banking sector held up well and continued its growth in the challenging macroeconomic conjuncture, while the current account deficit to GDP ratio decreased from 5.8% in 2014 to 4.8% in 2015 with the support of historically low oil prices. The profitability of banks remained unchanged in 2015 although there has been some softening the rate of increase of credits.

We left behind a successful year in parallel with our predictions and objectives.

As an experienced and innovative member of the Turkish banking sector, we have completed 2015 successfully in line with our predictions and objectives.

Although 2015 was a stagnant year for the banking sector, TEB maintained its strong position in areas such as financial structure, profitability and return on equity, and continued its balanced growth.

During the past year, TEB's total assets amounted to TL 71.96 billion, marking 14% growth, with total deposits amounting to TL 44.4 billion, with 13% growth. Shareholders' equity increased by 18% to reach TL 6.96 billion. TEB's capital adequacy ratio stood at 13.94%.

Our loan volume amounted to TL 53.21 billion in 2015. Our credit volume, that demonstrates our indirect support for Turkey's development, employment and exports, continued to grow. Our loan volume increasing by 17%, accounted for 74% of the balance sheet at the end of 2015.

Loans extended to the SME segment continued to account for the largest slice of our total loan stock with a 46 % share.

While our non-performing loans ratio stood at 2.28%, I am delighted to say that we managed our credit portfolio in a risk-sensitive manner and with success. We owe the sustainable health of our credit portfolio to accurate lending, meticulous monitoring and a careful follow-up policy as well as our banking strategy that is SME-centric and focused on sectoral diversity.

While we achieved success in all banking areas where we operate, our participants also reached their targets in 2015. Our net banking income grew by 16% to reach TL 3,851 million in 2015, and TEB completed 2015 with a pre-tax profit of TL 1,077 million. Our net profit increased by 42% in 2015 to reach TL 882.5 million.

As a result of our efforts to improve productivity and efficiency, the rises in our return on equity and return on assets ratios also continued in 2015. As of year-end, those ratios stood at 14.7% and 1.3% respectively.

We are working intensely in different areas towards our objective of becoming “the bank that first comes into the minds of customers”.

Within the scope of synergic collaboration that we have developed with our partner BNP Paribas, TEB continued to make a difference to its customers in 2015 in a wide range of services, from foreign trade financing to cash management and investment banking.

The foreign trade financing models that we have developed to meet the needs of customers combined with the competitive advantages provided by Trade Center of BNP Paribas, which has an expansive network in more than 100 locations in more than 60 countries around the world, allow us to offer rapid and exclusive solutions with competitive costs to our customers.

Cash Management is an area which we have long been investing in. Cash Management has continued to be one of the areas where we support our customers through our "Consultant Bank" approach as well as our innovative products and services. This area has continued to develop. Our collaboration with BNP Paribas positions us as the only Turkish bank to offer cash management services in 57 countries of the world. Our main strategy was constructed on differentiating ourselves from the other players in the sector by providing counselling to our customers, a wide product range and a superior quality of service.

In 2015, our successes were recognized with 16 innovation awards in the international arena, which made us proud. The TEB Cash Management Academy, which we conducted the first time, provided an important platform to examine the new dimension that we will add to banking in a digitalized world in detail.

We successfully renewed our syndicated loan.

TEB renewed its one year syndicated loan to support foreign trade, which matured in August 2015, increasing the size of the loan by 115% compared to the previous year. A total of 33 banks participated in the loan which consists of Euro and USD denominations, totaling EUR 544 million. This renewal is an indication of the strong reputation TEB commands in international markets.

Entrepreneurs began to implement their projects with TEB's contribution and support.

Three years ago, we launched Turkey's most comprehensive Enterprise Banking by positioning TEB at the heart of the entrepreneurial ecosystem, the importance of which is growing in Turkey as well as all over the world.

TEB continues to implement various projects through its "Consultant Bank" approach that is adopted for SME Banking and Enterprise Banking in a market where enterprise is so important.

Offering Turkey's most comprehensive Enterprise Banking services, TEB provides training and advisory services to those who have business ideas in the TEB Enterprise House. TEB provides office support to entrepreneurs with potential as well as providing them with the opportunity to promote their projects through investor and customer meetings in the TEB Incubation Center.

To date, around 2,900 new business ideas have been brought to our Incubation Center, 280 of which have been accepted, with 10 entrepreneurs being awarded investment.

We share all our means with our entrepreneurs who aim to open themselves to the world, who are innovative and who have value-added ideas through TEB Enterprise House that we opened in the Silicon Valley, USA, which is the global center of enterprise. We extend every support to them, from offering advice to establishing a network.

In addition, we bring together the entrepreneurs with angel investors through the TEB Private Angel Investment Platform and the TEB Private Investor Club. We mediate for the entrepreneurs to present their innovative projects to capital owners and thus we develop alternative investment instruments for the customers of TEB Private Banking.

It is a source of pride and pleasure for us when the entrepreneurs, who we support under the roof of TEB Enterprise House, begin to realize their ideas by finding customer or angel investor support.

The Enterprise Index survey carried out with the support of our bank and under the leadership of KOSGEB is the most comprehensive survey of its kind in the world. The results were announced in 2015; the survey found an openness regarding entrepreneurial activity, and importance is attached to the subject in our country. According to the Global Entrepreneurship Monitor 2014 Turkey survey, 35 in every 100 people in Turkey aim to be an entrepreneur within the next three years.

In 2016 and beyond, TEB will continue to encourage enterprise with the support of our country's workforce that is young, educated and open to new technology and innovation. TEB will continue determinedly to smooth the way for innovative ideas and will produce business ideas with added value for the economy, and will continue to deploy its resources for entrepreneurs.

We continue to achieve firsts in the area of women's Banking.

Since 2005, TEB has been providing necessary information, training and consultancy support to SMEs for them to be stronger in the competitive playing field by helping them build their businesses and use the financing extended to them in the right way, and has guided them regarding the ways in which they can use their investments. TEB began to offer women banking services by setting up a separate department in 2015 to support women SMEs and entrepreneurs and strengthen their presence in business, which is a first in the sector.

TEB sides with women through the Consultant Bank approach, not just by providing financing in business life. TEB also provides support to women running SMEs and entrepreneurs through specifically designed products and services in various subjects, principally finance, the market, training and networking.

Moreover, TEB brought women entrepreneurs together with the women of business life, who inspire with their success, in the Women's Academy in order to strengthen the presence of women in today's business world and to develop their businesses.

We will mobilize all of our resources to overcome the barriers women face in business life, to ensure that women join business life as producers, not just consumers, and to increase their presence in the workforce. We will continue to strengthen Women Banking through the work we have developed in this field in the coming period.

We see an economy based on innovation and added value as the future of our country.

We also continued to provide innovative products and services to our customers, in addition to our efforts to spread the culture of innovation by encouraging our employees, university students, technological entrepreneurs and customers through activities related to innovation.

In 2015, TEB organized the ninth Traditional TEB Traditional Mind-Idea Competition that is one of the biggest reflections of TEB's innovation activities outside the corporation. A total of 13,900 projects were submitted to TEB through the Mind-Idea Competition in 2015 with applications received from the www.icatcikar.com site. The site was viewed 186,000 times from people in 95 countries.

Innovative ideas received from TEB's customers, university students and young new graduate professionals were transformed into new products and services provided to TEB's customers.

Always one step ahead in the sector by carrying its activities in the field of innovation one step further, TEB initiated the TEB Internal Entrepreneurship Program in 2015. TEB created an ecosystem in which the innovative creativity of entrepreneurial employees will be revealed, and they can demonstrate their performance.

TEB gathers innovative, creative and entrepreneurial employees through Hackathons (also known as a hack day, hackfest or codefest) carried out within the scope of the TEB Internal Enterprise Program. TEB provides a project marathon environment in which they develop their projects through an exchange of ideas. The bank continues to support its employees through training and mentoring for them to transform their ideas into profitable businesses.

We continued to serve as a pioneer in digital banking that has strategic importance for our bank, through innovative products and services in 2015.

CEPTETEB is the new address for new generation banking through which we reached to 140, 000 customers in a short period of time. CEPTETEB is an innovative platform which provides services through Internet branch, Mobile branch, Support Center and ATMs without leaving the branch.

In 2015, 82% of our customers used digital distribution channels provided by our bank. The internet banking base had more than 780,000 users at the end of the year, notching up 40% growth, while the number customers using mobile banking actively had doubled during the year to exceed 450,000.

Digital banking accounted for 83% of TEB's total banking transactions with the successes that we achieved in digital banking. In 2015, TEB's digital banking channels accounted for 69% of our customers' deposits transactions, 87% of withdrawals, 79% of credit card payments, 84 % of bill payments and 87% of money transfers.

The trend of moving transactions from the branches to digital channels allows us to reduce operating costs and our income-expense ratio, and positively contribute to TEB's overall competitive advantage.

Our target for the coming period is to transfer all possible banking operations to digital channels and thus to balance our cost base at a much lower level by using our branches as more effective marketing points.

Another key development in 2015 was our investments in mobile and wearable technology. We continue to our investments in this field, which we see as an important component of digital banking. In 2014 we had invested in apps for the Samsung Gear 2 smart watch and Google Glass, with new investments in 2015. TEB implemented the CEPTETEB and Practical Borsa applications that are unique for the Apple Watch.

TEB has been the first and only bank to feature on the Apple Watch with these two applications.

My New Generation Bank

TEB implemented the "My New Generation Bank" project in order to make banking transactions easier and more practical for its customers.

TEB provided a much improved service by expanding the banking transactions conducted from ATMs with the "My New Generation Bank". Once this project is completed, our customers will be able to carry out transactions that require a written signature such as housing loans as well as transactions that would normally require physically attending the branch such as withdrawals, deposits and credit card delivery from ATMs. We also included a module into the system through which our users can access live support by connecting to customer representative when they need to.

Another issue I would like to mention within the context of our approach to Innovation is that we brought the WAVE Innovation Exhibition to Istanbul. This exhibition, which was designed by BNP Paribas, our global partner was within the scope of the Turkey Innovation Week that we support through our strategic partnership with the Turkey Exporters Assembly (TIM) in 2015.

An expanding scope and domain for our responsible banking approach

TEB Family Academy that we launched through our "Responsible Banking" approach in 2012 was established in order to leverage society's financial literacy and develop public awareness of saving. We continued our efforts in this vein in 2015. When considered together with the training we provide outside the branches upon invitation from NGOs and institutions, as well as the training in our branches, the TEB Family Academy has reached 200,000 people so far.

As a result of our work to carry responsible banking approach to new heights, we launched the "Social and Financial Education Through Art" project aimed at elementary school pupils, within the scope of cooperation with the Ministry of Education and UNICEF.

We ensured that this project entered the school curriculum in the 2014-2015 school year for the first time in Turkey. Our objective is to offer financial literacy activities to a much wider audience on different platforms by developing our collaboration with the Ministry of Education. We plan to provide financial literacy training to 5 million people over a 3 year period through the “I can manage my Budget” project that we launched in this direction. To sum up, we continue to expand our domain and reach a much wider stakeholder audience.

We continued our support for tennis by hosting some of the world’s leading tennis players in Istanbul.

Our Bank achieved success of international scale in tournaments such as the TEB BNP Paribas WTA Championships and the TEB BNP Paribas Istanbul Cup international tournaments which we have organized since 2010 in order to attract new tennis players and to help bring tennis to the masses. The bank carried tennis fever to a peak by hosting Roger Federer in Istanbul during the ATP World Tour 250 in 2015.

We will continue to contribute to the national economy in 2016.

TEB will continue to provide increasing added value to the national economy in the coming periods, as it has until now. TEB targets productivity-driven growth by generating value for all stakeholders as well as numerical growth.

Emerging digital platforms are one of the issues that we attach key importance to. At the same time we will continue to stand by our customers with our alternative distribution channels and extensive branch network.

We will work to offer products and services with high value-added on the axis of efficient use of resources and productivity by paying attention to efficiency in all areas. We will create alternative solutions to raise the rates of saving in our country through employment and further building women’s participation in the workforce.

We will continue our synergic collaboration with BNP Paribas, one of the world’s most reputable banks, in every front of our operations in 2016 and will work to increasingly benefit from this powerful synergy. We are committed to moving our specialized and differentiated structure even further forward with the strength that we derive from the contribution provided by BNP Paribas’s worldwide extensive service network.

The strength of BNP Paribas, our strategic partner, the contribution and hard work of our employees, the trust and loyalty of our customers and the innovative and productive outlook of our Board of Directors allows us to look to the future with hope. In this context, I would like to thank our customers, our investors and our employees for their valuable contributions and I extend my respect and gratitude to them all.

Yours respectfully,



Ümit Leblebici
General Manager

THE ECONOMY AND SECTOR IN 2015

The Fed's interest rate hike plays a decisive role in the markets.

The US Federal Reserve Bank (Fed) raised its interest rate by 25 basis points on 16 December 2015 in the first rate hike for 10 years. It was stated that the Fed would not move quickly to increase interest rates and would be moderate in its actions. Following this first interest hike, the Fed may now make a pause in the rate hikes towards the middle of 2016, depending on the performance of the economy, inflation and the strength of the USD.

European Central Bank's (ECB) moves prove less effective than the Fed in meeting expectations.

Disappointments in Euro Zone markets continued throughout 2015. Disagreement between the governors of the ECB has been preventing the bank from taking bold steps. Falling commodity prices and the downward pressure on inflation may encourage the ECB to reconsider its steps.

While GDP continued to grow over expectations in the third quarter of the year, the narrowing of current account deficit went on with the support of falling commodity prices.

Following the release of the third-quarter growth figures, the 2015 growth forecast was revised

from 3.3% to 3.6%. On the other hand, growth is expected to slow to some extent in 2016.

Consumer demand is expected to decline as demonstrated by the slowdown in loan growth, along with tougher external financing conditions and increasing geopolitical risks.

Inflation is still subject to upward risks.

The steep increase in the minimum wage and higher inflation expectations are anticipated to keep inflation above 8% in 2016. The Central Bank will most probably continue to its inclination to react to pressures on exchange rates rather than inflation. Following the Fed's interest rate hike, the Central Bank of Turkey is expected to raise weekly repo rate, but continue to keep overnight repo rates at 10.75% by holding liquidity tight.

Continued improvement in the current account deficit in the second half of the year

Although Turkey's current account deficit improved in the second half of 2015, it still comprises 4.8% of GDP. Assuming an average oil price of USD 55/bbl, the current account deficit is on course to decline to 4.4% of GDP next year; but if energy prices remain low, the current account deficit may retreat to as low as 4% of GDP.

Turkish Banking Sector Key Indicators		
	December 2014	December 2015
Assets	TL 1.99 trillion	TL 2.36 trillion
Loans	TL 1.24 trillion	TL 1.48 trillion
Marketable Securities	TL 302 billion	TL 330 billion
Deposits	TL 1.05 trillion	TL 1.24 trillion

TÜRK EKONOMİ BANKASI'S PERFORMANCE IN 2015

GENERAL

Presented below is a summary of TEB's shares of the banking industry's basic indicators as of 31 December 2014 and 31 December 2015 together with information about changes in those shares. Looking at the highlights of the Bank's performance in 2015 as compared with that of 2014 we see that:

- Total assets increased by 14%
- Shareholders' equity reached TL 6,962 million
- Total deposits accounted for a 62% share of the Bank's balance-sheet bottom line.
- The loan book grew by 17%, with total lendings corresponding to 74% of total assets.
- The Bank had a 2.3% NPL ratio reflecting its sound lending policies and prudent risk management approach.
- Having lent out 120% of its deposits, the bank had a capital adequacy ratio of 13.9% and a 14.7% rate of return on equity.

TEB'S POSITION IN THE SECTOR

(TL million)	31.12.2015		
	TEB	Sector	TEB'S Share (%)
Total Assets	71,960	2,357,453	3.05
Total Loans	53,213	1,522,173	3.50
Total Deposits	44,396	1,325,480	3.35
Number of Branches	532	12,269	4.34
Number of Personnel	9,927	217,504	4.56

Source: Sectoral figures taken from BRSA's December 2015 monthly bulletin

AWARDS

Corporate Banking

- Global Banking & Finance Review Award - Best Bank for Commodity Finance Turkey
- Asian Banking & Finance 2015 Awards - Cash Management Bank of the Year in Turkey

Retail Banking

- European Business Awards
Environmental and Corporate Sustainability Category - Ruban D'Honneur Special Award
- 10th MediaCat Felis Awards
Direct Marketing Category - Best Use of Social Audience
- 10th MediaCat Felis Awards
Digital-Micro Site Category - Success Award
- 27th Crystal Apple Awards
Campaign - Service Category - Silver Award
- Web Marketing Association - Best Bank Mobile Application
- Global Finance - Best Mobile Banking
- bbs/ifs Financial Innovation Awards
Customer-Focused Product and Service Category - Customer Experience Excellence Award
- 27th Crystal Apple Awards
Web Site and Micro Sites Category - Silver Award
- 27th Crystal Apple Awards
Social Media Category - Silver Award
- 27th Crystal Apple Awards
Social Media Category - Bronze Award
- 13th Golden Spider Web Awards
Education Category - Golden Spider Award
- 13th Golden Spider Web Awards
Social Responsibility Category - Best 2nd Web Site
- Web Awards
Education Category - Excellence Standard Award
- Web Awards
Financial Services Category - Excellence Standard Award
- Web Awards
Game Category - Excellence Standard Award
- Web Awards
Banking Category - Excellence Standard Award
- Web Awards
Financial Services Category - Excellence Standard Award
- Web Awards
Banking Category - Excellence Standard Award
- Web Awards
Banking Category - Distinguished Web Site Award

- Web Awards
Financial Services Category - Distinguished Web Site Award
- W³ Awards
Web Site- Financial Services Category - Silver Award
- W³ Awards
Website Features - Visual Appeal Category - Silver Award
- BNP Paribas Group - Innovation Award
- Stevie Awards
Best Call Center Category -Silver Award
- Stevie Awards
Best Call Center Team Category - Bronze Award
- Contact Center World Awards
Best Call Center Category (BCCC) - Silver Award
- Contact Center World Awards
Best Rating System Category (EMEA) - Golden Award

Private Banking

- BNP Paribas Wealth Management Innovation Award
- BNP Paribas IFS Digital Award
- 2015 The Angel Investor Awards - Angel Investment Agency of the Year Award
- 2015 The Angel Investment Network with Highest Number of Transactions
Borsa İstanbul The Angel Investment Network with Most Investment of the Year Award

SME Banking

- 2015 GBA Champion
- 2015 Best Business Awards - Best New Product - Service
- 2015 Best Business Awards - Best Strategic Design - Creativity
- 2015 Best Business Awards - Best Product - Service Variety
- BNP Paribas Innovation Talent Award 2015

Corporate Communications

- 27th Crystal Apple Awards
Banking Category - Crystal Apple Award
- 27th Crystal Apple Awards
Corporate Image Category - Silver Apple Award

Human Resources

- Top Employer Award 2014/2015/2016
- International Improve Awards in top 15 firms out of 2,000
- BNP Paribas Group Innovation Award
- ATD BEST Award-1st in Turkey
- Brandon Hall Best Advance in Creating an Extended Enterprise Learning Program - Golden Award
- Brandon Hall Best Unique And Innovative Corporate Learning Program - Golden Award

- Brandon Hall Best Results - Bronze Award
- Gamechanger Turkey 2015 Leadership Award

Banking Operations and Support Services

- BNP Paribas Group IFS Award 2015

Capital Market Instruments Services

- TEB achieved the highest scores in 6 of 7 categories evaluated in 2015, as a result of customer surveys conducted by Global Custodian Magazine.
- TEB achieved the highest score in the “Unweighted” category in Global Investor Magazine’s annual award, the result of which was announced in March 2015.
- Global Finance handed TEB the award for best custodian bank in Turkey in May 2015.

CORPORATE BANKING GROUP

CORPORATE BANKING

TEB provides major domestic and international firms, corporate groups, and holding companies whose annual turnovers amount to at least TRY 50 million with products and services together with added-value-creating solutions that reflect both its own extensive product and service options and capabilities as a financial institution as well as those of its strategic partner, BNP Paribas.

In the corporate banking business line TEB serves customers in the areas of:

- Foreign trade finance
- Operations and investment finance
- Cash and risk management products
- Standard and derivative treasury products
- Corporate investment banking products
- Commodity finance
- Project finance.

TEB provides its corporate banking customers with superior made-to-order service through 15 corporate branches (7 in İstanbul alone), expert-staffed Foreign Trade Centers, and a team specialized in dealing with the unique needs of multinational firms. TEB supports these services with the synergies arising from its own group companies and its partnership with BNP Paribas in 75 countries.

In 2015 TEB once again further strengthened the solid and trusted reputation it enjoys in the corporate banking business line while maintaining the highest level of customer satisfaction by addressing its customers' particular needs in the constantly changing and intensively competitive environment that is characteristic of financial markets.

TEB strives to be "the first bank that comes to mind of customers" whenever a customer is in need of any product or service in the corporate banking business line.

A differentiated and specialized bank in foreign trade

Foreign trade is a business line to which TEB has been giving special attention since the 1980s. Benefiting also from the global service network of its strategic partner BNP Paribas, TEB enjoys an international reputation as a distinguished specialist in foreign trade finance.

In foreign trade finance BNP Paribas ranks first in Europe and third in the world. BNP Paribas's operations in 75 countries and Trade Centers active at 99 locations in 64 countries significantly contribute to TEB's competitive edge in the foreign trade finance business line.

TEB also has correspondent relationships with more than 1,500 banks located all over the world and it is constantly seeking to expand this network in line with customers' needs. In Boosting its market shares in a number of markets in 2015, TEB also developed products capable of addressing a variety of foreign trade finance needs. In this context, products such as long-term investment loans (ECA-Export Credit Agencies) intended for areas such as foreign trade risks and insurance of export risks by international organizations were offered.

As a well-established expert in foreign trade finance, TEB can also provide specialized operational solutions such as foreign trade legal framework consultancy and preparing letter of credit documentation.

Cost-effective fund transfers

Whenever customers with investments in different countries need to transfer funds internationally, TEB is at their side with an extensive network of correspondent banks that make it easy to effect transfers in 135 different currency units to more than 180 countries. For customers who need to transfer euros or US dollars domestically, TEB offers same-day value-date solutions that are also very cost-effective.

TEB handles Chinese yuan (renminbi) transactions for its customers.

Under an agreement between TEB and Bank of China, TEB is authorized to process renminbi (RMB) denominated foreign trade transactions for its customers. This means that TEB customers can transfer funds to RMB accounts in China and other countries, pay for their imports in yuan, and have letters of credit issued in yuan. TEB is also the first bank in Turkey to issue yuan-denominated export letters of credit and letters of guarantee.

TEB also processes on-shore and off-shore RMB payments through Bank of China Ltd Beijing and Bank of China (Hong Kong).

115% of our syndicated loan was renewed.

A one-year syndicated loan which TEB had obtained to support foreign trade finance and whose term expired in August 2015 was renewed at the rate of 115%.

This loan was renewed at Libor/Euribor + 0.65% for 364-day tranches and at Libor/Euribor + 0.75% for 367-day tranches, thus making it one of the lowest-cost sources of funding for which an agreement was signed in the Turkish banking industry in 2015. Thirty-three banks took part in the syndication, underwriting a two-component (EUR & USD) loan totaling EUR 544 million. The 115% renewal once again confirmed the strong reputation that TEB enjoys in international markets.

EUR 50 million loan from the EBRD (European Bank for Reconstruction and Development) to support Women SMEs in Turkey

Within the scope of Finance and Consultancy Support Program for Women's Businesses funded by TEB, the European Union, the European Bank for Reconstruction and Development (EBRD) and the Republic of Turkey, TEB obtained EUR 50 million of resources from the EBRD to provide loans to small and medium-sized enterprises (SMEs) managed by women in Turkey. The loan agreement was signed on 22 April 2015.

TEB Trade Centers

Providing both foreign trade finance and foreign trade consultancy products and services, TEB's

Trade Center network is the first of its kind in the Turkish banking industry. TEB Trade Centers are located in five cities (Adana, Ankara, Bursa, İstanbul, and İzmir) which together account for some 70% of Turkey's total foreign trade.

Thanks to TEB's and BNP Paribas's foreign trade finance expertise and extensive correspondent networks, TEB Trade Centers are places where foreign trade finance models can be exactly tailored according to a customer's needs. These centers are also linked up with the international network of BNP Paribas Trade Centers in more than 100 localities in more than 60 countries around the world, thereby enabling them to quickly come up with appropriate and competitively-priced solutions.

Strongly positioned in export finance

TEB is one of Turkey's most prominent and experienced banks in the foreign trade finance business line. The Bank's strong position in export finance is attested to by sectoral data. According to December 2015 figures published by BRSA, the Turkish banking industry's export-finance lending accounted for about 6% of total loans when retail credit is excluded. In TEB's case, about 14% of the bank's performing loans excluding retail segment lendings were used to finance exports.

TEB is ranked 5th in the sector in terms of its total volume of export credits. While TEB's share in Turkey's total foreign trade stood at 6.8% in 2015, the Bank mediated in 10% of the guarantees provided to Turkey from outside the country and mediated in 9% of export letters of credit.

The staffing of every TEB Trade Center includes a team whose members have expertise in structured trade and commodity finance. This team devises financing solutions that are specifically fashioned according to the goods involved and customer cash flows. In this way, firms can be offered made-to-order products that go beyond the sector's conventional financing methods.

Traditionally strong in hazelnut and tobacco export financing, TEB is also adept at coming up with financing solutions for other export commodities such as grain, edible oils, synthetic

lubricants, synthetic rubber, plastic raw materials, chemicals, fruit concentrates, and mineral ores such as iron, copper, and chromium. Supported by experts, TEB customers' financing needs in both domestic and international markets can be precisely addressed at every stage from initial procurement to final collection.

Having completed the legal infrastructure, TEB commenced its licensed warehouse operations in early 2013. Concurrently with this, TEB introduced yet another innovative product to the Turkish banking industry by becoming the first bank in the country to own a licensed warehouse and to offer structured commodity financing credit whose collateral is the goods that are being held in it.

One of the solutions offered to exporters within the scope of rediscount credit opportunities intended for exports, which the Central Bank of Turkey allocates to Turkish exporters, TEB actively plays a role in the market as a bank that provides the highest quantity of this resource after Turk Eximbank.

Awards and evaluations

TEB was handed the "Best Bank for Commodity Finance Turkey" award in the field of structured trade and commodity finance by the Global Banking & Finance Review Magazine in 2015.

The TEB Foreign Trade Centers Department was also ranked 1st in terms of the quality of service and suitable solutions for the needs of customers which are provided by Department specialists in a survey conducted in 2014 which covers the foreign trade needs of large corporations in Turkey, conducted by Greenwich Associates, which carries out surveys in the field of international banking for large corporate companies.

Foreign trade training

TEB provides its customers with specialized consultancy services related to their foreign trade and investment activities. In addition, TEB also works with sectoral and regional exporters' associations, chambers of commerce and industry, organized industrial zone directorates, and similar organizations to provide practical foreign trade training and seminars on foreign

trade issues that are designed to meet the particular needs of firms in different parts of the country.

BPO (Bank Payment Obligation)

The International Chamber of Commerce (ICC) issued international rules of a new trade finance solution in April 2013 considering the fact that more than 70% of world trade is realized as a running account and the shares of the letter of credit had fallen below 12%. This method, designed to facilitate running account trade and to combine the speed of running account payment method with the security of letter of credit, is called a BPO.

In Turkey, nearly 75% of whose exports are conducted through running accounts, concerns about collection risk have been driving a search for solutions to better manage it.

Keeping a close watch on this process, TEB began exploring the BPO option itself in 2013. Holding a series of seminars through which it provided customers with information about this new settlement solution while simultaneously completing the infrastructure required by it in 2014, the bank carried out its first BPO transactions in the last two months of the year.

As one of only two banks in Turkey with the ability to offer its customers this newest and most sophisticated payment solution, TEB's introduction of BPO makes it the 16th bank in the world to do so and the 5th in Europe, the Middle East, and Africa.

In 2015, foreign supplies of importer customers continued to be carried out by TEB. Also, BPO transactions that include funding for the importing party were carried out for the first time in the world by TEB.

Employing an experienced team of foreign trade specialists, TEB will continue to keep its customers supplied with the most up-to-date foreign trade finance and risk management products and services in the future as well.

CASH MANAGEMENT

TEB Cash Management continued to develop innovative customer-focused products and services.

TEB was again granted in 2015 the “Turkey Domestic Cash Management Bank of the Year” award by Asian Banking & Finance, a magazine that conducts one of the most prestigious international awards programs for retail financial services. TEB received this award based on the opinions of judges from four of the world’s top international consultancies: KPMG, Deloitte Consulting, and Ernst & Young Advisory.

TEB also supports the e-Government transformation process. In addition to being a private integrator of “e-Billing”, TEB is also a private integrator of “e-Archive”. TEB began to offer to its customers new and different financial services such as payment, collections and credit facilities integrated with e-government solutions.

Cash management services and solutions for multinationals

TEB also develops international cash management solutions working in partnership with BNP Paribas. In 2015 TEB supplied BNP Paribas’s global customers with many specially-designed products and solutions allowing them to achieve greater efficiency and control in the conduct of national and international payment and collection processes related to their existing or planned operations in Turkey.

TEB will continue to supply multinational customers who need to employ a single global solution for operations that may be scattered all over the world with products and services that are fully integrated into BNP Paribas’s global cash management system.

TEB Multinationals Desk

As the first bank in Turkey to set up a Multinationals Desk back in 2006, TEB understands such firms very well. The bank distinguishes itself through service competencies that address multinationals’ unique needs.

Calling upon the resources of its own extensive network of domestic branches in Turkey as well as those of BNP Paribas’s 188 thousand employees, 23 million customers, more than 7 thousand branches, and 99 trade centers all located in 75 countries, TEB provides multinationals as well as Turkish firms with international operations with advantages and convenience in keeping with BNP Paribas’s “One Bank for Corporates in Europe and Beyond” slogan.

Through the Multinationals Desk of its corporate banking division, TEB seeks to be the main bank with which multinationals with operations in Turkey prefer to work.

Cross selling and synergy

In line with corporate strategies, TEB’s Cross-Selling and Business Development activities continue to offer customer specific innovative and creative products and services. The Bank also serves as a connection point in relations between Corporate Banking customers, the Bank’s subsidiaries and the Bank’s other business lines.

The Cross Selling Culture involves offering different products from a single point to the Bank’s corporate customers in a more practical manner. This approach also aims to mobilize relevant parties and provide services rapidly for use by determining the Bank’s customers’ different needs from a single point.

The needs of the Bank’s corporate customers who have international operations are met by taking advantage of strong international network of BNP Paribas. These needs are as follows;

- to support commercial and investment activities,
- loan provision,
- providing foreign trade opportunities,
- providing all kinds of banking and cash management support through BNP Paribas multinational companies departments.

Additionally, other areas of synergy between TEB and BNP Paribas include providing consultancy and project finance facilities aimed at international procurements and mediating in international bond issues and public offerings.

In accordance with the operational areas of TEB's customers and TEB's local and international product variety, cross selling, business development and synergic activities are carried out in the areas of Agricultural Banking, Consumer Finance, Housing Finance Projects, Payment Systems with Card& POS Services, Solutions towards Dealers, Project Finance, Debt Instruments, Corporate Finance, Infrastructure Project Financing, Salary Agreements.

Cross selling activities are not limited to TEB business lines and BNP Paribas international products and services; they also come to the forefront with TEB's affiliates and group companies that are leaders in their sectors:

- TEB Arval offers its international experience to the fleet management sector as a solution partner for Corporate Banking customers' fleet management activities,
- BNP Paribas Leasing Solutions provides financial solutions to Corporate Banking customers for their investment in equipment and real estate,
- TEB Factoring was ranked 1st five times in a row for its domestic and export factoring transactions by Factors Chain International, the world's largest factoring chain,
- TEB Investment carries out mediating activities for its customers' public offerings, debt instruments, domestic and international transactions, and provides investment consultancy services,
- TEB Portfolio provides alternative fund management services for its Corporate Banking customers and many funds in which it is the founder and director,
- BNP Paribas Cardiff Retirement offers a range of advantageous services to its customers in meeting their group retirement and insurance needs with its unique business model.

The main focus of cross selling and synergic activities for 2016 is to continue providing all kinds of innovative and customer specific products and services for the long term financial transactions of TEB Corporate Banking customers, without being limited to just financing.

THE SME BANKING GROUP

Competitive advantages in the SME banking business line

TEB, which started its SME Banking activities in 2005, continues to provide various solutions through its products and services in accordance with customer segments on topics such as growth and competitiveness, which are the most challenging areas facing SMEs. The Bank also continues enhance its "consultants banking" approach every year.

Differentiating its services in the SME Banking area for customers of business, Agriculture and Women's Banking, TEB's activities continued to focus on the need for information, education and experience support pertaining to management of financial resources and non-financial topics, which are among the problems that all customers (not only SME customers) have encountered.

Structural support for SMEs' developmental efforts

The TEB SME Banking Group seeks to support SMEs' efforts by standing beside them with its innovative products and services at every stage of their growth and development. In 2015 the group successfully continued its operations by introducing new products and services and making them accessible to an even broader customer audience.

According to the December 2015 report published by BRSA, the total volume of credit extended by the Turkish banking industry to SMEs grew by 16.8% in the previous twelve months, whereas TEB's lending to this segment was up by 17.0%. According to the same report, TEB controlled 6.15% and 8.01% shares respectively of the SME segment cash and non-cash credit markets, grew its agricultural loans 43% outpacing the sectoral average, and continued to dominate the sector in gold-based lending. TEB's lending to the SME market increased above sectoral averages in terms both of the number of placements and of their total volume.

Communication campaigns conducted throughout the year focused on addressing TEB customers' cash needs on terms favorable to them.

Within the scope of campaigns, around TL 1 billion of commercial loans have been disbursed to SME and business customers with terms of up to 36 months at a reasonable cost.

Transferring knowledge and experience to banks in other developing countries

The SME Banking Group strengthened its unique position with the successful products and services that it offers in the international arena in 2015. In 2012, the TEB SME Banking Group was announced as being one of the best three banks worldwide in the field of "Provision of Non-Financial Services to SMEs" by International Finance Corporation (IFC) and became a member of Clinton Global Initiative (CGI) in 2014. The bank continued to transfer its experiences in the international arena also 2015. TEB participated as an invited speaker in conferences which were held in various countries such as Brazil, the USA, Indonesia, Jordan, Colombia and Malaysia. TEB transferred its knowledge on SME Banking to banks in emerging countries such as Nigeria, Pakistan and Peru. Additionally, the Bank was invited as a speaker at the SME Finance Forum held as part of the G20 summit in Antalya, where it shared its knowledge and experience with SMEs about the services that the Bank provides within the framework of the consulting banking approach.

Hosting the European Financial Management Association Board of Directors Meeting

TEB hosted the "Banking Advisory Committee" meeting organized for the first time in March by the European Financial Management Association (EFMA), one of the most important institutions in the European Union finance and banking sector. In the meeting, information about the products and services under TEB SME Banking were transferred to the banks which make up the advisory board of the EFMA.

Membership of the Global SME Finance Forum

TEB participated in the Global SME Finance Forum, which aims to increase small and medium-sized enterprises' access to finance, as a member under the initiative of International Finance Corporation (IFC) that is one of the World Bank

Group institutions, and contributed globally to the development of SMEs.

The Global SME Finance Forum was launched within the framework of the G20 summit in Antalya in 2015. The Global SME Finance Forum is a platform in which institutions such as banks, finance institutions, development institutions and technology companies can join. The Forum currently has more than 60 members worldwide. TEB SME Banking is one of the founding members of this platform with more than 10 years' experience.

Cooperation with Credit Guarantee Fund (CGF)

Micro-enterprises operating in certain areas could benefit from CGF support more easily and access to financial support more rapidly through the micro loans to micro SMEs project carried out by CGF and TEB with the portfolio guarantee system. Moreover, the scope of Treasury backed surety was extended with the renewed CGF loan backed by the Treasury, the Treasury backed Women's Initiative SME Investment Banking loan and the Treasury backed Manufacturers SME Investment loan. This simplified access to financing for SMEs.

TEB SME TV

TEB SME TV reached 60,000 daily viewers, with 1,700,000 monthly viewings which included a total of 8,000 news items.

In order to attract more viewers to TEB SME TV, the channel has undergone a restructuring since 2014; news items around the same topic started to be broadcast in thematic channels.

In addition to the "Technological Solutions" channel for SMEs seeking to improve their business efficiency by taking advantage of technological developments, an additional two channels came on air in 2015. The "Women Manager Screen" has the quality of being a business development guide for women bosses, which will support them. A wide range of news and information ranging from business start-up processes to tips to help working women enjoy a good life are featured in this channel, and necessary information is delivered to them. "Women Manager Screen" has attracted interest of viewers and the channel reached more than

2,000 viewers in a very short time such as 3 months.

Secondly, for those professionals aiming for lifelong development in their business and personal life, a "Personal and Career Development Guide" channel was introduced. Thus, a comprehensive range of news items with rich content, including items related to personal development, motivation, sales and marketing, leadership and team management, stress management and the art of negotiation were offered to the channel's audiences. The channel reached more than 3,000 viewers in the space of just 2 months.

As a world first, in cooperation with LinkedIn, content produced exclusively for professionals in business life was shared on the LinkedIn TEB SME page. In addition, in case of request, those following the content can receive training certificates from SME TV. In this way, professionals in business life can be reached and news pools are constantly being enriched and audience expanded.

The TEB SME Academy

The TEB SME Academy has been organized annually since 2005. During these events, TEB comes together with SMEs in the province where the meetings are held, and shares information that will carry small and medium-sized enterprises into the future. The Bank provided information required by SMEs on subjects ranging from information on provinces to global competition in the TEB SME Academies held in Şanlıurfa, Malatya, Tokat, Niğde, Kahramanmaraş, Manisa and Eskişehir in 2015. SMEs were informed and gained greater awareness about strategic management, growth and foreign trade in the workshops carried out after the academy.

SME Consultants

Within the framework of Consultant Banking approach, TEB provides training to customer representatives who are constantly in contact with customers on the issues of production management, marketing activities, foreign trade, reorganization and management of human resources. TEB provides TEB SME consultancy

services which are a special education program to analyze customers.

These training programs, certified by the TOBB Economy and Technology University, consist of segment-based training sessions such as SME Consulting, Business Guides and Agricultural Experts. In addition, customer representatives, who were trained on SME Consulting, offer more comprehensive services in accordance with the requirements by receiving additional training in the fields of Domestic Marketing and Sales, Overseas Sales and Marketing, Production Management and Financial Management.

The mission to be a Bank of the Future

TEB follows closely the developments in the world of communication as well as the financial world.

TEB fulfils the requirements of dynamic banking through by sharing over social media platforms such as Facebook, Twitter and YouTube and continues to communicate in accordance with current trends. The bank has more than 130,000 followers in the @tebkobi, @teblegirisim and @teblekadin social media accounts.

MICROBUSINESS BANKING

With its TEB Boss Card, TEB provides the opportunity through an alternative distribution channel to meet the basic loan needs of shopkeepers and small enterprises with a single card. TEB customers can access their full limits in commercial loans which are paid in instalments, seasonal credit, the overdraft account and company credit card over a single card with the TEB Boss Card, and can meet their commercial loan needs with terms of up to 36 months from TEB ATMs and the TEB Corporate Internet branch on a 24/7 basis. Bills, cheques, payment of social security contributions and payments to the HGS (bridge and road tolls) can be paid with the overdraft account linked to the Boss card without needing to go to the branches.

The TEB Boss Card's company credit card feature allows users to pay for purchases confidently and securely both in Turkey and abroad. The Boss Card also offers a 5% discount on fuel purchases made from contracted Total fuel stations, while special

bonus and discount campaigns are offered for restaurants, cinema and theatre tickets. In addition, the Card also provides a 50% discount for parking in contracted airport car parks, and free airport lounge access in contracted airport terminals.

While businesses can take advantage of banking products and services with the TEB Business Expense Packages, they also have the opportunity to follow the expenses that they should pay in a planned manner. Customers may also inform the bank about issues related to daily banking transactions by sending SMS text messages and/or e-mail with the Practical Messenger product, therefore allowing them to follow up such issues comfortably.

GOLD BANKING

30% increase in gold credit customers

TEB's vision in the gold banking business line is to be a benchmark bank that creates value for its customers. Steadily increasing the value that it generates for customers all over the country through its expertise, accessibility, and efficiency, TEB is successfully conducting its efforts to be the leading bank-the bank whose name first comes to mind-in the gold banking business line.

TEB, which has been responding to the short and long term needs of the jewelry industry for 20 years, became one of the most important players in the sector at the end of 2015. The Bank registered 30% increase in the number of gold credited customers.

TEB maintains its close relationship with the jewelry industry by participating in gold and jewelry trade fairs held throughout the country as the main sponsor and supporter.

TEB Gold Banking offers a comprehensive service with a range of products including current/time Gold Deposit Accounts, the Silver Deposit Account, the Drop Gold Account and the Type B Gold Fund, and in 2015, the New Golden Age for individual and corporate customers looking make savings. The New Golden Age account brought gold defined as 'under the mattress savings' into

the economy through 135 jewelers in 48 provinces.

PUBLIC SECTOR BANKING

Working with 350 municipalities and their agencies

Set up to develop and offer specialized banking products and services that address the unique needs of local governments, TEB Public Sector Banking continued to be one of the leading players in this business line in 2015. Through its public sector banking approach, TEB makes it easier for local governments to locate the financing they need and also helps them complete their large-scale investment projects faster and more efficiently. TEB also provides a number of cash management solutions, such as Turkey's first online and real-time collection service, which makes it possible for people to pay municipal taxes, fees, etc. more quickly and conveniently.

TEB continues to be a consultant bank in the field of Public Banking. The bank shows programs about local government on TEB SME TV with public law specialists. TEB creates solutions for local governments in budget management and similar issues where there is a lack of knowledge, through the TEB SME Academy Public Meetings organized especially for local governments. The topic of financial sustainability in municipalities was examined in the TEB SME Academy Public Meeting organized in Malatya in 2015.

AGRICULTURAL BANKING

Continued growth for Agricultural Banking in 2015

TEB strengthened its agricultural banking organization with more than 170 agricultural banking portfolio managers, a site card distribution team and specialist head office and regional directorate teams. TEB Agricultural Banking continues to extend resources to support agricultural input finance as well as financing of investment projects for producers of all sizes.

The first "Seed Branches" had been opened in 2014 and which provide specialized services for the agricultural sector, and the openings continued in 2015. In this context, Seed Branches

were opened in the boroughs of Hayrabolu (Tekirdağ), Çine (Aydın), Boğazlıyan (Yozgat), Acıpayam (Denizli), Kalkan (Antalya), Zile (Tokat) and Mut (Mersin).

Based on the success of the TEB SME Consultants project and its benefits to customers, it was decided to create a similar program compatible with the particular dynamics and needs of the agricultural sector. The result was the TEB Agricultural Specialists Program, which was launched in 2014. Within the scope of this program, 20 new TEB Agricultural Specialists completed the program during 2015. In total, 40 TEB Agricultural Specialists began providing consultancy services required outside banking products by the companies operating in the agricultural sector. The goal of the TEB Agricultural Specialists Program is to help producers transform themselves into agricultural enterprises.

Having already introduced "TEB Harman Kart" (TEB Harvest Card), a specialized credit card product that comes with advantageous payment terms that can be very useful when farmers procure essential inputs, TEB worked with a number of farmers' associations and expanded its merchant partner network in order to enhance the card's usefulness.

Under its "Instant Harvest Card" program, customers who have been assigned a Harvest Card credit limit do not have to wait for the card to arrive in order to start taking advantage of its benefits.

Within the context of subsidizing agricultural investment, TEB granted the loan letter of intent for IPARD backed investments, which are disbursed by the TKDK (Agriculture and Rural Development Support Agency). TEB is one of the pioneering banks in this field.

Financial and non-financial products were promoted through the participation of 16 national and international agricultural fairs in 2015, thus reinforcing relationships with stakeholders in the agricultural sector. A cooperation agreement was signed with AGCO, one of the largest agricultural equipment manufacturers, in 2015.

STARTUP BUSINESS BANKING

Continuing to support entrepreneurs in Turkey

Within the scope of enterprise banking established in 2013 by the TEB SME Banking Group, the bank continued to support entrepreneurs in a more comprehensive and effective manner through a range of financial products and services offered to SMEs in 2015.

Implementing a very comprehensive program to support entrepreneurs in Turkey, TEB SME Banking was involved in the announcement of the world's most comprehensive Enterprise Index (Global Enterprise Monitor-GEM) under the leadership of KOSGEB between 2013 and 2014. Index studies started in 2015 are still ongoing.

The Global Entrepreneurship Monitor (Global Entrepreneurship Monitor-GEM) is an academic research study that was started by the Babson College and London Business School in 1997 to investigate the importance of enterprise in the economic growth process. The examination of economic development and growth has traditionally focused on large enterprises. The GEM research study has raised the recognition of enterprise by highlighting the importance of new and small businesses.

It is observed that entrepreneurs have started to care about the use of limited resources, operate on the motivation of need and work to an approach of taking advantage of opportunities in today's conditions.

Strengthening enterprise, the importance of which is gradually growing in the economy, also contributes to economic growth and prosperity.

University students preparing for entrepreneurship at the TEB Enterprise House

Within the scope of Enterprise Banking founded by the TEB SME Banking Group in 2013, TEB continued to support entrepreneurs with financial and non-financial products and services provided to SMEs in a comprehensive and effective manner.

As of the end of December 2015, almost 12,000 entrepreneurs had received 312 training sessions

(1,929 training-hours) and 2,428 entrepreneurs had been provided with 3,069 hours of consultancy services.

Supporting exports through TIM (Turkish Exporters Assembly)-TEB Enterprise House

The TIM-TEB Enterprise House is an entrepreneurial training and business development center, which was established to support entrepreneurs with the potential to export and/or projects/products that have the opportunity of expanding internationally. The TIM-TEB Enterprise House that was implemented to reach to entrepreneurs with technological and high value-added projects was established for the first time in Istanbul, Izmir and Gaziantep in January 2015. In July 2015, the TIM-TEB Enterprise House was opened in Pamukkale Technocity in Denizli with the support of Pamukkale Technocity.

WOMEN BANKING

In 2015, TEB signed a first in the sector with visions of "The Women's Consultant Bank" and "the bank that most women want to work with" in order to support women bosses and strengthen their presence in business life. In this context, the bank began providing banking services for women by setting up a separate department.

SheWorks was implemented by the IFC, a member of the World Bank Group, in partnership with the EDGE Authorized Foundation, the International Labor Organization and the United Nations Global Cooperation package. SheWorks, working with the sponsorship of leading companies in the private sector throughout the world, aims to increase the number and quality of employment opportunities for more than 300,000 women in the next two years. Collaborating with the IFC in line with its vision of being "the bank that most women want to work with", TEB joined SheWorks to contribute to the development of working women.

As a result of focus group studies conducted with more than 80 women managers in five different regions in Turkey, TEB - which aims to be "The Women's Consultant Bank" - identified four main problems women face; access to finance, access to information, access to the markets and access to mentoring support.

THE RETAIL AND PRIVATE BANKING GROUP

BUSINESS DEVELOPMENT, CUSTOMER EXPERIENCE AND BANCASSURANCE

Customer Experience

In 2015, TEB carried out “Understanding the Customer”, “Measurement”, “Research”, “Communication & Design” activities in order to improve the “TEB Experience”. The main objective of the activities was defined as “to be the most recommended bank” in terms of service quality.

The following developments were included within the scope of the work carried out in 2015.

- Customer satisfaction is measured through the NPS (Net Promoter Score) system, in which customers received calls from the call center after the transactions are carried out by 150,000 customers in a year.
- The TEB NPS score has doubled in all channels and segments since 2013 when the system was commissioned.
- To collect instant feedback, customer experience analytics software was commissioned in the CEPTETEB Internet Branch, so customers’ digital experiences could be evaluated.
- Feedback started to be collected by placing tablet kiosks in branches.
- A “1 Day at the Branch” program was provided to the Head Office units, so they could work with customers and field workers and gain broader work experience. Directors shared their proposals for improvement by working with counter, portfolio, region and call center teams for a day.
- All feedback and scores described as the “Voice of the Customer” are shared with the business units and the field with detailed analysis, and support is provided accordingly with the aim of increasing customer focus and to take action.
- In 2015, “Customer Experience Day” was organized in which different companies from different sectors were gathered.

Bancassurance

TEB provides a wide range of insurance and private pension products and services through:

- BNP Paribas Cardiff Emeklilik AŞ: life insurance, payment protection insurance, unemployment insurance, private pension plans
- Zurich Sigorta AŞ: accident insurance, non-life (elementary) insurance
- COFACE Sigorta AŞ: credit insurance

At the end of December 2015, the sector had recorded 15%* growth in bancassurance life insurance premium production on a YoY basis, whereas TEB had achieved 6.3% growth. In the non-life insurance branch, bancassurance premium production grew by 18.3%*, while TEB achieved a 21.3% rate of growth, outperforming the sector rate.

TEB bancassurance continued to provide services from both TEB branches and alternative distribution channels in 2015 to meet its customers' needs for insurance and individual pension products. Projects were carried out for customers to purchase both products and services during 2015, not only from the branches, but also from alternative distribution channels. Policy purchasing and monitoring through customer interaction center and internet banking is made available. Activities to diversify products sold through these channels will continue.

In addition to insurance products, together with Individual Pension System regulations, communication and marketing campaigns were carried out to inform existing and potential customers of government funding practices, and to help them take advantage of them.

** Taken from sales channel based monthly sector premium production report issued by Turkey Insurance Association.*

In compliance with the new legal regulations, TEB is constantly striving to further develop and improve its business processes in order to provide the best insurance and individual pension services to its customers. In line with this objective, the comprehensive projects launched in 2014 and 2015 will be continued in 2016 as well.

RETAIL BANKING MARKETING

The TEB Family Academy

As part of the efforts to enhance financial literacy and access movement, which are being implemented with a vision of providing a better future for millions of families, TEB Family Academy provided 200,000 individuals with free financial literacy training. The training was given by TEB employees on a voluntary basis.

11 million elementary school pupils benefited from financial literacy through arts and music courses in the compulsory curriculum through the "Social and Financial Education Through Art" project implemented by TEB, the Ministry of Education and UNICEF in 2014. Work on the project continued in 2015.

A total of 30,000 children came to watch "The Wind's Piggy Bank", the first play staged by the TEB Children's Theatre, which was established as part of the TEB Family Academy in 2014 with the aim of raising awareness of savings and accumulation among children. The play was shown to children free of charge during the Turkey tour in 2015.

A protocol was signed with the Lifelong Learning General Directorate, which is an affiliation of Ministry of Education, for the project, which aims to provide free financial literacy training to 5 million people over 3 years with the objective of educating families without sufficient knowledge of budget management and who have low financial literacy.

Retail segment and loans

TEB stepped up its customer-focused activities in 2015 with a focus on customer experience in the Bank as well as the processes that are the main part of this experience. The actions that will be taken to improve the experience customers have after becoming acquainted with the bank were partly implemented in 2015, and the implementation will continue in 2016.

TEB completed the bulk of its channel developments that support accessibility, as well as improving and speeding up existing processes for personal loans. These improvements, that aim to

bring ease employees and customers, also brought important efficiency gains for the bank.

TEB began disbursing loans through non-branch channels with the PTT in 2014 and continued loan disbursements through internet banking in 2015. Customers may use pre-approved credit limits by applying through TEB internet banking and may later complete applications that they had made in the branch on the internet banking platform, and may use their loans on a 24/7 basis.

TEB will continue its non-branch channel development activities in 2016.

Approximately 350,000 Ingenious Accounts

There were approximately 350,000 "Ingenious Accounts", TEB's main accumulation and savings product, by the end of 2015. The product holds a significant share in the Bank's balance sheet.

TEB offered the "Ingenious Account" product which it has developed as an alternative savings account in a bid to change Turkey's savings habits in 2011. The Ingenious Account aims to raise public awareness of the necessity and the importance of saving, which is a product for those who want to save rather than just manage their daily cash flows. TEB offers preferential interest rates and attractive conditions with its Ingenious Account. The bank also provides opportunities for children and young savers between the ages of 12-25, to help them make use of their spending money and savings at attractive rates with amounts starting from 100 in TL/USD/EUR or GBP terms with the "Ingenious Young Account", which was implemented in 2015. In addition, the TEB Bank Card, offering a 50% discount for weekend cinema and theater spending for those from 12 years of age, offers young savers the chance to withdraw up to TL 100 per day from all ATMs.

During the campaign, young people under the age of 18 and who have opened an "Ingenious Young Account" jointly with their parents may obtain an exclusive bonus for the first month when they open the account. The "Ingenious Young Account", which can be offered to up to five children in the family, converts into the "Ingenious Account" when the account holders become 26 years of age.

The “Opportunity Account” is a savings account offered to upper-level customers which allows them to switch between TL, USD, EUR and GBP currencies, or to convert their savings into gold.

TEB Star Banking

TEB Star Banking products and services are designed for medium- and upper-segment customers and are provided by personal customer representatives and through the TEB Customer Interaction Center and the segment’s own website.

BNP Paribas, one of the world's most powerful banks and TEB's global partner, brings together middle-upper segment group customers in Turkey, France, Italy, Belgium and Luxembourg under a single roof with BNPP Priority. TEB Star aims to meet all of its customers’ banking needs thoroughly and with the highest priority and allow customers perform domestic and international banking transactions through BNP Paribas’s widespread global network for their use as a member of BNPP Priority.

TEB Star Banking, that has expanded its service network rapidly throughout Turkey, increased its number of customers by 9% and its volume by 13% when compared to the end of 2014.

The main activities carried out in this segment in 2015 can be summed up as follows:

- Activities were carried out with the aim of providing priority and privilege to Star Banking customers with additional services offered by the collaborated companies in the areas of sport, health and social life and making their lives easier. In addition, customers are provided with the opportunity to obtain exclusive discounts on domestic and international hotels, restaurants, events, concerts and personal hobbies.
- Customers who hold the TEB Star Priority Card, which gives holders access to many exclusive services, benefit from opportunities such as free dry cleaning, a 10% restaurant bonus, use of bonuses as miles, or being able to fly with desired airlines with advance miles, 50% discounts in airport car parking, airport lounge access, car rental, free valet services

and the chance to divide their international spending into four instalments.

- TEB customers who are members of the professional segment continued to benefit from TEB Star Banking privileges at no extra cost.
- TEB continues to meet the professional and personal needs of medical professionals with the TEB Doctor Platinum Card.

Multi Chanel CRM

The New Multichannel Customer Relationship Management (CRM) model, which TEB implemented in 2013, has been used efficiently in all branches since 2014, and is focused on communication which meets customer needs by placing the customer at the center. Multichannel CRM achieved improvements in the rates of new customer activity and cross selling, while achieving a reduction in the rate of departing customers.

Seamless communication was achieved in all fields through trend analyses generated by putting the bank’s customers at the heart of its activities, location-based segmentation activities, new CRM applications and improvement measures in data quality, and the sales force was planned more efficiently.

SALES MANAGEMENT

Active sales channels

TEB Sales Management maintains its leadership in the sector with the use of superior technology as well as by providing a variety of products and services for sales undertaken through the tablet platform with the field team of 290 staff throughout Turkey. The objective of TEB Active Sales Channels team is to bring all banking services to customers by selling multiple products.

Mass customer acquisition and performance management

TEB put customers receiving salaries paid through the bank at the foundation of its growth in retail banking and 51% of its newly acquired customers were obtained from this channel in 2015. TEB placed priority on university payments in 2015, and offered facility for university salary or tuition

fee payments by expanding its portfolio of universities.

Customer Interaction Center

2015 was a successful year for the TEB Customer Interaction Center, when the center produced and implemented different ideas, helped its employees attain expertise, invested in its culture, fully observed its customers' experience with the team and worked to a simpler processes to make this journey most proactive.

PRIVATE BANKING SALES AND MARKETING

A fruitful year for TEB Private Banking

TEB has been offering private banking services under the name of Asset Management since 1989, and was the first bank to provide private banking and asset management services in a real sense in the sector. TEB Private Banking, Turkey's most established bank in private banking, aims to provide products and services that make a difference to customers by combining TEB and BNP Paribas' global knowledge and experiences with its innovative approach.

TEB Private Banking develops solutions that are tailor-made and which will add value to assets by identifying customer needs and expectations through 13 Private Banking Centers and 14 in-branch service points throughout Turkey.

A first in private banking: The TEB Private Banking Academy

The TEB Private Banking Academy was one of the innovations launched in 2015 aimed at increasing sales and relationship management competencies, as well as the technical competencies of customers' representatives; it is also aimed at creating the team spirit that will be building the 2020 success story of TEB Private Banking.

The academy was set up with contributions from the TEB Education Department and in collaboration with Bilgi University, with the courses consisting of 14 days of training and 4 modules. Customer representatives go through extensive training under the headings of strategic thinking, networking, influencing and persuasion skills which will also contribute especially to

personal development, and they renew their knowledge of investment products, loans, insurance, taxation and law. Successful customer representatives receive a certificate from Bilgi University.

Turkey's first accredited bank network: Private Banking Angel Investment Platform

TEB's approach of acting as a consultant bank is both an important element of its corporate identity and its guiding principle in the TEB Private Banking products and services that it designs and offers. TEB Private Banking regards it as its mission not just to provide its customers with traditional products and services but also to proactively acquaint them with alternative and different ways of putting their assets to work. In this context, the TEB Private Angel Investment Platform implemented in 2013 offers a new investment opportunity to customers seeking investments for their assets in areas outside traditional financial instruments. The bank continues to contribute towards bringing Turkey's entrepreneurs in the economy together by directing capital to promising projects.

The TEB Private Angel Investment Platform was authorized as an accredited angel investment network by the Undersecretariat to the Turkish Treasury as of 11 February 2015.

The TEB Private Angel Investment Platform was the first banking platform to be authorized by a public authority in the field of "angel investment" through accreditation. In this context, TEB Private Banking began mediating for investors to purchase Individual Participation Investors (IPI) license through the Angel Investment Platform channel and following up the investment processes by submitting documents and information pertaining to the investments made through the channel to the Undersecretariat to the Turkish Treasury.

A special new club for investors from TEB Private Banking

The TEB Private Banking Investors Club was created under the guidance of TEB Private Banking, which brings together business customers from various sectors who themselves are devoted to the issue of angel investment. The

Club aims to offer an international experience to its members by including Silicon Valley investors into its body. The TEB Private Investors Club, which aims to bring mutual benefit by sharing enterprise opportunities with its member, is an international investment network. The Club is built on its members' trust in each other and has adopted the mission of contributing beyond finance in the entrepreneurial ecosystem with its members who make a new investment every month. The most important feature of the club, which distinguishes itself from other angel networks and investment clubs, is that it is a venture company. In such a company, investments are undertaken either in companies which a member has decided to invest in or has already invested in.

TEB Private Banking received the "Angel Investor Network that undertook the most investment of the Year Award" in the ceremony to mark the first anniversary of activities conducted by the Borsa Istanbul Private Market.

Bringing TEB Private Banking close to its customers with the iPad app at any moment

The TEB Private Banking iPad app, the first in the private banking sector in Turkey, was commissioned in 2011 by TEB, and was subsequently developed to provide a service from a different channel by reaching its customers in digital media, and to create value.

TEB Private Network Mobile Application

The TEB Private Network, a social network application, was created to offer TEB Private Banking customers the opportunity to share important information between each other by creating a closed network among them through TEB Private Banking. It was also set up to provide special offers and opportunities for the users.

Through the TEB Private Banking Network, users share their interests and likes and have the opportunity to communicate with each other.

TEB believes that every art collection has its own story with the Special Digital Museum.

As the first practitioner of the private banking concept in Turkey, TEB Private Banking has been

sharing its experience and expertise in asset management with its customers since 1989.

Additionally, the Bank keeps pace with the evolving and changing world with its new projects and supports the effects of digital transformation on human life with innovative ideas.

The TEB Private Digital Museum (www.tebozelmuze.com), launched in 2015, was Turkey's first digital museum platform. It was designed as a project where collectors can meet art lovers. From the point of view that each collection has its own story, the collections are immortalized in the TEB Private Digital Museum.

Consultancy services with TEB Private and BNP Paribas Wealth Management Experience

TEB Private assigns investment products in accordance with risk profiles and asset breakdowns through the system and can monitor performance with the Financial Portfolio Management tool used by BNP Paribas Wealth Management in Europe.

TEB Private Banking offers the services needed in the field of luxury properties in Turkey by the customers for both personal and commercial purposes through GİZ High-End Estate as one to one solutions. Additionally, the Bank offers solutions and opportunities in the area of commercial real estate, which has started to assume growing importance in recent years in Turkey through North West Real Estate, BNP Paribas Real Estate's partner in Turkey.

"Your assets have a story to tell. Come, let's write that story together..."

In line with its "Your assets have a story to tell. Come, let's write that story together..." vision, TEB Private Banking seeks to stand by its customers not only when dealing with their financial needs but also in all aspects of their life. In this context, the bank supports many events in the fields of art, sport and others. TEB Private Banking customers participate in photographic exhibitions, concerts and sporting events, of which TEB is the sponsor, as special guests.

Private Banking customers always privileged with TEB Private credit cards

TEB Private Banking customers qualify both for the TEB Private Platinum Card and for the TEB Private World Elite Card, a comprehensive and exclusive card offered in the MasterCard system. Customers may benefit from free lounge access in airports in various parts of the world with the Priority Pass Card that is complimentary for holders of the TEB Private World Elite Card. The TEB Private World Elite Card is still one of the most special cards in the sector with a 10% expense reimbursement in domestic and international restaurants and hotels.

CARD PRODUCTS MANAGEMENT

Card marketing product and portfolio management

TEB received a plethora of awards from various institutions with its customer-oriented, innovative products in 2015 as in previous years. In this context, the TEB Platinum Debit Card was given the award for the most successful Debit Card by Visa; the Card Products Management department was awarded the Card Team of the year by BNP with the products that it developed and customer satisfaction that it achieved.

The fact that the product features, which the Bank brought into the sector, are included to cards by the other banks confirms that TEB has been progressing on the right track and setting trends.

The Bank was also deemed worthy of “Best Co-Branded Credit Card Turkey 2015” and “Best New Banking Product (PayPal Pre-Paid Card) Turkey 2015” by Global Banking and Finance.

TEB was one of the banks to post growth, growing by 14.4 % in a year the sector’s turnover increased by 11% in the credit card market. The sector’s cash turnover grew by 24% in 2015, while TEB realized 28% growth. TEB's total credit card receivables amounted to TL 2.8 billion at the end of 2015.

A strong sales network was created which includes the PayPal Cash Card, Migros, Teknosa, D&R and PTT, and 280% growth was achieved in 2015.

The Bank's credit cards were seen to be reliable, honest and sturdy by customers in the TEB Credit Cards perception survey conducted by an independent company in 2015 and commissioned by TEB.

Member business sales, marketing and product development

At the end of 2015, TEB POS was offering services at approximately 109,000 points providing cash register POS (PRD-Payment Recorder Device) services in 14,650 of the POS terminals. Its POS market share stood at 4.3%.

TEB POS supported cash register POS brands such as Beko, Profilo, Ingenico, Vera and Hugin and within the scope of BKM TechPOS platform, supported Mikrosaray and Informatik brands. It led the sector through campaigns for the Profilo and Vera brand cash register POSs, which include opportunities intended for end users.

The TEB POS works with 4 different payment system providers; Visa, Mastercard, Amex, and Union Pay, by following trends in payment systems. Turnover doubled in 2015 by working with American Express, one of the most powerful payment systems in the world, from 2014.

At the end of 2015, TEB’s total POS sales volume amounted to TL 22 billion.

Digital banking

In 2015, TEB brought its digital banking platform, CEPTETEB, to the focus of its investments.

The CEPTETEB Digital Banking Platform, which was launched in March 2015 and offers all the benefits a bank provides, provides services to users with its simple design, simple menu structure and practical use through Internet Banking, Mobile Banking, a Support Center and ATMs without having to go to the bank branch.

Users may apply to join CEPTETEB, which offers a wealth of advantages via www.cepteteb.com.t or from the mobile app. The membership process is completed within a maximum of two days by "CEPTETEB Customer Relationship Managers" who go to the specified address on appointment.

Users who can immediately benefit from CEPTETEB products and services may carry out all banking transactions through digital channels.

As of the end of 2015, the CEPTETEB Digital Banking Platform implemented 9 months previously had reached 190,000 customers with deposit volume of TL 2.5 billion. Also, various opportunities and benefits were offered by collaborating with IDO (Istanbul Sea Bus), TAV, Yemeksepeti, Markafoni and Urban Stations.

Transforming technology into service

Having identified them as a business line of strategic importance, in 2015 TEB continued its investments in non-branch banking services in keeping with its “The Bank That Transforms Technology Into Service” slogan.

In 2015, the number of TEB ATMs approached 1,700 throughout Turkey, and 70 million transactions were carried out at ATMs.

82% of TEB customers used digital channels in 2015.

In 2015, 82% of TEB’s customers used digital banking channels, with customers making increasing use of this channel.

In 2015, the Bank’s internet user base exceeded 780,000 growing by 40%.The number of customers actively using the mobile banking application doubled to over 450,000.

83% of TEB's banking operations done digitally.

TEB continued to reduce operating costs and its income-expenditure ratio by transferring the branch transactions made during 2015 to digital channels.

Stepping up its investment in mobile and wearable technology in 2015

Having invested in wearable technologies like the Samsung Gear 2 Smart watch and the Google Glass in 2014, TEB continued to invest in wearable technologies in 2015. TEB implemented CEPTETEB and Practical Borsa applications, unique on the Apple Watch, and was the first and only bank in Turkey to feature on the Apple Watch with these two applications.

CEPTETEB Mobile Wallet

Providing its customers with the facility of withdrawing money from ATMs without a card for the first time in the world with the CEPTETEB Mobile Wallet, TEB commissioned the Contactless Mobile Payment in 2015. Customers who downloaded the CEPTETEB application to their smartphones began making payments with mobile phones without the need for a physical credit card. In addition, CEPTETEB customers are able to pass through rapid transition units at TAV airports and toll gates at IDO turnstiles at ferry ports with the QR Code produced from their CEPTETEB Mobile Wallet.

A total of 18 awards

TEB’s digital banking channels won 18 awards in prestigious competitions both at home and abroad in 2015.

In 2015, the website www.tebcocuk.com of the TEB Child’s project, which won the first prize in education category of Golden Spider Web Awards for the 3rd time, received more than 530,000 hits. The TEB Child iPad app was downloaded 46,000 times.

The “All the Managers who wanted to work with me” project, in which the users create personal career videos, was given the “Usage of Social Target Audience in Best Direct Marketing” campaign award and the “Micro Site Success Award” in the MediaCat Felis Awards, and three awards in the Crystal Apple Awards.

TEB and social media

According to Socialbakers, a social media analysis and publishing firm, TEB is a “socially devoted” brand based on its superior performance in responding to questions put to it through social media.

Bank communicates directly with its customers through social media especially Facebook page with almost 1 million members and 90% response rate.

Collaboration with BNP Paribas

In 2015, within the framework of collaborating with BNP Paribas, TEB continued to use Radian6 software to monitor and analyze the contents in social media about the Bank.

ASSET LIABILITY MANAGEMENT AND TREASURY GROUP

TEB, one of the first banks in Turkey to develop an “Asset and Liability Management” approach, has adopted a management style based on cautious, sound and long-term strategies with its competent and experienced staff and the transfer of know-how from the BNP Paribas Group.

The Asset-Liability Management and Treasury Group, which have been working since 2005 manages interest, liquidity and structural foreign exchange risks with the aim of protecting the Bank’s sustainable profit.

2015: A successful year in terms of balance sheet management and financial results

The year 2015 was a volatile one in the interest and foreign exchange markets due to a number of developments, such as the two general elections in Turkey, mounting expectations in international markets of an interest rate hike by the Fed, a negative interest rate policy implemented by the European Central Bank (ECB), a slowdown in China and a rapid decline in the commodity prices.

The Asset-Liability Management and Treasury Group managed the loan-deposit pricing mechanism effectively by taking competitive conditions and the bank’s profitability in the face of these fluctuations into consideration.

In order to improve operational efficiency, the pricing mechanism will be transformed into a fully automated and time-saving system with new IT modules that will be commissioned in 2016.

Support to product development

The ingenious account offered to TEB customers continued to be a sought-after product in 2015. Apart from ingenious account, support was extended to the opportunity account and “CEPTETEB” account application. In this context, the necessary technical adjustments in the pricing methodology to support the product development were carried out. The CEPTETEB product commissioned at the end of 2014 provided more support to the Bank’s strategy of common base deposit collection than expected, growing far in excess of the budgeted volumes.

The Asset and Liability Management and Treasury Group achieved a strong performance in terms of creating a portfolio against the backdrop of rising bond yields throughout 2015. Despite the loss in value of the portfolio investments, the Group was able to undertake new portfolio investments at as high a level as possible.

On the other hand, inflation-indexed state bond investments had a positive impact on the bank’s profitability with rising inflation throughout the year.

Hedge transactions to manage the interest rate risk borne by the bank were carried out with the right timing, shielding the balance sheet from interest shocks. At the same time, legal compliance and compliance with the bank’s internal liquidity ratios was ensured in line with the bank’s cautious and robust liquidity management policy, which contributed to the continuity of the bank’s liquidity.

Compliance with regulations

2015 was a year when rules set by the regulators stand out in terms of domestic and international operations. The Asset and Liability Management and Treasury Group carried out all of the changes required both by domestic legislation that TEB is obliged to comply with as well as international regulations that BNP Paribas is obliged to comply with. The Group implemented these changes into the business models. An additional objective was to raise awareness among Asset and Liability Management and Treasury Group employees by organizing training programs on compliance with national and international regulations.

Continued synergetic collaboration with BNP Paribas

The TEB Asset & Liability Management and Treasury Group continued to collaborate with BNP Paribas in 2015. Current developments in the bank’s balance sheet were examined and future expectations were discussed at regularly-held meetings. In this relationship, TEB benefits from its strategic partner’s know-how in such matters as borrowing alternatives and particularly in the matter of modeling balance-sheet products for

which there is a need while BNP Paribas benefits from TEB's authoritative market knowledge and expertise.

In addition, under the Bank's ongoing information technology projects, BNP Paribas's effective business processes are being tailored to the TEB structure. Accordingly, business processes were stepped up to a more secure level in terms of identifying all possible operational risks and taking measures. On the other hand, monitoring and

reporting of financial risk were made more effective.

Issuance under the EMTN program

Within the framework of EMTN program, five issuances amounting to USD 81 million were carried out through BNP Paribas in order to diversify short-term foreign currency debt instruments. On the other hand, private credit cost ratio support continued for import loan disbursements with a EUR 500 million resource.

CORPORATE INVESTMENT BANKING GROUP

TEB Corporate and Investment Banking was set up in 2011 in order to offer the Bank's customers a new range of products.

There was significant growth in transactions undertaken in the Capital Markets in 2015, without compromising risk management principles. New solutions were developed to ensure the protection of customers from the exchange rate risk, while customers were offered interest rate derivatives transactions.

The competitive advantage of the Group

The Corporate Investment Banking Group, which combines TEB's power in the local market with BNP Paribas' expertise and experience in capital markets, its structured finance and consulting, has a structure that can respond to all needs in these areas as a stand-alone entity.

The Corporate Investment Banking is integrated into TEB's customer portfolio and BNP Paribas' product range. This allows the Group to benefit from both the growing network of customers within TEB and the strong product specialists at BNP Paribas.

Maintaining a close relationship with its customers, TEB Corporate Investment Banking offers risk management solutions for a variety of products including foreign currency, interest and commodity derivatives.

The main purpose of the Corporate Investment Banking Group founded within TEB is to create synergy by combining the local customer network with BNP Paribas' global product expertise. In 2015, the Group continued to create new synergies in the fields of Financial Markets, Structured Finance and Corporate Finance.

TEB will also continue to provide structured debt solutions and investment opportunities in the coming period.

SECURITIES SERVICES

An innovative approach in securities services

Since 2007, TEB Securities Services has been responsible for conducting the international settlement and custody services that BNP Paribas originally inaugurated in Turkey back in the 1990s.

The Capital Market Instruments Services department at TEB, also known as TEB Securities Services serves its customers with its team of specialists at the Head Office. The department offers exchange and custody services to its domestic and foreign customers in cooperation with BNP Paribas Securities Services, which is Europe's largest custodian bank. The department also creates solutions for needs pertaining to capital market instruments, which may arise subsequent to the investment and finances the decisions of financial institutions, institutional investors and issuers with its innovative and meticulous approach.

TEB Securities Services provides:

- Settlement and custody services for cash equities, government bonds and bills, and other capital market instruments
- Collateral and cash management services for listed derivatives
- Securities borrowing/lending transactions
- Outsourcing services for brokers
- Escrow and collateral management services
- Debt instrument, certificate, and warrant issue-related operations and payment services
- Account operating services for issuers' Central Registry Agency accounts

Successes in TEB's Capital Market Instruments Services in 2015

In 2015, TEB Securities Services continued its success of previous years, by taking on new clients, and effectively managing the increased transaction volumes of its existing ones. The division performed particularly well in expanding its assets under custody and trading volumes last year.

Many changes have taken place in Turkey's capital markets in Turkey since the new Capital Market Law was enacted at the end of 2012. Exchange and custody services provided by the department are defined as general custody services subject to the authorization of the Capital Market Board (CMB) under the new law. TEB obtained general custody permission from the CMB in November 2015.

In parallel with other changes brought about by the new law, individual and collective portfolio custody services that will be presented to portfolio management companies were structured such that they could be provided to non-group companies.

In November 2016, the transformation of the Borsa Istanbul trading platform and Takasbank exchange systems' into the Nasdaq OMX-BISTECH system was successfully completed. Technical infrastructure and operations related to the services offered in this context were adapted to the BISTECH exchange system.

In addition, system investments and efficiency studies for the continuation of the department's service quality were carried out in 2015.

A more competitive Capital Market Instruments Service Department

TEB remained the choice of customers seeking more than a custodian bank for after transaction services aimed at capital market instruments thanks to its global perspective, pioneering and customer-focused approach in 2015.

All the developments in capital markets and banking sector are followed closely from legal, technological and operational aspects. If there were situations which required action, a fast response was given to the requirement with investments in new products and technology. TEB's Capital Market Instruments Services department stood out from the competition in 2015 with investments aimed at achieving operational excellence and with priority given to helping its customers expand their businesses.

In 2016 and beyond, the improvements and collaborations undertaken by both Capital Markets Board as well as Takasbank, Borsa Istanbul and institutions such as the MKK (central securities depository), and the changes affected by these are expected to align the market functioning with developed market practices and to create expectations for different product and service in the field of after-transaction services.

The Capital Market Instruments Services department expects this to bring new opportunities for cooperation with its customers. The objective of the department is to implement innovations that will contribute to the development of the business line as well as the market by taking the lead in after transaction services.

Collaborations in 2015

The Capital Market Instruments Services department is part of BNP Paribas CIB and acts as the Turkey arm of BNP Paribas Securities. Work is closely carried out with BNP Paribas companies that are also customers of general custody for the functioning of market and new products through a consultant approach.

The department has been working with affiliates that have capital markets operations in close cooperation. In particular, the services to the Borsa Istanbul Derivatives Exchange offered in partnership with TEB Investment have brought success in recent years. This has enabled TEB Investment to have one of the highest business volumes on the Borsa Istanbul.

New products developed in 2015

The most important product which the Capital Market Instruments Services department worked on in 2015 was the custody and fund services developed for Portfolio Management Companies. The department carried out activities to adapt this service shaped by the New Capital Market communique to meet the demands of its customers by taking the opportunity to offer it to group companies as well as external portfolio management companies.

NEW PRODUCTS AND SERVICES

Women's Banking and CEPTETEB stand out among TEB's new products and services offered in 2015.

WOMEN'S BANKING

In 2015, TEB signed a first in the sector with visions of "The Women's Consultant Bank" and "The Bank that most women want to work with" in order to support women bosses and strengthen their presence in business life. In this context, the bank set up a separate department to provide banking services especially for women.

With the aim of encouraging women to join business life as producers, not just consumers, the department provides SMEs and businesses with women leaders access to financial resources to help them compete in the global world and to maintain their presence with steady growth. Unsecured loans and special finance packages are developed accordingly.

Steps have been taken to facilitate access to finance as well as information, mentoring services and the market.

In 2015, the TEB SME TV-Women Manager's Screen and TEB Women's Academy were introduced to enable women to access information.

Women can access all kinds of information they need in their work lives, as well as stories of inspiring women with the TEB SME TV-the Women Manager Screen was commissioned in 2015.

Within the scope of Women Banking, the first TEB Women Academy was organized on 15 October 2015 in Istanbul to provide information needed by women bosses to improve their business by reaching them across the country and to bring them together with women from business life who inspire with their success.

The mentoring program was implemented to provide mentoring support, which is one of the most important requirements for women managers, by signing an agreement with the UK based Cherie Blair Foundation for Women. The Cherie Blair Foundation for Women, which operates in 80 countries across the world, will reach women for the first time in Turkey through the TEB mentoring program.

In 2015, TEB became a member of WeConnect International in order to help women bosses reach new markets. WeConnect is an organization which operates throughout the world in order to ensure participation of the companies with a 51% female partner in the supply chain by providing training and consultancy services for them to work with big partners on a regional or global scale.

CEPTETEB

In 2015, TEB brought the digital banking platform, CEPTETEB, to the focus of its investments.

The CEPTETEB Digital Banking Platform, which was launched in March 2015 and offers all the benefits a bank provides, serves its users with its simple design, simple menu structure and practical use through Internet Banking, Mobile Banking, Support Center and ATMs without having to go to the bank branch.

Users can apply CEPTETEB where many different advantages are offered via www.cepteteb.com.t or mobile application. The membership process is completed within a maximum of two days by "CEPTETEB Customer Relationship Managers" who go to the specified address with appointment.

The users, who can immediately benefit from CEPTETEB products and services, can carry out all banking transactions through digital channels.

TEB HUMAN RESOURCES GROUP

TEB Human Resources Group plays a key role in TEB realizing its strategic objectives.

Human Resources Policy

The TEB Human Resources Group strives to:

- Ensure that the organizational structure remains dynamic and readies the bank for change in line with the TEB Group's strategic plans and objectives,
- Recruit for and retain in the TEB Group employees who are highly educated and well trained; who are amenable to innovation and change; who possess entrepreneurial skills; who are energetic and dynamic and have job-progression potential; who are capable of teamwork; and who identify with and accept responsibility for the group's shared values,
- Support, through training programs that have been determined according to career-progression roadmaps, both the personal and the professional development of TEB employees so as to ensure that human resources are put to the most productive use in line with the bank's objectives and strategies; create both a professional workplace environment and career-progression opportunities, including by means of beneficial access to the training programs of BNP Paribas,
- Create a workplace environment that employees most want to work in; be the bank that employees in the industry most want to work for,
- Contribute to the development of bank employees in line with the TEB Group's objectives and strategies within the framework of the TEB Formation Academy and a "continuous learning and development" approach that recognizes training and development as investments in human resources,
- Insofar as is possible, recruit and train bank management personnel from within TEB itself and make use of the group's own human resources when filling position vacancies,
- Operate and develop a performance evaluation system as well as merit systems and

processes that will enhance both individual and team performance,

- Provide every person with equal opportunities and means for advancement in line with their career paths.

With these practices, TEB Human Resources provides swift and effective support to all employees in all human resources related matters, while playing a key role in further raising the efficiency and performance of the TEB Head Office and the branches.

Career progression

Because particular attention is given to opportunities for TEB employees to advance in their careers, most appointments to management positions take the form of in-house assignments. In 2015, 103 successful TEB employees were promoted to management positions. In addition, 645 employees who work as managers and at lower titles were promoted to higher positions.

Information about current position vacancies in both the BNP Paribas and the TEB groups is provided through the E-Jobs system, which gives all employees an equal chance to learn about new career opportunities and to apply for vacant positions.

Talent management and talent development plans in 2015

Under the heading of Talent Management processes, in 2015 individuals who have demonstrated high potential and performance were identified and their development was monitored by the Talent Management team working together with the individuals' superiors.

Talent development plans

Through online talent development forms, the strengths and weaknesses of about a thousand TEB employees who have demonstrated high potential and performance are identified and advice is provided to them about how best to pursue their future career paths. Individually-tailored 18-month progress plans formulated so as to advance their careers are further enriched by means of rotation, e-learning, classroom

training, interactive workshops, and experience-sharing meetings. In 2015, 686 people were interviewed as part of the “Development Plan for Talent”.

In 2015 TEB continued to provide its employees with international career opportunities as a member of the “Mobility Community”, which gives BNP Paribas Group employees a chance to change jobs within the group’s operations in France, Belgium, Italy, UK, Turkey, and Luxembourg.

The “Breakfast Chats with Talents” program, which gives TEB employees who have demonstrated high potential and performance a chance to meet with senior executives in an open and informal environment, continued all year long in 2015.

In 2015, the foundations of the **Idea Sharing Platform: TEB Fikirbazlar (Idea Magicians)** project were laid to build a bridge between young professionals and senior management to ensure that senior management become closely acquainted with generation Y, and to maximize mutual sharing opportunities. The project was launched in December 2015, in which one Master Idea Magician (Fikirbaz) and three Young Idea Magicians (Fikirbaz) will meet every month during the four month period within the framework of structured interviews.

Remuneration and fringe benefits

Salaries at TEB are paid monthly in net amount after all legally-mandated deductions have been taken out of base pay. In addition to this monthly salary, all TEB employees may also be paid performance-based success/sales percentages or performance bonuses. The performance-based payments made by the bank in 2015 in total corresponded to 1.85 times the average monthly base pay of the personnel receiving them.

Depending on their job duties and positions, TEB employees may also be provided with company-owned vehicles and/or mobile phones for their use. All TEB employees are covered by the company’s private health and life insurance plans. The non-employed spouses and children of TEB employees also benefit from this health insurance

coverage. TEB may, at their option, joint the employer-contributing private pension system that the bank runs.

Headquarters unit personnel take advantage of the restaurant and cafeteria services provided on TEB campuses. Regional and branch unit personnel are provided with meal tickets. Transportation services are provided for headquarters unit personnel. Statutorily-mandated rules and procedures apply to annual paid leave. Company-supplied social amenities are available for the use of all TEB employees and their families.

TEB Saklıköy Formation Academy

Located at Saklıköy in the Beykoz district of İstanbul, the TEB Formation Academy is not just a training center but also a place where employees and their families can take advantage of the academy’s sport, art, workshop, and restaurant facilities and activities.

TEB Formation Academy also serves as a venue for the important meetings of headquarters groups, business lines, TEB Group companies, and BNP Paribas.

DIGITAL HR

In 2015, TEB Open Innovation Portal www.icatcikar.com and TEB Mind-Idea Campus site (www.tebakilfikirkampusu.com) continued to attract intensive interest from visitors with their new faces and advanced technologies.

HR Solution Center

The TEB Human Resources Solution Center was established to respond rapidly and accurately to the questions and requests from internal and external customers in relation to the bank’s Human Resources practices as a first contact point, to increase customer satisfaction and to create a communication platform for these purposes. It continued its activities in this vein in 2015.

Great Place to Work

The TEB Human Resources Group serves as a Change Management leader on strategic projects undertaken at the bank.

The TEB Great Place to Work (GPTW) Project, whose goal is to create a workplace that people most want to work in and to make TEB the banking industry's most preferred employer, has racked up many successes since it was launched in 2012.

One of the most important contributors to that success is the fact that TEB's management engages in sincere and open communication on such issues because making TEB a great place to work is a goal that every TEB executive believes in and identifies with.

TEB has set up The Employee's Voice Platform. Consisting of 600 representatives from all organizational groups at the bank, this platform is the first undertaking of its kind in the Turkish banking industry. The Employee's Voice Platform supports employees' efforts to involve themselves in decision-making processes on issues that affect them. It does this by enabling employees to convey their feelings and thoughts about TEB's journey towards becoming A Great Place to Work to the Human Resources Department and to management and to keep everyone informed about action taken in response to such feedback. As such, The Employee's Voice Platform is pointed to as a successful model in the sector.

TEB Sports Academy

Intramural sports meets and other events are organized as ways of protecting employee health, strengthening team spirit and an "Us" awareness, increasing employees' company loyalty, and creating social and communal benefit as an expression of social responsibility. For much the same reason, employees are also encouraged to take part in extramural sports and to represent the company as members of bank-sponsored teams.

The highlights of TEB Sports Academy activities in 2015 are briefly summarized below.

- Intramural Football Tournament and Intercompany Football Tournament
- Corporate Basketball League Tournament
- Intercompany Volleyball Tournament & Matches

- İstanbul, Runatolia and Rotterdam marathons
- Pilates classes

TEB Club

TEB Club organizes activities in areas of interest to company employees that are intended to bring them together outside the workplace as well. The most active clubs among TEB Club Activities are the TEB Band, the Turkish Classical Music choir and the Modern Dance Group.

HR Bizbize (Only Us) Meetings

In 2015, the TEB Human Resources Group worked with 5,000 employees on a one-to-one basis in 43 HR Bizbize (Only Us) meetings held with all Headquarter and Regional employees. The Group carried out the following within the scope of these meetings:

- shared the results of the employee survey conducted throughout the year,
- explained the actions taken in line with the surveys to all those in the bank, and
- answered all questions clearly in response to feedback from employees.

BNP Paribas Communication Tools

Ambition, an in-house magazine published for BNP Paribas's 190,000 employees in 78 countries and "Starlight", the group's internet TV broadcasts were made available in Turkish last year. TEB-related news items appeared on Echonet, the BNP Paribas corporate intranet, Ambition and Starlight.

Social responsibility activities

Within the framework of social responsibility activities in 2015, "Make a Wish" project was carried out to fulfil the wishes of 3rd grade students in Haşim İşcan Primary that is TEB's sister school and the dreams of children were transformed into a reality with a wide participation from the Bank.

In addition, the TEB Children's Choir Project was one of the projects selected in the Dream Up project carried out by the BNP Paribas Foundation, and the TEB Children's Choir project was initiated with children living in the Koruncuk Foundation Bolluca Children's Village.

Innovation at TEB

Having been cited as an exemplar of innovation by Gartner, a world-famous research company that has been studying the subject continuously since 2007, in 2013 TEB became the recipient of the European Financial Management Association's "Most Successful Bank in Innovation Management" for the fourth year in a row.

In 2015, TEB continued to provide its customers with innovative products and services while also fostering innovation culture by encouraging its own customers and employees as well as university students and technology entrepreneurs through innovation-related activities.

Taking its efforts on behalf of innovation one step further, TEB launched an in-house Entrepreneurship Program, the first of its kind in the Turkish banking industry, in order to initiate an ecosystem that would encourage entrepreneurial-spirited employees to discover and demonstrate their innovative features and performance abilities.

Annual TEB Innovation Competition

In 2015 the 9th TEB Innovation Competition was held. One of the most outstanding examples of the bank's efforts to promote innovation among the public at large, the competition is an annual event that is now much looked forward to.

Making life easier for its customers through the innovative and creative products and services that it offers them, TEB regards innovation as an important element of its brand-differentiation strategy.

In 2015, some 13,900 projects were submitted to TEB for consideration as entries in the year's competition. The bank's www.icatcikar.com website, through which submissions are made, received 186,000 visitors from 95 countries last year.

TEB transforms innovative ideas received from customers, university students, and newly-graduated young professionals into products and services for TEB customers.

University activities, TEB Innovation Campus

In 2015 the TEB Human Resources Group continued to reach out to talented young people through its university campus activities that sought to introduce them both to TEB and to its career possibilities. Last year these events were conducted on the Koç, Galatasaray, Boğaziçi, ODTÜ, İTÜ, Sabancı, Bilkent, YTÜ, İstanbul, Marmara, Bahçeşehir, Hacettepe, 9 Eylül, and Ege University campuses.

TEB Innovation Campus is a program designed to acquaint junior- and senior-year university students with innovation through unconventional training activities, to provide a work environment in which innovation and creativity are supported and rewarded, and to engage in enjoyable chats with TEB senior executives. Three events were conducted in this program during 2015. They were attended by a total of fifty-two students, to the most successful of whom traineeship and job offers were made.

2015 TEB Innovation Awards

TEB achieved a major success by reaching the semi-finals, entering among the top 16 among more than 2,000 large organizations worldwide with its Innovation approach in "Global IMP³rove Awards".

In 2015, TEB won the BNP Paribas Group Innovation Award with its "CEPTETEB" application, the BNP Paribas Group IFS Award with its "TEB-Matic Monitoring" application and the IRB Innovation Award with its "Mars & Telescope" project.

TEB received the BNP Paribas Group Innovation Award with its "International Hackathon" event held simultaneously in 6 different countries in the field of Human Resources.

TEB was entitled to receive "Leadership Award" with "TEB In-House Entrepreneurship Program" in Gamechangers 2015, in which Turkey's most innovative companies are rewarded.

Training at TEB

Recognizing that qualified and well-trained human resources are the most critical distinguishing factor in the financial services industry, TEB seeks to support the personal and professional development of its employees in the most effective way possible. Training conducted with this approach in mind is concerned with development and change projects undertaken with the benefit of both internal and external resources, with internal customer service standardization in conjunction with training centers, and with similar issues.

In 2015 TEB expanded its in-house training staff. The bank also worked on projects to make more effective use of internal resources and to make digital platforms incorporating the latest training technology an essential element of all of its training programs.

The TEB Academy was ranked 8th by ATD (the Association for Talent Development), the world's largest and one of the prestigious organizations in the field of Training and Development, among companies described as "BEST" for their best and

exemplary practices regarding training and development. The TEB Academy became the first among companies that entered the organization from Turkey. Moreover, the TEB Academy won 3 awards with "Sector Academies" in the Brandon Hall Group Excellence Awards, where the world's most important institutions in their field apply and which had a long history extending back 21 years.

- ✓ Received the gold award in "The Most Original Training and Development Program" and "Most Comprehensive Corporate Training Program" categories,
- ✓ Received the bronze award in the "Best Training and Development Program Results" category.

At the end of 2015, each TEB employee had received an average of 73 hours of training.

A total of 10,921 TEB employees took part in classroom training, which made up 56% of total training time, with the remainder consisting of e-learning (42%) and on-the-job training (2%). TEB's own instructor personnel provided 63% of all in-house training.

TEB FINANCIAL SERVICES GROUP

TEB FAKTORİNG A.Ş.

One of the top four players in its sector, TEB Faktoring provides export, import, and domestic factoring products and services to corporate and commercial customers, with a particular focus on the SME segment of the market.

In 2015 TEB Faktoring wrote TRL 7.6 billion worth of business, down somewhat from the previous year's TRL 9 billion due mainly to last year's sluggish economic growth. Total assets amounted to TRL 1,240,129. The company registered an 11.10% return on equity and a 0.64% return on assets.

TEB Faktoring has one of the highest rates of productivity among all the firms that are active in the Turkish factoring industry today.

In 2015 the total number of customers in TEB Faktoring's portfolio reached 22,635. As of year-end, the company had 2,758 active customers, 18 branches, and 131 employees.

TEB Faktoring is a long-time member of Factors Chain International, the world's biggest and most important umbrella organization for independent factoring companies with more than 280 members in 77 countries. Between 2009 and 2014, TEB Faktoring won FCI's Export Factor of the Year award five times in five consecutive years. In 2015 the company added to its successes by becoming the first factoring company in Turkey to offer post-shipment rediscount credit to exporters.

Turkey underwent a double round of parliamentary elections in 2015, while the country's economic growth lost momentum. Although the demand for credit insurance benefited somewhat from the consequent

uncertainties, such products are still not widely used in the country.

TEB Faktoring believes that credit insurance products will become increasingly more common in the period ahead, especially those that cater to the particular needs of the domestic market.

Having installed the infrastructure necessary for such products, the company began offering them in 2015.

In 2016 TEB Faktoring intends to further develop these products in order to provide guaranteed factoring services and increase its market share in this business line.

In 2016 TEB Faktoring also plans to make even greater headway in products that are developed jointly with BNP Paribas companies. Another TEB Faktoring goal is to make Turkey one of the world's leading countries from the standpoint of factoring product and service use.

One of the highlights of TEB Faktoring's operations in 2015 was the progress made in its business process digitalization. Last year's renovation of the TEB Faktoring internet branch made it the first factoring company in Turkey to give customers the ability to initiate and track all of their factoring transactions online. The company intends to further increase the level of process digitalization with the addition of new modules and transaction types.

A 2016 Action Plan has been prepared for the development of the multi-local factoring solutions undertaken jointly by TEB Faktoring and BNP Paribas factoring companies. These products are now being intensively marketed by TEB branches and are being publicized in social media.

TEB ASSET MANAGEMENT A.Ş.

An asset-management joint venture of BNP Paribas, one of Europe's leading financial institutions, and of Türk Ekonomi Bankası (TEB), one of Turkey's leading banks, TEB Asset Management was the ninth biggest asset management company in Turkey, whose portfolio of TRL 3.5 billion worth of assets under management gave it a 3.5% share of the sector.

TEB Asset Management seeks to manage retail and corporate clients' portfolios in the best way possible by identifying and maintaining financial instrument compositions that best suit their owners' risk profiles.

As of December 2015, TEB Asset Management was an asset management company with an extensive international distribution network and it:

- Controlled a 4.05% share, worth a total of TRL 1.5 billion, of the mutual funds market;
- Controlled a 5.87% share of the actively-managed investment funds market;
- Had a total of TRL 311 million worth of assets under management in its discretionary portfolio management business line;
- Had a total of TRL 28 million worth of assets under management in its institutional asset management service business line;
- Controlled a 3.02% share, worth a total of TRL 1.5 billion, of the pension funds market;
- Had a total of TRL 349 million worth of assets under management in its international funds business line.

Founded in 1999, TEB Asset Management introduced asset management services in 2004. In late 2005 the company added corporate asset management services to its business lineup in order to manage the assets of institutional clients such as foundations, associations, and the like. For the conduct of its corporate asset management services, the company has formulated both Turkish-lira and foreign-currency based models in three different asset classes: bonds & bills, guaranteed-yield instruments, and equities.

The synergies which TEB Asset Management generates by collaborating with BNP Paribas Investment Partners, one of the Euro Zone's leading asset managers, are powering the company's progress towards becoming a global force. Thanks to this collaboration, TEB Asset Management continues to enter into strategic partnerships with many other international firms.

TEB Asset Management manages the Parvest Turkey fund, a leading open-ended collective investment scheme (SICAV) whose assets of TRL 220 million are invested mainly in the equities of companies headquartered in Turkey. TEB Asset Management also manages the Japan-based Turkish Equity Mother Fund, whose assets amount to about TRL 168 million. These two plus the TRL 82 million in other international funds which invest in Turkish equities and for which the company acts as a consultant make TEB Asset Management Turkey's biggest asset manager working for international clients.

A year of many changes

Most commentators regard 2015 as something of a transition year for Turkey's asset management industry.

The most important development last year was a change in the regulatory framework that requires investment funds (mutual funds etc.) to be set up and managed only by licensed asset management companies. As a result of this change, TEB Asset Management took control of all the funds which its parent TEB had previously set up and is now also responsible for the establishment of new ones. TEB Asset Management has likewise entered into agreements with a number of other banks and brokerages to manage their funds as well.

Because of another important change in the regulatory framework that took place in 2015, the client assets which asset management companies manage must now be entrusted to depository institutions (custodians) which have been licensed by the Capital Markets Board. In line with this requirement, TEB Asset Management has signed a

custodianship agreement with TEB in order to ensure that the investors' assets in the portfolios it manages enjoy the highest level of safekeeping possible.

The third important development in 2015 was the launch of the Turkey Electronic Fund Trading Platform (TEFAS), which gives investors convenient, one-stop access to all of the mutual and other investment funds whose shares are traded in Turkey.

In 2016

In 2016 TEB Asset Management will continue to introduce new products in keeping with its well-established reputation as a market innovator, to guide investors in their making the best possible investment choices at the best possible time, to work with domestic and international stakeholders in the exploration and exploitation of ways to boost market share, and to protect its clients as well as itself against adverse market risks.

TEB INVESTMENT A.Ş.

TEB Investment Securities commenced operations in 1996. The company provides capital market services pursuant to the Capital Markets Act (Statute 6362) and relevant laws and regulations.

Last year the company's licenses were reviewed and renewed by the Capital Markets Board pursuant to two Capital Markets Act communiques: *Communique III-37.1 on principles regarding investment services and activities and their ancillary services* ("Investment Services Communique") and *Communique III-39.1 on the establishment and operation of investment institutions* ("Investment Institutions Communique"). The company has been providing investment and ancillary services as a "broadly-licensed brokerage" since 13 November 2015.

The company is currently licensed to provide the following investment and ancillary services:

- Trading brokerage services (domestic and international)
- Portfolio brokerage services (domestic)
- Investment advisory services
- Public offering brokerage services
 - Underwriting services
- Best-effort brokerage custody services (Limited custody services)

TEB Investment Securities reaches its domestic and international clients and it supplies them with an extensive lineup of products and services through a variety of service channels that address the particular needs of different investor profiles. In this way the company provides different client groups with the investment and trading services (equities, mutual funds, bonds & bills, repo, etc.) as well as corporate finance and research services according to their requirements.

TEB Investment Securities distinguishes itself in the sector by virtue of:

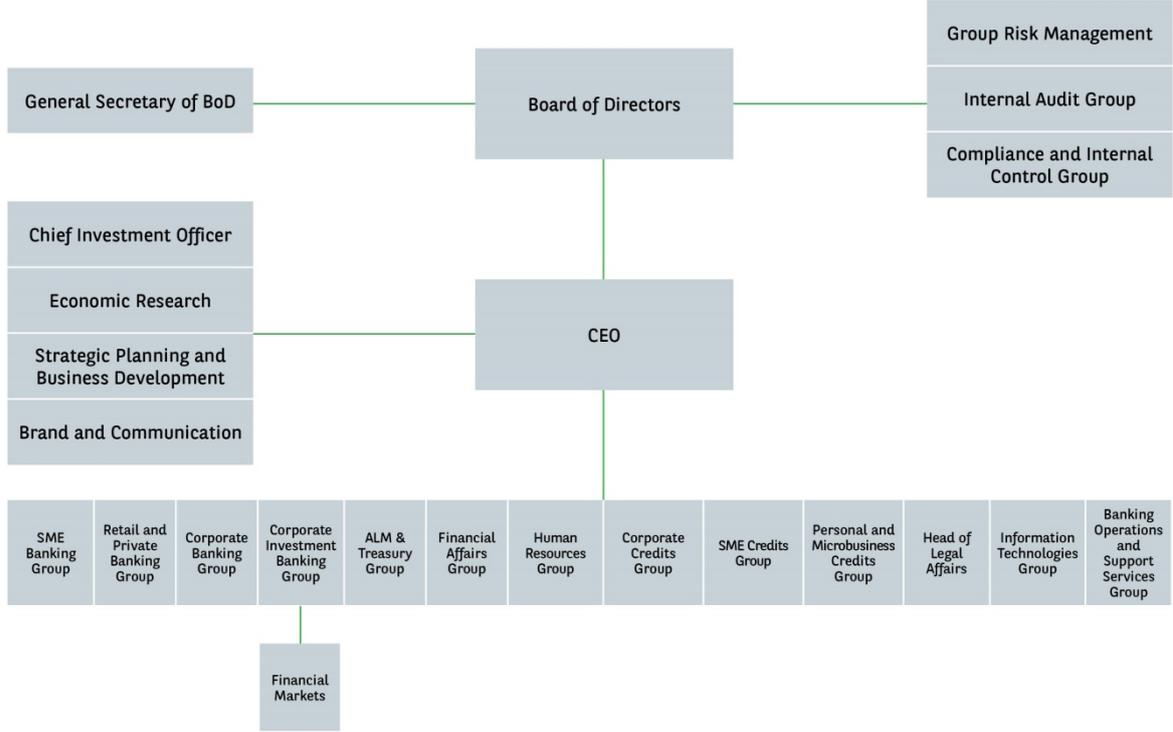
- Experienced human resources capable of effectively serving both individual and corporate investors;
- Effective research services provided by a team of experienced research experts;
- Deep local-market knowledge combined with immediate access to a strong global partner.

TEB Investment Securities' 5.55% share, worth TRL 113,359 million, of the Borsa İstanbul Equities Market's trading volume ranked it in 5th place as of year-end 2015. On the BIST Derivatives Market, its 14.60% market share worth TRL 165,724, ranked it first as of the same date.

SECTION 2 - MANAGEMENT AND CORPORATE GOVERNANCE PRACTICES

HEAD OFFICE ORGANIZATION CHART

Head Office Organization Chart



BOARD OF DIRECTORS

Name	Position
Yavuz Canevi	Chairman
Dr. Akın Akbaygil	Deputy Chairman
Ümit Leblebici	Executive Member and General Manager
Jean-Paul Sabet	Deputy Chairman
Alain Georges Auguste Fonteneau	Member
Ayşe Aşardağ	Member
Yvan L.A.M. DeCock	Member
Sabri Davaz	Member
Jacques Roger Jean Marie Rinino	Member
Musa Erden	Member
Alain Kokocinski	Independent Member
Dr. İsmail Yanık	Independent Member
Pascal Jean Fischer*	Member
Xavier Henri Jean Guilmineau**	Member

*Appointed to replace Mr. Henri Simon André Foch who resigned as of 21 September 2015.

** Appointed to replace Mr. Jean-Milan Charles Dominique Givadinovitch who resigned as of 16 December 2015.

Yavuz Canevi, Chairman	
1996 - present	TEB A.Ş. Chairman of the Board of Directors
2001 - 2013	TEB Holding A.Ş. Board Member
1998 - 2011	TEB N.V. Holland Chairman of the Board of Directors
1993 - 2005	Istanbul Stock Exchange, Deputy Chairman and Board Member
1989 - 1995	Euro Turk Bank, Chairman of the Executive Council
1987 - 1989	Türk Eximbank, Chairman
1986 - 1989	Undersecretary of Treasury and Foreign Trade, Prime Minister's Office
1984 - 1986	Central Bank of Turkey, Governor
1980 - 1984	Central Bank of Turkey, Vice Governor
1979 - 1980	T. Garanti Bankası, Assistant General Manager in Charge of International Relations
1976 - 1979	Central Bank of Turkey, Director General of Foreign Exchange
1960 - 1975	Ministry of Finance, Tax Inspector Georgia State University, USA, Faculty Member; University of Southern California (USC), USA; Ankara University, Faculty of Political Science, Department of Public Finance and Economics
Current Business Affiliation	
2013 - present	DEİK Turkish - French Business Forum, Vice President
2001 - present	DEİK Turkish - Holland Member of the Board, Member of the Board
2001 - 2010	Hedef Alliance A.Ş. Member of the Board
2004 - 2010	NETAŞ Member of the Board
1996 - present	IKV Member of the Board
1993 - 2012	TSKB Member of the Board
1989 - present	FNSS Savunma Sistemleri A.Ş. Chairman of the Board
1991 - 1994	TUSİAD Member of High Advisory Council
1997 - present	TUSİAD Member of High Advisory Council

Dr. Akın Akbaygil, Deputy Chairman	
1988 - present	TEB A.Ş. Deputy Chairman
2011 - April 2014	TEB N.V. Chairman
2011 - 2012	TEB Investment A.Ş. Chairman
2011 - 2011	Fortis Investment A.Ş. Board Member
2008 - present	TEB A.Ş. Audit Committee Deputy Chairman
2005 - present	TEB Faktoring A.Ş. Chairman TEB Holding A.Ş. Board Member
1999 - 2013	Ekonomi Bank IBU Ltd. Deputy Chairman
2005 - 2010	TEB Leasing A.Ş. Chairman
2004 - 2007	TEB Asset Management A.Ş. Chairman
2003 - present	TEB Holding A.Ş. General Manager
2003 - 2005	TEB Financial Investments A.Ş. Deputy Chairman
2001 - 2002	Banks Association of Turkey, Deputy Chairman
1998 - 2011	TEB N.V. Deputy Chairman
1997 - 2005	TEB Insurance, Chairman TEB Faktoring, Board Member
1996 - 2005	TEB Leasing A.Ş. Board Member
1994 - 2001	Banks Association of Turkey, Board Member
1987 - 2003	TEB A.Ş. Deputy Chairman, Executive Member and General Manager
1982 - 1987	TEB A.Ş. Executive Member
1965 - 1982	Akbank A.Ş. Director of Foreign Affairs Istanbul University, Faculty of Economics, BA and Ph.D.

Ümit Leblebici, Executive Member and General Manager	
September 2013 - present	TEB A.Ş. Executive Director and General Manager
February 2013 - September 2013	TEB A.Ş. Deputy General Manager
2001 - 2013	TEB A.Ş. Assistant General Manager, Treasury and ALM
April 2013 - September 2013	TEB Investment A.Ş. Chairman
2012 - December 2014	TEB Asset Management A.Ş. Chairman
2011 - 2012	TEB Asset Management A.Ş. Board Member
1999 - 2001	TEB A.Ş. Director, Treasury Group
1997 - 1999	Osmanlı Bankası, Treasury Manager
1997 - 1997	Ulusal Bank, Treasury Manager
1991 - 1997	Midland Bank, Treasury Manager
1988 - 1994	Istanbul University MBA at Finance Major
1984 - 1988	Istanbul University Faculty of Business Administration

Jean-Paul Sabet, Deputy Chairman	
January 2013 - present	Deputy Head of International Retail Banking
2010 - 2012	BNP Paribas, International Retail Banking, Head of Turkey Zone
2011 - present	BNP Paribas Investment Holding A.Ş. Chairman BNP Paribas Fortis Investment Holding A.Ş. Board Member
2010 - present	TEB A.Ş. Deputy Chairman TEB Holding A.Ş. Board Member BNL Banca Nazionale del Lavoro, Italy Board Member BNP Paribas International Retail Banking, Turkey
2006 - 2009	BNL/BNP Paribas Italy, C.O.O.
2004 - 2006	French Retail Banking Management Committee, Member Head of BNP Paribas Finance and Strategy Department
1998 - 2003	KLEPIERRE France, Board Member
1996 - 1998	Société Centrale D'Investissements, France
1976	H.E.C. Ecole des Hautes Etudes Commerciales
Current Business Affiliation	
October 2014 - present	Bank Gospodarki Zywnosciowej S.A. Board Member
April 2013 - present	JSC "UkrSibbank", Board Member
April 2013 - present	BNP Paribas Polska S.A. Chairman of the Audit Committee
August 1998 - present	LDC, Member of Audit Committee

Alain Georges Auguste Fonteneau, Member	
March 2011 - present	TEB A.Ş. Board Member
2009 - present	BNP Paribas Retail Banking, Financial Affairs, CFO
2010 - 2011	TEB Holding A.Ş. Board Member
1999 - 2008	Responsible for Asset & Liability Management of BNP Paribas Group
1995 - 1999	Asset & Liability Deputy Manager of BNP Group
1988 - 1995	Manager of Balance Sheet Management & Financial Engineering Department at the BRED-Banque Populaires
1982 - 1988	Deputy Manager of Establishing Financial Models & Forecasts' Department at the OFCE (French Observatory of the Overall Economic Situation), organization of Economic forecast subordinated to the Political Studies Institute in Paris
1977 - 1982	Responsible for researches at the National Centre for Scientific Research (C.N.R.S.)
1980 - 1990	Lecturer in Micro and Macro Economy at the ENA and the IEP of Paris
Current Business Affiliations	
April 2009 - Present	Member of the Supervisory Board of BMCI, Morocco
2009 - 2013	Member of the Board of Directors of SAE, BNP Paribas Egypt
October 2009 - Present	Member of the Supervisory Board of UKRSIBBANK, Ukraine

Ayşe Aşardağ, Member	
August 2012 - present	Ekonomi Investment Ltd, Director
2011 - December 2014	TEB Asset Management A.Ş. Board Member
2012 - present	TEB Investment A.Ş. Deputy Chairman TEB Consumer Finance, Deputy Chairman
2010 - present	TEB A.Ş. Board Member
2011 - present	TEB Faktoring A.Ş. Board Member The Economy Bank N.V. Board Member
2009 - present	TEB JSC (Kosovo) Board Member
2003 - 2013	Ekonomi Bank Offshore Ltd. Board Member
2001 - present	TEB Financial Investments, Budget and Financial Control Coordinator
2010 - 2011	Fortis Bank A.Ş. Board Member
2009 - 2010	TEB Arval Araç Filo Kiralama A.Ş. Board Member
2008 - 2009	TEB Arval Araç Filo Kiralama A.Ş. Deputy Chairman, Etkin Temizlik Hizmetleri A.Ş. Chairman
2008 - 2010	TEB Consumer Financing, Deputy Chairman
2007 - 2009	TEB JSC (Kosovo) Deputy Chairman
2007 - 2008	TEB Insurance A.Ş. TEB Communication and Publishing Services; Etkin Temizlik Hizmetleri A.Ş. and Etkin Personel Taşıma Hizmetleri A.Ş. Chairman; TEB Consumer Financing, TEB Arval Araç Filo Kiralama A.Ş. Board Member
2007 - 2010	TEB UCB Real Estate Counseling, Chairman
2004 - 2010	Ege Turizm ve İnşaat A.Ş. Deputy Chairman
2001 - 2009	TEB Leasing A.Ş., TEB Faktoring A.Ş., TEB Investment, Auditor
2001 - 2010	TEB Auditor
2001 - 2007	TEB Insurance, Board Member; TEB Asset Management A.Ş. Auditor
1995 - 2000	TEB Budget and Financial Control Unit
1994 - 1995	University of Glamorgan, Lecturer in Accounting
1987 - 1994	Price Waterhouse, Istanbul, London, Audit Unit
1992	Institute of Chartered Accountants in England and Wales, ACA
1987	Boğaziçi University, Faculty of Administrative Sciences, Business Administration Department, BS

Yvan L.A.M. De Cock, Member	
May 2013 - present	BNP Paribas Yatırımlar Holding A.Ş. Board Member BNPP Fortis Yatırımlar Holding A.Ş. Board Member
February 2013 - present	TEB A.Ş. Audit Committee Member
December 2012 - present	TEB A.Ş. Board Member
2011 - present	BNP Paribas Fortis, Head of Corporate and Public Banking
2011 - 2013	TEB Holding A.Ş. Board Member
2006 -2011	CEO Fortis Bank Turkey
2002 - 2006	CEO Fortis Bank UK
1999 - 2002	Global Corporate Banking at Fortis Bank
1994 - 1999	Head of Corporate Banking North Centre Area, Belgium, Générale de Banque
1988 - 1994	Head of Trade Finance Group, Générale de Banque
1984 - 1988	Export Manager, Générale de Banque
1982 - 1984	Legal Adviser, Nat. Delcrederedienst
1978 - 1982	Lawyer at Winderickx and Associates

Sabri Davaz, Member	
2013 - present	TEB Sh.A. Board Member
2013 - present	TEB A.Ş. Member of the Audit Committee
March 2012 - present	TEB A.Ş. Board Member
2011 - present	TEB Holding A.Ş. Chief Advisor to the Chairman
2009 - 2011	BRSA Consultant
2004 - 2009	BRSA Vice Chairman
1998 - 2004	Undersecretariat of Treasury and BRSA Chief Sworn Bank Auditor
1993 - 1996	Undersecretariat of Treasury, Vice Chairman of the Board of Sworn Bank Auditors
1989 - 1997	Undersecretariat of Treasury, Sworn Bank Auditor
1985 - 1989	Undersecretariat of Treasury, Assistant of Sworn Bank Auditor
1998 - 2000	Boston University, Financial Economics Master
1980 - 1984	Ankara University, The Faculty of Political Science

Jacques Roger Jean Marie Rinino, Member	
March 2014 - present	TEB A.Ş. Board Member
2001 - present	BNP Paribas, Head of Risk, International Banking
1998 - 2001	BNP Paribas, Head of Risk, Emerging Markets
1992 - 1997	BNP Paribas, Head of Commercial Banking Group, Greater China Hong Kong Branch
1988 - 1991	BNP Paribas, Deputy Head of North America
1986 - 1988	BNP Paribas, Deputy Head of Middle East and Europe
1980 - 1986	BNP Paribas, Bank's representative in SE Asia (Indonesia and Singapore)
1977 - 1980	BNP Paribas, Export and Project Finance Department
1974	DESS (Master 2) Paris University, Pantheon-Sorbonne, France

Musa Erden, Member	
March 2013 - present	TEB A.Ş. Board Member
2008 - 2012	TEB A.Ş. Board Member
2011 - present	TEB Faktoring A.Ş. Vice Chairman
2010 - present	TEB Sh.A. Chairman, TEB Leasing A.Ş. Board Member
2006 - 2008	Türk Ekonomi Bankası A.Ş. Consultant
2006 - 2008	The Ottoman Fund Ltd Board Member
2006 - 2008	Osmanlı Yapı 1 İnş. Tur. San. Tic. A.Ş. Chairman
2006 - 2008	Osmanlı Yapı 2 İnş. Tur. San. Tic. A.Ş. Chairman
2006 - 2008	Osmanlı Yapı 3 İnş. Tur. San. Tic. A.Ş. Chairman
2006 - 2008	Osmanlı Yapı 4 İnş. Tur. San. Tic. A.Ş. Chairman
2005 - 2008	TEB Financial Investments A.Ş. Auditor
2005 - 2006	TEB A.Ş. Auditor
2003 - 2003	MNG Bank A.Ş. Board Member
2002 - 2003	Turkish Banking Association, Arbitration Committee Member
1996 - 2001	Osmanlı Bankası A.Ş. Assistant General Manager
1993 - 1996	Osmanlı Bankası A.Ş. Vice General Manager/BD
1991 - 1993	Osmanlı Bankası A.Ş. Vice General Manager/CM
1988 - 1991	Osmanlı Bankası A.Ş. Vice General Manager/CM
1986 - 1988	Osmanlı Bankası A.Ş. Coordinator
1985 - 1986	Osmanlı Bankası A.Ş. Şişli Branch Manager

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1983 - 1985	Osmanlı Bankası A.Ş. Main Branch 2 nd Manager
1979 - 1983	Osmanlı Bankası A.Ş. Personnel 2 nd Manager
1976 - 1979	Osmanlı Bankası A.Ş. Inspector
1973 - 1976	Osmanlı Bankası A.Ş. Assistant Inspector
1972 - 1973	Yapı ve Kredi Bankası A.Ş. Officer
1966 - 1970	Ankara University, Faculty of Economics and Commerce, Banking Division

Alain Kokocinski, Independent Member

November 2014 - present	Paribas London Pension Fund, Member of Board of Trustees
March 2013 - present	TEB A.Ş. Independent Board Member
November 2011 - present	BNP Paribas Investment Partners, Belgium, Member of the Board
June 2011 - present	BNP Paribas Investment Partners, Paris, Chairman of the Audit Committee
March 2011 - present	BNP Paribas Investment Partners, Paris, Member of the Board
2009 - 2010	Fortis Investment Management , Member of the Board, Chairman of the Audit Committee, Brussels
1999 - 2004	Independent Financial Consultant
1995 - 1999	Head of Paribas Asia, Head of the Singapore Main Office, Singapore
1991 - 1995	BNP Paribas, London, Executive Vice-President , Global Head of Bonds, Swaps and Foreign Exchange
1985 - 1991	BNP Paribas, Paris, Senior Vice President, Head of French Capital Markets Global Head of Foreign Exchange and Interest Rates Options
1963 - 1968	Crédit Lyonnais, Paris, Retail Banking Department
1971	Institut Technique de Banque

İsmail Yanık, Independent Member

March 2013 - present	TEB A.Ş. Independent Board Member
2011 - 2013	BANTAŞ, Vice Chairman
2008 - 2013	TEB A.Ş. Board Advisor, TEB Sh.A. Vice Chairman
2008 - 2011	TEB Cetelem, Board Member
2005 - 2011	TEB N.V. Audit Committee Member
2005 - 2006	TEB Investment A.Ş. Audit Committee Member
2005 - 2008	TEB A.Ş. Board and Audit Committee Member
2002 - 2008	Risk Managers Association, Vice Chairman
2002 - 2005	TEB A.Ş. Executive Board Member
2000 - 2002	TEB Investment A.Ş. Board Member
1999 - 2005	TEB Kıymetli Mad. A.Ş. Chairman
1998 - 2005	TEB N.V. Board and Audit Committee Member, TEB Varlık Investment Co. Board Member
1997 - 2005	İstanbul Gold Exchange, Vice Chairman
1992 - 2001	TEB A.Ş. Treasury, Assistant General Manager
1984 - 1992	Citibank NA ,Treasury, Vice President
1982 - 1983	NATO United Air Force, sub-lieutenant
1980 - 1982	Pamukbank T.A.Ş. Treasury and Foreign Exchange, Expert
2004 - 2007	İstanbul University, Economics, Ph.D.
1999	Harvard University, Advanced Management Program, AMP
1979 - 1982	Boğaziçi University, Industrial Engineering, MS
1973 - 1978	ODTÜ, Industrial Engineering, BS

Pascal Jean Fischer, Member	
September 2015 - present	TEB A.Ş. Board Member
January 2015 - present	Head of EMEA and BNP Paribas UK Holdings Ltd. Director
2008 - 2014	Global Head of Investment and Market Risk, Group Risk Management (GRM), Paris
2004 - 2008	Global Head of Market and Liquidity Risk (MLR), GRM (London and then Paris)
1999 - 2004	Global Head of Market Risk Analysis, MLR, London
1997 - 1998	MLR Team Director, MLR, New York
1996 - 1996	Director of Short-Term Derivatives Transactions, Fixed-Income Securities, New York
1993 - 1996	Director of Short-Term Derivatives Transactions, Fixed-Income Securities, Singapore
1989 - 1993	Asset Swap Portfolio Manager, Short-Term Derivatives Broker, Tokyo
1987 - 1989	Country Manager (Japan and Australia) International Division, Paris
1985 - 1987	Credit Analyst, Frankfurt am Main, Germany

Xavier Henri Jean Guilmineau, Member*	
June 2015 - present	TEB A.Ş. Board Member
2009 - 2015	CEO Asia BNP Paribas Cardif
2013 - 2015	BNP Paribas Cardif Executive Committee Member
2009 - 2015	Paris Management Consultant, Taiwan, Chairman of the Board of Directors
2009 - 2015	Bank of Beijing Cardif Life JV - China, Vice Chairman of Board of Directors
2009 - 2015	BNP Paribas Cardif TCB Life Insurance JV - Taiwan, Member of the Board of Directors
2009 - 2015	BNP Paribas Cardif Life Insurance JV - South Korea, Member of the Board of Directors
2005 - 2008	Head of Central and Eastern Europe, BNP Paribas Cardif
2002 - 2005	Retail Development Manager, Bank of the West (USA)
1998 - 2002	Head of Mission, General Inspection, BNP Paribas Group
1994 - 1998	Head of North Agribusiness Center, BNP Paribas France

*Since January 2016, Board Member of BNP Paribas Investment Partners, BNP Paribas Fortis Investment Partners, TEB Faktoring, and TEB Investment.

EXECUTIVE MANAGEMENT

General Manager, Assistant General Managers and Their Responsibilities in the Bank

Ümit Lelebici	Executive Member and General Manager	
Gökhan Mendi	Senior Assistant General Manager	Retail and Private Banking Group
Turgut Boz	Senior Assistant General Manager and Deputy General Manager	SME Banking Group
Mustafa Aşkın Dolaştır	Assistant General Manager	Financial Control (Affairs) Group
Nilsen Altıntaş	Assistant General Manager	Human Resources Group
Gökhan Özdil	Assistant General Manager	Corporate Credits Group
Nuri Tuncalı	Assistant General Manager	SME Credits Group
Osman Durmuş	Assistant General Manager	Retail and Micro SME Credits Group
Melis Coşan Baban	Assistant General Manager	Head of Legal Affairs
Mehmet Ali Cer	Assistant General Manager	Information Technologies
Kubilay Güler	Assistant General Manager	Banking Operations and Support Services
Akil Özçay	Assistant General Manager	Fixed Income
Ömer Abidin Yenidoğan	Assistant General Manager	Corporate Banking
Gülümser Özgün Henden	Assistant General Manager	Financial Control (Affairs) Group
Tuğrul Özbakan	Assistant General Manager	Treasury & ALM

Managers of Internal Systems

Hakan Tıraşın	Internal Audit Group
Pascal Alfred J. Gilliard	Chief Risk Officer
Birol Deper	Head of Compliance Group and Internal Control Group, Consumer Relations Coordination Officer

Ümit Lelebici, Executive Member and General Manager

September 2013 - present	TEB A.Ş. Executive Director and General Manager
February 2013 - September 2013	TEB A.Ş. Deputy General Manager
2001 - 2013	TEB A.Ş. Assistant General Manager, Treasury and ALM
April 2013 - September 2013	TEB Investment A.Ş. Chairman
2012 - December 2014	TEB Asset Management A.Ş. Chairman
2011 - 2012	TEB Asset Management A.Ş. Board Member
1999 - 2001	Türk Ekonomi Bankası A.Ş. Director, Treasury Group
1997 - 1999	Osmanlı Bankası, Treasury Manager
1997 - 1997	Ulusal Bank, Treasury Manager
1991 - 1997	Midland Bank, Treasury Manager
1988 - 1994	İstanbul University MBA at Finance Major
1984 - 1988	İstanbul University Faculty of Business Administration

Gökhan Mendi, Senior Assistant General Manager, Retail and Private Banking	
October 2013 - present	TEB A.Ş. Senior Assistant General Manager, Retail and Private Banking
2011 - 2013	TEB A.Ş. Assistant General Manager, Retail and Private Banking
2011 - present	TEB Investment A.Ş. Board Member
2011 - 2014	TEB Asset Management A.Ş. Board Member
2011 - 2011	TEB Consumer Financing A.Ş. Board Member
2007 - 2011	Fortis Bank A.Ş. Retail CEO, Head of Retail Banking & Insurance Manager
2003 - 2007	Finansbank A.Ş. Board Member of Pension & Life Company, Board Member of Portfolio Management & Invest Company
2001 - 2003	Finansbank, Holland, Executive Vice President, Consumer Banking
1999 - 2001	Citibank London, Head of Business Development
1998 - 1999	Citibank, Credit Cards Marketing Director
1996 - 1998	Citibank, Credit Cards Sales & Marketing Manager
1996 - 1996	Beiersdorf Chemical, Sales & Marketing Manager
1992 - 1996	British Petroleum, Marketing Serdeputys & Product Manager
1991 - 1992	British Petroleum, Marketing Serdeputys Manager
1990 - 1991	British Petroleum, Assistant of Engineering Manager
2000 - 2002	London Business School, Executive MBA
1987 - 1988	Istanbul University, Business Administration Master
1983 - 1987	Istanbul Technical University, Civil Engineering

Turgut Boz, Deputy General Manager and Senior Assistant General Manager, SME Banking Group	
October 2013 - present	TEB A.Ş. Deputy General Manager and Senior Assistant General Manager, SME Banking Group
2003 - 2013	TEB A.Ş. Assistant General Manager, SME Banking Group
2004 - present	TEB Faktoring A.Ş. Board Member
2004 - 2010	TEB Leasing A.Ş. Board Member
2000 - 2003	Garanti Bankası, Commercial Marketing Unit Head
2000 - 2000	Osmanlı Bankası, Commercial Banking Coordinator
1995 - 2000	Finansbank Denizli and Ankara Branch Manager
1994 - 1995	Ata Invest, Denizli Branch Manager
1989 - 1994	Egebank, Bornova and Denizli Branch Manager
1986 - 1989	Pamukbank, Karabağlar Branch Manager
1981 - 1986	Pamukbank, Audit Department, Internal Auditor
1976 - 1980	Ankara University, Academy of Economic and Administrative Sciences, Banking and Insurance

Mustafa Aşkın Dolaştır, Assistant General Manager, Financial Control	
2008 - present	TEB A.Ş. Assistant General Manager, Financial Affairs Group
2007 February - November	TEB Arval/Factoring/Leasing, Chief Financial Officer
1998 - 2007	The Economy Bank N.V. Amsterdam, Deputy Managing Director and Member of the Execution Committee
1994 - 1998	Finansbank (Holland) N.V. Assistant General Manager
1992 - 1994	Commercial Union Hayat Sigorta A.Ş. Assistant General Manager, Financial Control and Administration
1990 - 1992	Finansbank A.Ş. Istanbul, Group Head, Participations
1986 - 1989	Arthur Anderson & Co. Istanbul, Lisbon, London and Cambridge Offices, Senior Auditor
1985 - 1986	The Central Bank of Turkey, Specialist
1984 - 1985	Istanbul Technical University, Operations Research Department
1983 - 1986	Istanbul Technical University Master Degree in Management Engineering
1979 - 1983	Istanbul Technical University Management Engineering

Nilsen Altıntaş, Assistant General Manager, Human Resources Group	
2005 - present	TEB A.Ş. Assistant General Manager, Human Resources Group
2002 - 2005	İnovasyon Bilişim Danışmanlık ve Eğitim Hizmetleri (Innovative-HR) Founder, Management and Human Resources Consultant
2000 - 2002	Eczacıbaşı Holding A.Ş. Human Resources and Corporate Communications Coordinator and Member of the Executive Board
1995 - 2000	Eczacıbaşı Holding A.Ş. Human Resources Director, Manager and later Coordinator
1990 - 1995	STFA Holding A.Ş. Organization and Human Resources Coordinator
1987 - 1990	STFA Holding A.Ş. Investments and Economic Analysis Manager
1979 - 1987	TÜBİTAK- Marmara Scientific and Technical Research Institute, Chemical Technologies Group, Research Specialist
1987	Boğaziçi University, Associate Professor
1983	Istanbul Technical University, Ph.D. in Industrial Chemical Engineering
1979	Boğaziçi University, MS in Chemical (Process) Engineering
1977	Boğaziçi University, BS in Chemical Engineering

Gökhan Özdil, Assistant General Manager, Corporate Credits Group	
2011 - present	TEB A.Ş. Assistant General Manager, Corporate Credits Group
2008 - 2011	Fortis Bank A.Ş. Executive Vice President, Merchant Banking Credits
2007 - 2008	Fortis Bank A.Ş. Executive Vice President, Retail Banking Credits
2005 - 2007	Fortis Bank A.Ş. Executive Deputy President, Credits Group
2004 - 2005	Türk Dış Ticaret Bankası A.Ş. Executive Vice President, Credits Group
1996 - 2004	Türk Dış Ticaret Bankası A.Ş. Branch Manager
1992 - 1996	Türk Dış Ticaret Bankası A.Ş. Assistant Branch Manager
1989 - 1992	Türk Dış Ticaret Bankası A.Ş. Internal Audit Group, Inspector
1987 - 1989	Türk İş Bankası A.Ş. Head Office
1981 - 1986	Middle East Technical University, Economics

Nuri Tuncalı, Assistant General Manager, SME Credits Group	
2011 - present	TEB A.Ş. Assistant General Manager, SME Credits Group
2008 - 2011	TEB A.Ş. Assistant General Manager, Corporate and Commercial Credits
2001 - 2008	TEB A.Ş. Assistant General Manager, Credit Allocation and Financial Analysis
1999 - 2001	TEB A.Ş. Loan Allocation Department, Director
1996 - 1999	TEB A.Ş. Loan Allocation Department, Manager
1989 - 1996	TEB A.Ş. Loan Control, Gayrettepe Branch, Loan Allocation, Assistant Manager
1986 - 1989	TEB A.Ş. Board of Inspectors, Inspector
1984 - 1986	Akbank A.Ş. Audit Department, Auditor
1978 - 1982	Boğaziçi University, Faculty of Administrative Sciences, Business Administration Department

Osman Durmuş, Assistant General Manager, Retail and Micro SME Credits Group	
2008 - present	TEB A.Ş. Assistant General Manager, Retail and Small Business Credit Group
1998 - 2008	HSBC/Demirbank A.Ş. Head of Retail and Small Business Credit and Risk Group
1997 - 1998	Yapı Kredi Kart Hizmetleri A.Ş. Head of Credit Cards and Risk
1994 - 1996	Yapı Kredi Bankası A.Ş. Unit Manager, Retail Banking Accounting Department
1990 - 1993	Yapı Kredi Bankası A.Ş. Specialist, Retail Banking Accounting Department
1988 - 1990	Yapı Kredi Bankası A.Ş. Chief Assistant, Accounting Department Unit Manager
1986 - 1987	Yapı Kredi Bankası A.Ş. Clerk, Retail Banking Accounting Department Unit Manager
1982 - 1986	Marmara University, Faculty of Press and Media, Journalism and Public Relations Department

Melis Coşan Baban, Assistant General Manager, Head of Legal Affairs	
2008 - present	TEB A.Ş. Assistant General Manager, Legal Affairs
2005 - present	TEB A.Ş. Chief Legal Advisor, Board General Secretary
2000 - 2005	Pekin & Pekin Law Firm, Partner
1998 - 2000	Pekin & Pekin Law Firm, Senior Lawyer
1993 - 1998	Postacıoğlu Law Firm, Lawyer
1997	Columbia University, New York, USA, Master of Law (LL.M.)
1995	Istanbul University Law School, Law Degree
1989	Istanbul American Robert College

Mehmet Ali Cer, Assistant General Manager, Information Technologies Group	
2011 - present	TEB A.Ş. Assistant General Manager, Information Technologies Group
2011 - 2011	TEB A.Ş. Infrastructure Management, Group Director
2010 - 2011	Fortis A.Ş. Information Technologies, Director
2000 - 2010	TEB A.Ş. Infrastructure Management, Director
1997 - 2000	Demirbank A.Ş. Software Development, Manager
1995 - 1997	Metters Industries, Senior Software Engineer
1993 - 1995	Southern Illinois University, Graduate Assistant
1990 - 1992	Türkiye Kalkınma Bankası A.Ş. System Analyst
1993 - 1996	Southern Illinois University, Computer Engineering (Graduate Degree)
1985 - 1990	Hacettepe University, Computer Sciences & Engineering

Kubilay Güler, Assistant General Manager, Banking Operations and Support Services	
2014	ICC, Head of Security Committee
2013 - present	Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. Board Member
2012 - present	TEB A.Ş. Assistant General Manager, Banking Operations & Support Services
2011 - 2012	Finansbank A.Ş. Assistant General Manager, Internal Control Unit
1999 - 2011	Finansbank A.Ş. Assistant General Manager, Operations & Alternative Distribution Channels
1995 - 1999	Citibank N.A. Assistant General Manager, Operations
1989 - 1995	Netbank (Marbank) Manager, Credit & Marketing Department
1985 - 1989	İmarbank, Management Trainee, Card Sales & Operations Department
1983 - 1985	Akbank A.Ş. Officer, Export & Import Department
1978 - 1983	Middle East Technical University, Faculty of Economic & Administrative Science, Public Administration

Ömer Abidin Yenidoğan, Assistant General Manager, Corporate Investment Banking	
October 2014 - present	TEB A.Ş. Assistant General Manager, Corporate Investment Banking
2003 - 2014	TEB A.Ş. Assistant General Manager, Banking Operations Group
2011 - present	TEB Investment A.Ş. Board Member
2013 - present	TKB BNPP IP JSC & LLC (Saint Petersburg - Russian Federation), Supervisory Board Member
2010 - 2014	Corporate Governance Association of Turkey, Board Member
2001 - 2003	TEB Retail Banking, Marketing Director
2000 - 2001	TEB Asset Management A.Ş. Marketing Assistant General Manager
1997 - 1999	TEB Investment A.Ş. International Capital Market Manager Assistant Expert
1995 - 1996	Citibank Turkey, GCB
1994 - 1995	University of Nottingham, Financial MBA
1989 - 1994	Marmara University, BA in Political Sciences (French)

Akil Özçay, Assistant General Manager, Fixed Income	
March 2015 - present	TEB Investment A.Ş. Board Member
2012 - 2013	TEB Investment A.Ş. Chairman of the Board
2012 - 2013	TEB Asset Management, Board Member
2011 - present	TEB A.Ş. Assistant General Manager, Fixed Income
2011 - 2012	TEB Asset Management, Chairman of the Board
2011 - 2012	TEB Investment, Deputy Chairman
2011 - 2011	Fortis Asset Management A.Ş. Chairman of the Board
2009 - 2013	TEB Sh.A. Board Member
2008 - 2011	TEB A.Ş. Chief Advisor to CEO
2007 - 2008	CBRT Internal Audit, Chief Audit Executive
2007	Rutgers, The State University of New Jersey
2004 - 2007	CBRT New York Representative Office, Chief Representative
2001 - 2004	CBRT Markets Department, General Director
1998 - 2001	CBRT Markets Department, Assistant General Director
1996 - 1998	CBRT Markets Department, Open Markets Operations, Manager
1995 - 1996	CBRT Banking Department, Banking Supervision, Manager
1994 - 1995	CBRT Markets Department, Foreign Exchange Transactions, Manager
1981	Ankara University, Faculty of Political Sciences

Tuğrul Özbakan, Assistant General Manager, Treasury & ALM	
une 2015 - present	TEB A.Ş. Assistant General Manager, Treasury & ALM
2013 - 2015	TEB A.Ş. Group Director, Treasury & ALM
2008 - 2013	TEB A.Ş. Director, ALM
2007 - 2008	TEB Asset Management, Assistant General Manager, DPM and Fund Management
2005 - 2006	TEB Asset Management, Board Member
2005 - 2006	Varlık Yatırım Ortaklığı A.Ş. Board Member
1996 - 2006	TEB A.Ş. Director, Financial Markets
2009	İstanbul Marmara University, Ph.D. in EU Economics
2002	İstanbul Bilgi University, Business Administration (MBA)
1995	Stanford University, Palo Alto, USA, BA in Economics
1991	İstanbul American Robert College

Gülümser Özgün Henden, Assistant General Manager, Corporate Banking	
November 2015 - present	TEB A.Ş. Assistant General Manager, Corporate Banking
2015 - November 2015	TEB A.Ş. Group Director, Corporate Businesses
2011 - 2014	TEB A.Ş. Sales Director, Corporate Banking
2003 - 2011	TEB A.Ş. Commercial Banking, Sales, Marketing and Product Development Director
2001 - 2003	Garanti Bankası A.Ş. Senior Manager, Commercial Banking
2000 - 2001	Osmanlı Bankası A.Ş. Manager, Corporate Banking
1995 - 2000	Finansbank A.Ş. Manager
1992 - 1995	Garanti Bankası A.Ş. MT
1987 - 1992	Middle East Technical University, Business Administration

Managers of Internal Systems

Hakan Tıraşın, Head of Internal Audit	
2006 - present	TEB A.Ş. Head of Internal Audit
2004 - 2005	TEB A.Ş. Assistant General Manager, Organization, Banknote Markets and Support Services and Secretary General
1992 - 2004	TEB A.Ş. Secretary General
1989 - 1992	TEB A.Ş. Internal Auditor
1973 - 1989	Akbank, Branch Manager and Internal Auditor
1972 - 1977	Istanbul Academy of Economics and Business Administration

Pascal Alfred J. Gilliard, Group Chief Risk Officer	
November 2014 - present	TEB Sh.A. Board Member
October 2014 - present	TEB A.Ş. Assistant General Manager, Group Risk Manager
2010 - 2014	BNP Paribas, Head of Corporate Risk, France
2008 - 2010	BNP Paribas Fortis, Global Head Insurers & Pension Fundings
2006 - 2008	Fortis, Head of Institutional Clients Group Asia
2003 - 2006	Fortis, Head of Institutional Clients Belgium & Southern Europe
2001 - 2003	Fortis, Fixed Income Global Structured & Derivatives Products
1999 - 2001	ABN Amro Bank, Senior Account Manager, Structured Finance Group
1997 - 1999	Generale Bank/Fortis Bank, Corporate Banking, Senior Manager, International Corporate Officer
1992 - 1997	Generale Bank, Retail & Commercial Banking
1990 - 1992	Generale Bank, Management Trainee Program
1985 - 1990	Ingenieur Commercial, Ecole de Commerce Solvay, Université Libre de Bruxelles

Birol Deper, Head of Compliance and Internal Control Group, Consumer Relations Coordination Officer	
November 2013 - present	TEB A.Ş. Consumer Relations Coordination Officer
2012 - present	TEB A.Ş. Head of Compliance Group and Internal Control Group
2011 - 2014	TEB Asset Management A.Ş. Auditor
2010 - 2012	TEB A.Ş. Compliance and Regulation Director
2009 - 2010	TEB A.Ş. Banking Regulation Director
2007 - 2013	TEB Cetelem A.Ş. Auditor
2006 - 2009	TEB A.Ş. Banking Regulation Manager
2001 - 2006	Banking Regulation and Supervision Agency, Certified Bank Auditor
2007 - 2010	Galatasaray University Faculty of Political Sciences - MBA
1996 - 2000	Ankara University, Faculty of Political Sciences, Department of Business Administration

COMMITTEES OF TÜRK EKONOMİ BANKASI A.Ş.

CREDIT COMMITTEE

The Credit Committee is responsible to evaluate and approve loans within its authorization limits.

Chairman

Dr. Akın Akbaygil

Deputy Chairman

Jacques Roger Jean Marie Rinino

Members

Xavier Henri Jean Guilmineau

Musa Erden

Ümit Lelebici

Associates/Deputy Members

Sabri Davaz

Ayşe Aşardağ

Committee meets as required.

AUDIT COMMITTEE

The Board of Directors has set up the Audit Committee for the following purposes:

- To provide an independent work environment for external auditors
- To confirm Internal Control System, Inspection and Risk Management are performing in an independent and unbiased manner
- To monitor internal control regulations and internal audit policies
- To review consolidated financial reports
- To identify discrepancies between rules/regulations and their implementations

Chairman

Jacques Roger Jean Marie Rinino

Deputy Chairman

Dr. Akın Akbaygil

Members

Yvan L.A.M. De Cock

Sabri Davaz

Committee meets every three months.

INFORMATION ON TRANSACTIONS CONDUCTED WITH RELATED PARTIES

The Bank is involved in various transactions with the risk group to which TEB is included (related-parties) and these are carried out for commercial purposes and at market prices. Loan transactions

with related-parties and their share in the Bank's total credit risk as of 31 December 2015 and 31 December 2014 were as follows:

	31.12.2015	31.12.2014
Share in total cash loans	0.02%	0.20%
Share in total non-cash loans	2.51%	2.37%
Share in total cash and non-cash loans	0.56%	0.65%

Detailed information about the risk group to which TEB is included has been prepared in accordance with the "Communiqué on Financial Statements and Related Explanations and Footnotes Announced to the Public by Banks" and

published in Section 4, Paragraph b of the "Annual Report" and was also included in the financial statements as of 31 December 2015 and Section VII, Articles 1 of the Independent Audit Report.

ACTIVITIES FOR WHICH SUPPORT SERVICES ARE RECEIVED AND SUPPLIERS

COMPANY TITLE	SCOPE OF SUPPORT SERVICES TAKEN	EXPLANATION OF THE SERVICE
RM ARŞİV YÖNETİM HİZMETLERİ TİC. A.Ş.	ARCHIVES	ARCHIVES SERVICE AGREEMENT
SONOKLİK İLETİŞİM HİZMETLERİ VE TİCARET A.Ş.	INFORMATION SYSTEMS	AUTOMATIC EXTERNAL CALL SERVICE
IBM GLOBAL SERVICES İŞ VE TEKN. HİZM. TİC. LTD. ŞTİ.	INFORMATION SYSTEMS	EMERGENCY SITUATION SERVICES
SUPERONLINE ULUSLARARASI ELEKTRONİK BİLGİLENDİRME VE HBR. HİZ. A.Ş.	INFORMATION SYSTEMS	ELECTRONIC COMMUNICATION SERVICE FRAMEWORK AGREEMENT
CALLPEX ÇAĞRI MERKEZİ VE MÜŞTERİ HİZMETLERİ A.Ş.	CALL CENTER	UPDATE ADDRESS SEARCH SERVICE
CMC İLETİŞİM BİLGİSAYAR REKLAM VE DANIŞMANLIK HİZMETLERİ SAN. TİC. A.Ş.	CALL CENTER	EXTERNAL CALL AND TELEMARKETING SERVICE
PRONET GÜVENLİK HİZMETLERİ ANONİM ŞİRKETİ	SECURITY	OFF SITE ATM ALARM SYSTEMS LEASING AND SERVICE AGREEMENT
TEPE SAVUNMA VE GÜVENLİK SİSTEMLERİ SAN. A.Ş.	SECURITY	PRIVATE SAFETY AGREEMENT
SECURITAS GÜVENLİK HİZMETLERİ ANONİM ŞİRKETİ	SECURITY	PRIVATE SAFETY AGREEMENT
PRONET GÜVENLİK HİZMETLERİ ANONİM ŞİRKETİ	SECURITY	ALARM MONITORING CENTRE SUBSCRIPTION AGREEMENT
E-KART ELEKTRONİK KART SİSTEMLERİ SAN. VE TİC. A.Ş.	CREDIT CARD PURCHASES	PURCHASING CREDIT CARD PLASTIC AND CHIP AGREEMENT
PROVUS BİLİŞİM HİZMETLERİ ANONİM ŞİRKETİ	CREDIT CARD PURCHASES	PURCHASING CREDIT CARD PLASTIC AND CHIP AGREEMENT
FU GAYRİMENKUL YATIRIM DANIŞMANLIK A.Ş.	OPERATIONAL SERVICES	SERVICE AGREEMENT REGARDING MORTGAGE PROCESSES
PROVUS BİLİŞİM HİZMETLERİ ANONİM ŞİRKETİ	OPERASYONEL HİZMETLER	PRINTING AND ENVELOPING AGREEMENT
GROUP 4 SECURITAS GÜVENLİK HİZMETLERİ ANONİM ŞİRKETİ	OPERATIONAL SERVICES	CASH TRANSPORT SERVICES
COLLECTION PLATFORM YAZILIM VE DANIŞMANLIK A.Ş.	OPERATIONAL SERVICES	LEGAL PROSECUTION COLLECTION SEARCH
ASSECO SEE TEKNOLOJİ A.Ş.	OPERATIONAL SERVICES	CYBER POS SERVICES AGREEMENT
BANTAŞ NAKİT VE KIYMETLİ MAL TAŞIMA GÜVENLİK HİZM. A.Ş.	OPERATIONAL SERVICES	T.C. CENTRAL BANK CASH WITHDRAWAL AGREEMENT
GÜZEL SANATLAR ÇEK BASIM LTD. ŞTİ.	OPERATIONAL SERVICES	CHEQUE PRINTING SERVICES AGREEMENT
BANTAŞ NAKİT VE KIYMETLİ MAL TAŞIMA GÜVENL. HİZM. A.Ş.	OPERATIONAL SERVICES	SECURITIES TRANSPORTATION, PROCESS AND PUTTING IN SAFE SERVICES AGREEMENT
BANTAŞ NAKİT VE KIYMETLİ MAL TAŞIMA GÜVENL. HİZM. A.Ş.	OPERATIONAL SERVICES	ATM SERVICES AGREEMENT
PLASTİKKART AKILLI KART İLETİŞİM SİSTEMLERİ SAN. VE TİC. A.Ş.	OPERATIONAL SERVICES	CARD PERSONALIZATION AGREEMENT
KURYE NET MOTORLU KURyecİLİK VE DAĞITIM HİZMETLERİ A.Ş.	OPERATIONAL SERVICES	COMMODITY DELIVERY AGREEMENT

RM ARŞİV YÖNETİM HİZMETLERİ TİC. A.Ş.	OPERATIONAL SERVICES	SCAN DATA ENTRY OUTSOURCINGG
IPOTEKA GAYRİMENKUL YATIRIM DANIŞMANLIK ANONİM ŞİRKETİ	OPERATIONAL SERVICES	SERVICE AGREEMENT REGARDING MORTGAGE PROCESSES
UZ GAYRİMENKUL YATIRIM DANIŞMANLIK A.Ş.	OPERATIONAL SERVICES	SERVICE AGREEMENT REGARDING MORTGAGE PROCESSES
PTT GENEL MÜDÜRLÜĞÜ ANKARA PTT BAŞMÜDÜRLÜĞÜ	OPERATIONAL SERVICES	LOAN APPLICATION AND PAY BACK FROM POST OFFICES
KONUT KREDİSİ COM TR DANIŞMANLIK A.Ş.	OPERATIONAL SERVICES	MEDIATOR AGREEMENT
İNNOVA BİLİŞİM ÇÖZÜMLERİ A.Ş.	OPERATIONAL SERVICES	COMPANY OPERATION CENTER SERVICE AGREEMENT
ASSECO SEE TEKNOLOJİ A.Ş.	OPERATIONAL SERVICES	IVN SYSTEM TECHNICAL MAINTENANCE AGREEMENT
KEYTORC TEKNOLOJİ HİZMETLERİ VE DANIŞMANLIK SAN. TİC. LTD. ŞTİ.	OPERATIONAL SERVICES	TEST CONSULTANCY SERVICE AGREEMENT
MT BİLGİ TEKNOLOJİLERİ VE DIŞ TİCARET A.Ş. KARBİL YAZILIM VE BİLİŞİM TEKNOLOJİLERİ TİC. LTD. ŞTİ.	OPERATIONAL SERVICES	CASH REGISTER POS AGREEMENT
HUGIN YAZILIM TEKNOLOJİLERİ A.Ş.	OPERATIONAL SERVICES	PAYMENT REGISTRATION EQUIPMENT SERVICE AGREEMENT
R2 SERVİS ELEKTRİK ELEKTRONİK VE BİLGİSAYAR TEKNOLOJİLERİ SANAYİ VE TİCARET A.Ş.	OPERATIONAL SERVICES	PAYMENT REGISTRATION EQUIPMENT SERVICE AGREEMENT
ARÇELİK A.Ş.	OPERATIONAL SERVICES	CASH REGISTER POS SLA AREA SERVICE AGREEMENT
NETAŞ TELEKOMÜNİKASYON A.Ş.	OPERATIONAL SERVICES	NETWORK MAINTENANCE AGREEMENT
PROVUS BİLİŞİM HİZMETLERİ ANONİM ŞİRKETİ	OPERATIONAL SERVICES	PAYPAL DEBIT CARD BIN SUPPLY AND SERVICE AGREEMENT
AKTİF İLETİ VE KURYE HİZMETLERİ ANONİM ŞİRKETİ	OPERATIONAL SERVICES	COMMODITY DELIVERY AGREEMENT
AKTİF İLETİ VE KURYE HİZMETLERİ ANONİM ŞİRKETİ	OPERATIONAL SERVICES	COURIER SERVICES UNDER ROBIN PROJECT
HOBİM DİJİTAL ELEKTRONİK HİZMETLER A.Ş.	OPERATIONAL SERVICES	PURCHASING CREDIT CARD EXTRACT PRINTING AND ENVELOPING SERVICE
KARTNET BİLGİSAYAR SAN. VE TİC. LTD. ŞTİ.	OPERATIONAL SERVICES	POS NETWORK MAINTENANCE AGREEMENT
AUSTRIA CARD TURKEY KART OPERASYONLARI A.Ş.	OPERATIONAL SERVICES	PERSONALIZATION OF CARDS WITH CHIP AND MAGNETIC STRIPES
VERİFON ELEKTRONİK VE DANIŞMANLIK LTD. ŞTİ.	OPERATIONAL SERVICES	POS REMOTE INSTALL AGREEMENT
NCR BİLİŞİM SİSTEMLERİ LTD. ŞTİ.	OPERATIONAL SERVICES	ATM HARDWARE-SOFTWARE MAINTENANCE AND REPAIRING SERVICES AGREEMENT
İNGENİCO ÖDEME SİSTEM ÇÖZÜMLERİ A.Ş.	OPERATIONAL SERVICES	CASH REGISTER MACHINES - FIELD SERVICES
KARTNET BİLGİSAYAR SAN. VE TİC. LTD. ŞTİ.	OPERATIONAL SERVICES	CAPv 2.1 MAINTENANCE AND REPAIRING SERVICES AGREEMENT
CALLPEX ÇAĞRI MERKEZİ VE MÜŞTERİ HİZMETLERİ A.Ş.	MARKETING	EXTERNAL CALL, CREDIT CARD SALES AND MARKETING
ATP TİCARİ BİLGİSAYAR AĞI VE ELEKTRİK GÜÇ	SOFTWARE	MAINTENANCE AND DEVELOPMENT

KAYNAKLARI ÜRT. PAZ. TİC.		AGREEMENT
PROJE ENERJİ MÜH. SİS. ÜRT. DAN. VE TİC. ŞTİ.	SOFTWARE	CASH MANAGEMENT SOFTWARE SUPPORT SERVICES
KEY İNTERNET HİZM. BİLG. YAZ. DON. MÜH. MÜS. SAN VE TİC. LTD. ŞTİ.	SOFTWARE	EXPERT SOFTWARE AGREEMENT
UCS BİLİŞİM SİSTEMLERİ LTD. ŞTİ.	SOFTWARE	INTERACTION TRACKER SOFTWARE PROCUREMENT AGREEMENT
MATRIKS BİLGİ DAĞITIM HİZ. A.Ş.	SOFTWARE	TEB PRIVATE BANKING IPAD APPLICATION
KEYSOFT YAZILIM HİZMETLERİ TİC. A.Ş.	SOFTWARE	HYPERION SOFTWARE LICENCE AND MAINTENANCE AGREEMENT
3-D BİLİŞİM TEKNOLOJİLERİ DANIŞMANLIK VE TEKNİK SERVİS LTD. ŞTİ.	SOFTWARE	NICE SOUND RECORDING MAINTENANCE AGREEMENT
MOR TEKNOLOJİ YAZILIM İLETİŞİM BİLİŞİM DANIŞMANLIK VE ENERJİ SAN. TİC. LTD. ŞTİ.	SOFTWARE	T.C. CENTRAL BANK INTERFACE SYSTEM INTEGRATION AND MAINTENANCE SUPPORT SYSTEM
RISK YAZILIM TEKNOLOJİLERİ SAN. EĞ.TİC.LTD.ŞTİ	SOFTWARE	MARKET RISK REPORTING MODULE AGREEMENT
EKSİ BİR ARTI BİR YAZILIM DANIŞ. SAN. VE TİC. A.Ş.	SOFTWARE	BRANCH CASH OPTIMIZATION SOFTWARE RENTAL AGREEMENT
FOREKS BİLGİ İLETİŞİM MERKEZLERİ A.Ş.	SOFTWARE	SERVICE FACILITATOR AGREEMENT
BT BİLGİ TEKNOLOJİLERİ BİLGİSAYAR YAZILIM HİZMETLERİ İTHALAT VE İHRACAT PAZARLAMA SANAYİ VE TİC. LTD.	SOFTWARE	SERVICE DESK PROJECT AND LICENCE AGREEMENT
VERİSOFT BİLGİ İŞLEM TİC. VE SAN. A.Ş.	SOFTWARE	TEB POS MACHINE SOFTWARE IMPLEMENTATION ON CASH REGISTER MACHINES AGREEMENT
İŞ ZEKASI YAZILIM DANIŞMANLIK HİZMETLERİ TİCARET A.Ş.	SOFTWARE	REAL/ACTUAL TIME CAMPAIGN MANAGEMENT PROGRAM AGREEMENT
FINANCIAL ENGINEERING ASSOCIATES A.Ş.	SOFTWARE	FINALYSE SOFTWARE AGREEMENT
D.T.P. BİLGİ İŞLEM İLETİŞİM VE TİCARET LTD. ŞTİ.	SOFTWARE	E-INVOICE PROJECT
KİBELE İLETİŞİM SİSTEM VE SERVİSLERİ TİC. LTD. ŞTİ.	SOFTWARE	HARDWARE AND MAINTENANCE AGREEMENT
OBSS BİLİŞİM BİLGİSAYAR HİZMETLERİ DANIŞMANLIK SANAYİ VE TİCARET LİMİTED ŞİRKETİ	SOFTWARE	TRANSFORMATION OF CURRENT FORMS INTO JAVA TECHNOLOGIES PROJECTS
BDH BİLİŞİM DESTEK HİZM. SAN. VE TİC. A.Ş.	SOFTWARE	HR OUTSOURCING
TÜRKKEP KAYITLI ELEKTRONİK POSTA HİZM. SAN. VE TİC. A. Ş.	SOFTWARE	REGISTERED E-MAIL LICENCING SERVICES
İSEMARKET BİLGİSAYAR YAZILIM VE DANIŞMANLIK LİMİTED ŞİRKETİ	SOFTWARE	SECURE ACCESS PROGRAM FOR INTERNET BRANCH SOFTWARE AND MAINTENANCE SERVICES
RİSK YAZILIM TEKNOLOJİLERİ LİMİTED ŞİRKETİ	SOFTWARE (BANKING)	RISKURK SOFTWARE, PROCUREMENT, WARANTEE S AND MAINTENANCE AGREEMENT
INNOVA BİLİŞİM ÇÖZÜMLERİ A.Ş.	SOFTWARE (BANKING)	ADAPTORS USED IN COLLECTION AGENCY AND MAINTENANCE AGREEMENT
ETCBASE YAZILIM VE BİLİŞİM TEKNOLOJİLERİ A.Ş.	SOFTWARE (BANKING)	LEGAL PROSECUTION SYSTEM AGREEMENT

INFINA YAZILIM A.Ş.	SOFTWARE (BANKING)	FİNBASE CUSTODY SYSTEM AND PROJECT AGREEMENT
ECZACIBAŞI BİLİŞİM SAN. TİC. A.Ş.	SOFTWARE (BANKING)	ELECTRONIC FORECLOSURE MANAGEMENT SYSTEM SOFTWARE LICENCE AGREEMENT
ERETİM BİLGİSAYAR HİZMETLERİ VE DANIŞMANLIK LTD. ŞTİ.	SOFTWARE (BANKING)	CAMPAIGN MANAGEMENT TOOL LICENCE AND IMPLEMENTATION AGREEMENT
MOR TEKNOLOJİ YAZILIM İLETİŞİM BİLİŞİM DANIŞMANLIK VE ENERJİ SAN. TİC. LTD. ŞTİ.	SOFTWARE (BANKING)	EFT2/EMKT INTERFACE SOFTWARE AND MAINTENANCE AGREEMENT
ECZACIBAŞI BİLİŞİM SAN. TİC. A.Ş.	SOFTWARE (BANKING)	EBIFLOW PAYMENT ORDER SYSTEM LICENCE AND SERVICE AGREEMENT
ECZACIBAŞI BİLİŞİM SAN. TİC. A.Ş.	SOFTWARE (BANKING)	MOBILINK MAINTENANCE AGREEMENT
FİNENKSUS BİLİŞİM ÇÖZÜMLERİ TİCARET A.Ş.	SOFTWARE (BANKING)	SWIFT ALLIANCE SYSTEM SILVER YEARLY MAINTENANCE AGREEMENT
MATRİKS MOBİL YAZILIM ÜRÜNLERİ A.Ş.	SOFTWARE (BANKING)	MOBILE PRACTICE DEVELOPMENT AND MAINTENANCE AGREEMENT
POZİTRON YAZILIM ANONİM ŞİRKETİ	SOFTWARE (BANKING)	POZİTRON MOBILE BANKING AGREEMENT
GENOM BİLİŞİM TEKNOLOJİLERİ DANIŞMANLIK VE TİC. A.Ş.	SOFTWARE (OTHER)	HUMAN RESOURCES UPDATE AND TELEPHONE SUPPORT SERVICE
BNP PARIBAS SECURITIES SERVICES	SOFTWARE (OTHER)	ABS CUSTODY SOFTWARE AGREEMENT
WINCOR NIXDORF BİLGİSAYAR SİSTEMLERİ A.Ş.	SOFTWARE (OTHER)	SOFTWARE MAINTENANCE AGREEMENT
DATA MARKET BİLGİ HİZ. LTD. ŞTİ.	SOFTWARE (OTHER)	OUTSOURCE SERVICE PURCHASE
KORA İNTERNET TEKNOLOJİLERİ VE VERİTABANI ÇÖZÜMLERİ SAN. VE TİC. LTD. ŞTİ.	SOFTWARE (OTHER)	INFORMATION TECHNOLOGY SERVICE AGREEMENT
GAİA BİLGİ SİSTEMLERİ SAN. VE TİC. LTD. ŞTİ	SOFTWARE (OTHER)	INFORMATION TECHNOLOGY SERVICE AGREEMENT
BNP PARIBAS	SOFTWARE (OTHER)	CORTEX SOFTWARE LICENCE AGREEMENT
SİSTAŞ SAYISAL İLETİŞİM SAN. VE TİC. A.Ş.	SOFTWARE	GVP MAINTENANCE AGREEMENT
SİSTAŞ SAYISAL İLETİŞİM SAN. VE TİC. A.Ş.	SOFTWARE	VOICE-SIGNATURE AND VOICE-GUIDE AGREEMENT FOR CALL CENTER

PERFORMANCE BONUSES AND SALES PREMIUMS

TL 83.5 million in total has been set aside in the Bank's 2015 financial statements as provision for performance bonuses and sales premiums. Slated for payment in 2016, the amount splits as TL 70.0 million to be paid depending on the employees' performances during the year and TL 13.5 million as sales premium in line with the sales realized by sales staff in 2015.

FINANCIAL RIGHTS PROVIDED TO THE MEMBERS OF THE GOVERNING BODY AND SENIOR EXECUTIVES

At the Ordinary General Assembly convened on 30 March 2015, it was resolved that Independent Board Member Alain Kokocinski be paid a monthly gross fee of TL 6,000 until the end of his term of office and that no attendance fees be paid to the other Board of Directors members on account of their such positions.

All rights, benefits and salaries paid to the members of the Board of Directors and senior executives in 2015 totaled TL 26,717,251.

Board members may be granted loans within the legally defined limits or may be remunerated depending on various criteria including the Bank's performance, the positions they hold and the time they allocate.

REMARKS ON SPECIAL AND PUBLIC AUDITS

In 2015 fiscal year, our Bank and its subsidiaries were externally audited by Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. On the other hand, various audits were conducted at the Bank by regulatory public authorities such as the Banking Regulation and Supervision Agency (BRSA), Central Bank of the Republic of Turkey (CBRT), Undersecretariat of Treasury, and the Ministry of Customs and Trade.

INFORMATION ABOUT LAWSUITS FILED AGAINST THE BANK THAT MAY POTENTIALLY AFFECT THE COMPANY'S FINANCIAL POSITION AND OPERATIONS AND ABOUT THEIR POSSIBLE OUTCOMES

40,276 lawsuits worth TL 38,098,867 in total were brought against the Bank during 2015. A total of 60,884 lawsuits brought in 2015 and previous years are currently in litigation. A provision of TL 41,339,102 had been set aside for these lawsuits as at 30 November 2015.

ADMINISTRATIVE OR JUDICIAL SANCTIONS IMPOSED AGAINST THE COMPANY AND THE BOARD OF DIRECTORS MEMBERS ON ACCOUNT OF BREACH OF LEGISLATION

Administrative fines imposed against the Bank during the reporting period amounted to TL 255,026. There are no administrative or judicial sanctions imposed against the Bank's Board members.

CHANGES IN EQUITY STAKE HELD IN SUBSIDIARIES

The equity stake our Bank held in The Economy Bank N.V., incorporated and operating under the Dutch law with a fully paid-in authorized capital of EUR 30,000,000, has been sold in its entirety to BNP Paribas Fortis S.A./N.V., an indirect shareholder in our Bank, for a price of EUR 107,769,000 on 11 December 2015.

INFORMATION ABOUT DEALINGS WITH THE CONTROLLING COMPANY

There were no legal transactions that would benefit the controlling companies, which were steered directly or indirectly by the controlling companies, during 2015. All legal transactions between controlling companies and TEB were carried out in accordance with market practices, the principles of commercial prudence and integrity, and the arm's length principle. The Company did not incur any loss

by reason of these transactions, and therefore, no compensation was necessary.

There were no legal transactions, which were carried out at the direction of the controlling companies so as to benefit the controlling companies' subsidiaries. All legal transactions between the controlling company's subsidiaries and our Company were carried out in accordance with market practices, the principles of commercial prudence and integrity and arm's length principle. The Company did not incur any loss by reason of

these transactions and therefore no compensation was necessary.

No measures were taken or avoided to the benefit of our Company's direct or indirect controlling companies since such measures were not necessary, and therefore, no losses to the detriment of the Company arose.

No measures were taken or avoided to the benefit of the controlling company's subsidiaries since such measures were not necessary, and therefore, no losses to the detriment of the Company arose.

SUMMARY OF BOARD DIRECTORS' REPORT PRESENTED TO THE GENERAL ASSEMBLY

Distinguished shareholders, customers and employees,

Being an experienced and innovative actor in the Turkish banking industry, we have successfully finished 2015 in line with our projections and targets.

One of the deepest-rooted and prestigious members of the Turkish banking industry, our Bank completed 2015 with total assets worth nearly TL 72 billion and a lending volume of TL 53 million. We highly value women entrepreneurs and we support their participation in economic life; hence, we have espoused it as our principal mission to back women entrepreneurs and other economic actors throughout their production and trade cycles, as well as SMEs that build the future of the national economy by producing, providing employment, paying taxes, and realizing exports. We have carried on with our activities and efforts along this line in 2015.

Within the scope of the synergetic cooperation developed with our shareholder BNP Paribas, TEB kept making a difference for its customers in 2015 with its services covering a broad range from foreign trade finance to cash management and investment banking.

We took pride in 16 international innovation awards that endorsed our achievements in 2015. Our Bank continued to encourage entrepreneurship for our country's young and educated human resource open to technology and innovation, to clear the way for innovative ideas, thus winning value-added business ideas for the economy and making its resources available to entrepreneurs.

So too in the future as it did in the past, TEB will continue to contribute increasing added value to the national economy. TEB aims to achieve growth focused on productivity, as well as numeric growth, while creating value for all of its stakeholders.

While advancing digital platforms is of the utmost importance to us, we will also keep

standing by our customers with our Alternative Delivery Channels and extensive branch network.

Today our bank engages with its strategic partner BNP Paribas in a collaborative effort that is rooted in mutual trust and respect. TEB stands constantly by its customers as it successfully manages even the most difficult economic conditions. By combining its tremendous understanding of Turkey's markets with the international service clout and vision of its global partner, TEB creates value through business models and strategies that are based on specialized knowledge and experience. Similarly the synergies that we create through our subsidiaries play a role in our ability to reach an even broader audience and to enhance the value that we can offer.

In 2016, we will be focusing on carrying out our synergetic cooperation with the prestigious BNP Paribas in all fronts of our operations and taking increased advantage of this powerful synergy. Drawing also on the worldwide service delivery network of BNP Paribas, we are determined to further our differentiated and specialized structure.

We hereby present the operating results and financial statements of TEB for 2015 fiscal year for your comments and review. On behalf of the Board of Directors and myself, I would like to thank you, our valued shareholders, our team, our customers, and our business partners for accompanying and having confidence in us throughout our journey.

Sincerely,
Board of Directors

DISTRIBUTION OF PROFIT

TÜRK EKONOMİ BANKASI A.Ş. PROFIT DISTRIBUTION TABLE FOR THE YEAR 2015 (TL)		
1. Paid-in / Issued Capital		2,204,390,000.00
2. Total legal reserves (According to Legal Records)		203,828,423.61
Information regarding the privilege, if any privilege with respect to distribution of profit is stated in the articles of association		
		According to Legal Records (LR)
3.	Profit for the period	1,076,574,600.33
4.	Taxes to be paid (-)	(194,122,686.08)
5.	Net profit for the period (=)	882,451,914.25
6.	Losses related to the Previous Years (-)	0.00
7.	Primary Legal Reserve (-)	(44,122,595.71)
8.	NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)	838,329,318.54
9.	Donations made within the year (+)	
10.	Net distributable profit (including donations)	
11.	First Dividend to Shareholders - Cash - Bonus - Total	0.00
12.	Dividend distributed to the holders of the privileged share	0.00
13.	Dividend distributed to - The Members of Board of Directors - Employees - Other than Shareholders	0.00
14.	Dividend distributed to the holders of redeemed share certificates	0.72
15.	Second dividend for the shareholders	0.00
16.	Secondary Legal Reserves	0.08
17.	Statutory Reserves	0.00
18.	Special Reserves (Due to Tax Law 5520, article 5.1/e, amount is 75% of the real estate sales profit)	214,135,733.48
19.	EXTRAORDINARY RESERVES	624,193,584.26
20.	Other resources planned to be distributed	

DIVIDEND DISTRIBUTION TABLE

	GROUP	TOTAL DIVIDENDS		TOTAL DIVIDENDS/NET DISTRIBUTABLE PERIOD PROFIT	OF TL 1 NOMINAL VALUE DISTRIBUTED PROFIT	
		CASH (TL)	BONUS (TL)	RATIO (%)	AMOUNT (TL)	RATIO (%)
NET	A	0	0	0	0	0
	B	0	0	0	0	0
	TOTAL	0	0	0	0	0

SECTION 3 - ASSESSMENT OF FINANCIAL POSITION AND RISK MANAGEMENT

THE AUDIT COMMITTEE'S ASSESSMENT OF INTERNAL CONTROL, INTERNAL AUDIT AND RISK MANAGEMENT SYSTEMS AND ACTIVITIES DURING THE REPORTING PERIOD

The organization set up for the operation of internal control, internal audit and risk management systems at TEB was structured in accordance with the provisions of the "Regulation on Banks' Internal Systems and Internal Capital Adequacy Evaluation" published in the Official Gazette dated 11 July 2014.

The mentioned structure is aligned with the scope and nature of the Bank's operations, and possesses the quality and efficiency to respond to evolving conditions.

Risk Management, Compliance and Internal Control, and the Internal Audit Group report to the Board of Directors; independent of one another, these units worked in coordination and successfully completed their activities in 2015.

The Board of Directors has taken necessary action to approve important strategies and policies regarding control activities, and to maintain an efficient internal audit system and risk management system.

The audit system created encompasses all operations and units of the Bank and its subsidiaries. As at year-end, the Internal Audit Group was formed of 1 Group Head, 3 Assistant Group Heads, 6 Audit Managers, 4 Supervisor Auditors, 23 Auditors, 10 Authorized Assistant Auditors, 27 Assistant Auditors, 4 IT Audit Executives, 1 Internal Audit Group Support and Coordination Executive, 1 Internal Audit Group Support and Coordination Assistant Executive, and 1 Executive Assistant.

The Board of Directors has taken all necessary action to make sure that the Internal Audit Group is able to audit all operations and units of the Bank and its consolidated subsidiaries without any restrictions.

Within the scope of 2015 audit activities, 159 branches were audited.

In addition to branch audits, inspections were conducted in a total of 30 different areas: 19 at the Head Office, 6 at subsidiaries, 5 in IT. Besides these audits, Management Assessment was carried out, which covered banking and information technology processes.

The Compliance and Internal Control Group covers the Internal Control Division, Legislation and Compliance Division, and IT Control Division.

Internal control activities are arranged so as to cover basic control areas, and internal control and compliance functions have been organized separately. According to the internal control organization, the Branches Control Department and Head Office Control Department under the Internal Control Division conduct the daily, weekly, monthly or quarterly controls at branches and head office departments, respectively.

Legislation and Compliance function, on the other hand, encompasses the Legislation Department and the Compliance Department in line with the Regulation on Banks' Internal Systems and Internal Capital Adequacy Evaluation issued by the BRSA.

The aim of Risk Management system is to define, measure and monitor the Bank's risk exposure stemming from its operations, and to make sure that these risks are controlled through the policies, guidelines and limits established.

Risk Management functions of the Bank and all subsidiaries are gathered under the Group Risk Management. Group Risk Management reports to TEB Group Boards of Directors via the Audit Committee at TEB A.Ş. and is responsible for carrying out the general monitoring, warning and recommendation functions on behalf of the Boards of Directors in line with the principles stipulated in this regulation.

The Bank's Group Risk Management is organized in four divisions:

- Credit Risk,
- Rating Models Development,
- Credit Control, Monitoring, Group Companies and Operational Risk,
- Market, Liquidity, Counterparty Risk and Balance Sheet Analysis.

Operational Risk and Business Continuity Department was included under the Risk Management Group as of November 2015.

At the Bank's Board of Directors meeting held on 08 November 2005, a decision was passed to set up an Audit Committee responsible for the entire TEB Group companies in view of the provisions of Article 24 of the Banking Law no. 5411, and it was decided that the said committee should assume

the powers of the members of the Senior Risk Committee set up at the Bank under Law no. 4389.

During 2015, the Audit Committee met 55 times. The Committee works committedly to monitor the risks on a consolidated basis across the entire Group, to create control points, to review documented procedures on the basis of activities, to provide the coordination among the Internal Audit Group, Risk Management, Compliance and Internal Control groups, and to set up the internal control system of the same scope between the Bank and Group companies.

The Bank closely monitors and implements international best practices, as well as the new regulatory requirements regarding internal audit and risk management systems.

EVALUATION OF FINANCIAL STATUS, PROFITABILITY AND SOLVENCY

A review of TEB's financial statements that are drawn up in accordance with the regulations of the Banking Regulation and Supervision Agency (BRSA) reveals as follows:

TEB's after-tax profit for 2015 went up by 42% to TL 882 million and the Bank posted a RoE of 14.7% in line with its strategies focused on profitability and productivity.

While the Bank's total assets grew by 14% to TL 71,960 in 2015, total lending also expanded around 17% and reached TL 53.2 billion; in this context, the Bank continued to extend maximum support to its individual and corporate customers. As part of the strategy to offer service to a broader customer base, individual loans book expanded by 9% and reached TL 15 billion. Loans made available to SME, Commercial and Corporate customers that serve as a key indicator of TEB's regular support to the national economy were worth TL 37.8 billion and accounted for 72% of the Bank's performing loans portfolio.

As at end 2015, TEB converted the entirety of the deposits it has collected into loans and finished the year with a loans/deposits ratio of 120%. Time deposits volume that covers a substantial portion of the Bank's funding need went up 10% and the ratio of total deposits to balance sheet liabilities was registered as 62%. On the other hand, demand deposits also reached TL 6.98 billion, making a significant contribution to the Bank in terms of funding cost.

TEB diversified its funding sources with international borrowings. The Bank continued to obtain syndication and similar loans from international markets in order to secure long-term funding. Despite the negative developments in global financial markets, on 19 August 2015 TEB signed a loan agreement of two tranches, in the amounts of EUR 385,000,000 and USD 175,000,000 in total with respective terms of 364 days and 367 days in a bid to channel the same to exporter companies, whose loans have matured in 2015. The all-in cost was LIBOR/EURIBOR +0.65% for the 364-day tranche and LIBOR/EURIBOR +0.75% for 367-day tranche of the facility that will be used for export financing.

As at the end of 2015, the Bank had ongoing subordinated loans in the total amount of EUR 400 million and USD 230 million based on agreements executed with various banks and financial institutions.

Within the frame of efforts to diversify funding sources and to present investors with alternative products besides deposits, the following TEB bonds with a total nominal value of TL 669.9 million were offered in domestic markets: a 175-day bond with a nominal value of TL 29 million in February 2015; a 180-day bond with a nominal value of TL 225 million in March 2015; a 173-day bond with a nominal value of TL 177.8 million in April 2015; a 89-day bond with a nominal value of TL 52.4 million in July 2015; a 89-day bond with a nominal value of 52.4 million in July 2015; a 89-day bond with a nominal value of TL 107.5 million in October 2015; and a 89-day bond with a nominal value of TL 78.2 million in November 2015.

RISK MANAGEMENT POLICIES ACCORDING TO VARIOUS TYPES OF RISKS

Credit Risk

Credit risk is the risk of a contracting party's defaulting in the performance of its contractual obligations and thus causing the other party to incur a financial loss. The TEB Group is exposed to credit risk basically through trading, trade finance, treasury and leasing activities but credit risk may also arise in other circumstances and due to other reasons.

One of the most prominent characteristics of our Bank is its conservative lending policy and solid asset structure that go hand in hand with a consistent growth strategy.

The authority to extend limits and allocate loans basically lies with the Board of Directors, which has delegated part of this authority to the Credit Committee and the General Manager in line with the principles and procedures set out by the BRSA. In turn, the General Manager has delegated part of his authority to Credit Groups and Business Lines jointly on the basis of rules approved by the Board of Directors.

Loans are extended within the limits defined for each debtor and group of debtors individually. Every customer that performs a transaction on credit must have a credit limit allocated by the relevant authorities and customers are systematically prevented from exceeding those credit risk limits.

Credit decisions are taken after loan proposals are first approved by a credit analyst together with the credit department and the related business line. Credit limits are allocated to borrowers identified as having the ability to generate cash flow, the ability to make repayments with the income generated on their business operations, reliable financial data, strong shareholder's equity and an administration and shareholding structure made up of people having high morality and business experience.

Concentrations of credit risk arise when a number of customers are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to fulfill contractual obligations to be similarly affected by changes in economic, political or other conditions. In general, the TEB Group attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties, continually assessing the credibility and creditworthiness of counterparties, diversifying its lending activities to avoid undue concentrations of risks with individuals or groups of customers or industries, and by obtaining necessary collateral when appropriate. The credit limits to be allocated are determined in accordance with the related counterparty's financial structure, certain qualitative criteria and the quality of any collateral to be provided.

Pursuant to the prudent policies the Bank adopts, the maximum credit limit that can be allocated to a customer is kept below legal limits, thus minimizing the risk of loan concentration. Limits set by the Board of Directors are regularly monitored and reported.

After a loan facility is offered, the Credit Monitoring Department monitors the customer's repayment capability and the sufficiency and adequacy of the collateral. In this way, any problematic loan is identified at an early stage.

The Bank uses an in-house credit rating system, named TEBCORE (TEB Counterparty Risk & Rating Evaluation), which consists of several rating models for corporate and SME customers engaged in the production, service, construction and precious metal sectors. TEB uses the same master scale used by BNP Paribas.

The ratings are used for the purposes of credit allocation and delegation, assessing IFRS collective provisions, credit reporting, portfolio management and stress testing.

Group Risk Management reports to the Board of Directors and the Audit Committee on a regular basis presenting the Bank's risk concentrations, a breakdown of the Bank's loan portfolio by ratings, specific segments of the loan portfolio, large exposures, large non-performing accounts and impairment allowances as well as default and recovery rates.

The credit risks and limits related to financial institutions are determined by the Financial Institutions and Counterparty Risk Committee, which is a sub-committee of the Credit Committee. The limits and exposures set are monitored daily by the Group Risk Management.

Where a loan is granted subject to collateral being given, the Bank's policy is to require the collateral to be perfected before funds are advanced and to avoid currency and maturity mismatches. All collateral should be given in a legally valid manner and should be liquid in nature. In this context, real estate should be of a fast moving nature.

The Bank classifies as non-performing any loan which is 90 days or more overdue as to either principal or interest.

Both collective and specific provisions are made with methodologies that are compliant with both IFRS standards and BNP Paribas methodologies.

Interest Rate Risk

Interest rate risk involves possible losses that may be incurred due to fluctuations and volatilities in interest rates depending on maturity mismatches or the structures of interest rate-sensitive products in the balance sheet.

Protection against fluctuations in interest rates is the topmost priority for TEB. Interest rate risk is managed by the Assets and Liabilities Committee (ALCO). Decisions taken by ALCO are executed by the Assets and Liabilities Management Department under the Asset and Liability Management and Treasury Group.

Interest rate risk is determined by measuring the rate of sensitivity of assets, liabilities and off-balance sheet items to interest rates. The Board of Directors has set risk tolerance limits for the

current changes in the value of net interest revenues and shareholders' equity. TEB runs simulations of interest revenues according to estimated macroeconomic indicators. Duration, gap and sensitivity analyses are conducted and these calculations are conveyed to ALCO.

Possible negative effects of interest rate fluctuations on financial position and cash flow are minimized by means of prompt decisions. The management monitors the interest rate movements in the market on a daily basis and makes changes whenever necessary in deposit and loan rates.

When determining short, medium and long-term pricing strategies, TEB's Assets and Liabilities Committee manages maturity mismatch and adopts the principle of working with positive balance sheet margins as its pricing policy.

Market Risk

Market risk involves possible losses a bank may incur as a result of the exposure of its balance sheet and off-balance sheet accounts to interest rate risk, equity position risk or exchange rate risk resulting from fluctuations in the financial markets, in interest rates, exchange rates or stock prices.

TEB's Board of Directors ensures that the Group Risk Management and senior management take the necessary steps to properly measure, control and manage the Bank's exposure to market risk.

The Board of Directors determines market risk limits and periodically revises these limits in accordance with market conditions and the strategies of TEB. All assessments regarding market risks are also evaluated by the Market Risk Committee that meets on a monthly basis. With regard to TEB's daily transactions, stop-loss and transaction limits, PVO1 and VaR limits are applied on the basis of each product. The Board of Directors assigns limits for positions in derivatives and similar contracts. Transactions are carried out within these limits and the limits are monitored and reported daily.

The market risk of the Bank is calculated using a standard method and reported to legal authorities.

The market risk can influence the Value-at-Risk (VaR) figure, which is also calculated using various financial models. VaR figure is calculated using historical simulation method on the basis of a 250-business-day data and a one-day holding period in a 99% confidence interval. Daily VaR figures are the main drivers of TEB's internal reports and efforts to monitor market risk. Back testing is periodically performed to validate the accuracy of calculations and the methods used.

The VaR figures calculated by internal models to predict losses in the event of a crisis are also verified by scenario analyses and stress tests, and are then reported to senior management and the Board of Directors.

Scenario analyses and stress tests involve the re-application of past crises to existing portfolios or the observation of likely losses due to interest and foreign exchange shocks.

Liquidity Risk

Liquidity risk is defined as the risk resulting from lack of sufficient cash holdings or cash inflow to fully meet cash obligations in due time, because of imbalanced cash flow.

Liquidity risk also includes the risk of loss that may arise when it is not possible for a bank to adequately close positions at favorable prices and at sufficient amounts or as rapidly as required, or when a bank is unable to exit the positions held, due to an inability to enter the market as needed, to shallow market structure in certain products or to obstacles arising in the markets.

TEB's policies focus on maintaining the quality of its asset structure, so that liquid assets can meet all obligations. Striving to be one of the most liquid banks in the industry is of utmost importance to TEB. The Board of Directors regularly monitors and determines liquidity ratios and the relevant standards for maintaining high liquidity at all times.

TEB has in place an effective management reporting system for the timely reporting of the liquidity position to the Board of Directors, senior management and all related units. Cash flow analyses are carried out for different maturity structures and currency units. Maturity mismatches are monitored and concentrations in funding sources are closely monitored. All related analyses are evaluated in detail by the Liquidity Risk Committee that meets once a month.

As a matter of general policy, consistency in maturities and interest rates of assets and liabilities is maintained at all times in line with Assets and Liabilities Management strategies, and balance sheet positions of TRY and returns on foreign currency mix are continuously managed in the positive.

With regard to the sources of funding and liquidity, it is observed that while the greater part of the liquidity requirement of TEB is met by deposits, bonds issue, syndicated loans and pre-financing products are also used at times to obtain funds in addition to deposits.

TEB strictly adheres to the policy of maintaining high-quality liquid assets in sufficient amounts. This assures a regular cash flow from our liabilities.

Exchange Rate Risk

Exchange rate risk is defined as a possible loss that the Bank may incur due to mismatches in its FX assets and liabilities in the event of changes in exchange rates.

In calculating capital adequacy that underlies exchange rate risk, VaR is calculated and reported using the standard method. While doing this, TEB takes into account all of its foreign-currency assets, liabilities and forward foreign-currency contracts.

Within the limits approved by the Board of Directors, the Asset and Liability Management and Treasury Group and the Financial Markets Group are responsible for the management of price, liquidity and fulfillment risks arising from fluctuations in local or foreign currency prices in domestic and international markets.

Money market risks and risk-bearing transactions are monitored on a daily basis, reported weekly

and monthly to related committees. Similar to the market risk, matters about exchange rate risk are discussed separately by the Market Risk Committee that meets once a month.

Position limits and details determined by the Board of Directors are monitored and reported on a daily basis.

CREDIT RATINGS ASSIGNED BY RATING AGENCIES AND INFORMATION ON THEIR CONTENTS

TEB maintained its position as one of the most highly rated banks in Turkey. As of the end of 2015, TEB’s ratings were as follows:

Moody’s Investor Services:

FX Deposits Rating	Baa3/P-3
Outlook	Negative
Adjusted Baseline Credit Assessment	Baa3

Fitch Ratings:

Foreign Currency

Long-term	BBB
Short-term	F3
Outlook	Stable

Turkish Lira

Long-term	BBB+
Short-term	F2
Outlook	Stable
National	AAA (tur)
Outlook	Stable
Individual Rating	“bbb-”
Support Points	2

DONATIONS

DATE	RECIPIENT	AMOUNT
08.01.2015	RAMAZAN AKSU SCHOLARSHIP	37,356.17
09.01.2015	ELİF PARLAKAY JANUARY 2015 SCHOLARSHIP	1,134.00
09.01.2015	SABRİ TALHA PARLAKAY JANUARY 2015 SCHOLARSHIP	1,134.00
09.01.2015	TOLUNAY GÜZELDEREN JANUARY 2015 SCHOLARSHIP	1,134.00
09.01.2015	TİMUÇİN KORAY GÜZELDEREN JANUARY 2015 SCHOLARSHIP	1,134.00
09.01.2015	KEREM MERT DALKILIÇ JANUARY 2015 SCHOLARSHIP	1,134.00
09.01.2015	ELİF ZEYNEP DALKILIÇ JANUARY 2015 SCHOLARSHIP	1,134.00
09.01.2015	YİĞİT EREN DALKILIÇ JANUARY 2015 SCHOLARSHIP	1,134.00
09.01.2015	AHMET İBRE JANUARY 2015 SCHOLARSHIP	750.00
09.01.2015	YUSUF İBRE JANUARY 2015 SCHOLARSHIP	1,000.00
02.02.2015	ELİF PARLAKAY FEBRUARY 2015 SCHOLARSHIP	1,134.00
02.02.2015	SABRİ TALHA PARLAKAY FEBRUARY 2015 SCHOLARSHIP	1,134.00
02.02.2015	TOLUNAY GÜZELDEREN FEBRUARY 2015 SCHOLARSHIP	1,134.00
02.02.2015	TİMUÇİN KORAY GÜZELDEREN FEBRUARY 2015 SCHOLARSHIP	1,134.00
02.02.2015	ELİF ZEYNEP DALKILIÇ FEBRUARY 2015 SCHOLARSHIP	1,134.00
02.02.2015	YİĞİT EREN DALKILIÇ FEBRUARY 2015 SCHOLARSHIP	1,134.00
02.02.2015	AHMET İBRE FEBRUARY 2015 SCHOLARSHIP	750.00
02.02.2015	YUSUF İBRE FEBRUARY 2015 SCHOLARSHIP	1,000.00
02.02.2015	KEREM MERT DALKILIÇ FEBRUARY 2015 SCHOLARSHIP	1,134.00
24.02.2015	BAHÇELİEVLER DISTRICT GOVERNORSHIP 33 AIR CONDITIONERS DONATION	435.00
24.02.2015	SULTAN ALPARSLAN PRIMARY SCHOOL 39 UNITS FURNITURE DONATION	655.00
24.02.2015	BEYKOZ DISTRICT GOVERNORSHIP 2 AIR CONDITIONERS DONATION	500.00
02.03.2015	ELİF PARLAKAY MARCH 2015 SCHOLARSHIP	1,134.00
02.03.2015	SABRİ TALHA PARLAKAY MARCH 2015 SCHOLARSHIP	1,134.00
02.03.2015	TOLUNAY GÜZELDEREN MARCH 2015 SCHOLARSHIP	1,134.00
02.03.2015	TİMUÇİN KORAY GÜZELDEREN MARCH 2015 SCHOLARSHIP	1,134.00
02.03.2015	KEREM MERT DALKILIÇ MARCH 2015 SCHOLARSHIP	1,134.00
02.03.2015	ELİF ZEYNEP DALKILIÇ MARCH 2015 SCHOLARSHIP	1,134.00
02.03.2015	YİĞİT EREN DALKILIÇ MARCH 2015 SCHOLARSHIP	1,134.00
02.03.2015	AHMET İBRE MARCH 2015 SCHOLARSHIP	750.00
02.03.2015	YUSUF İBRE MARCH 2015 SCHOLARSHIP	1,000.00
17.03.2015	ALANYA DISTRICT GOVERNORSHIP 71 UNITS FURNITURE DONATION	750.00
17.03.2015	BATMAN GOVERNORSHIP ZİYA GÖKALP ANATOLIAN HIGH SCHOOL 36 UNITS FURNITURE DONATION	480.00
17.03.2015	KEPEZ DISTRICT GOVERNORSHIP BAŞKÖY İO 28 UNITS FURNITURE DONATION	710.00
17.03.2015	FATİH DISTRICT GOVERNORSHIP K.M.PAŞA İO 36 UNITS FURNITURE DONATION	685.00
18.03.2015	ANTALYA METROPOLITAN MUNICIPALITY 1 AIR CONDITIONER DONATION	500.00
18.03.2015	SOYSALLI MUH-Ç.OVA UNIVERSITY 45 UNITS FURNITURE DONATION	1,070.00
18.03.2015	ÇINAR DISTRICT GOVERNORSHIP 46 UNITS FURNITURE/ AIR CONDITIONER DONATION	1,070.00

18.03.2015	KEPEZ DISTRICT GOVERNORSHIP 41 UNITS FURNITURE DONATION	845.00
19.03.2015	MAKE A WISH FOUNDATION	6,000.00
01.04.2015	ELİF PARLAKAY APRIL 2015 SCHOLARSHIP	1,134.00
01.04.2015	SABRİ TALHA PARLAKAY APRIL 2015 SCHOLARSHIP	1,134.00
01.04.2015	TOLUNAY GÜZELDEREN APRIL 2015 SCHOLARSHIP	1,134.00
01.04.2015	TİMUÇİN KORAY GÜZELDEREN APRIL 2015 SCHOLARSHIP	1,134.00
01.04.2015	KEREM MERT DALKILIÇ APRIL 2015 SCHOLARSHIP	1,134.00
01.04.2015	ELİF ZEYNEP DALKILIÇ APRIL 2015 SCHOLARSHIP	1,134.00
01.04.2015	YİĞİT EREN DALKILIÇ APRIL 2015 SCHOLARSHIP	1,134.00
01.04.2015	AHMET İBRE APRIL 2015 SCHOLARSHIP	750.00
01.04.2015	YUSUF İBRE APRIL 2015 SCHOLARSHIP	1,000.00
27.04.2015	BAĞLAR MUNICIPALITY DONATION	14,678.00
04.05.2015	ELİF PARLAKAY MAY 2015 SCHOLARSHIP	1,134.00
04.05.2015	SABRİ TALHA PARLAKAY MAY 2015 SCHOLARSHIP	1,134.00
04.05.2015	TOLUNAY GÜZELDEREN MAY 2015 SCHOLARSHIP	1,134.00
04.05.2015	TİMUÇİN KORAY GÜZELDEREN MAY 2015 SCHOLARSHIP	1,134.00
04.05.2015	KEREM MERT DALKILIÇ MAY 2015 SCHOLARSHIP	1,134.00
04.05.2015	ELİF ZEYNEP DALKILIÇ MAY 2015 SCHOLARSHIP	1,134.00
04.05.2015	YİĞİT EREN DALKILIÇ MAY 2015 SCHOLARSHIP	1,134.00
04.05.2015	AHMET İBRE MAY 2015 SCHOLARSHIP	750.00
04.05.2015	YUSUF İBRE MAY 2015 SCHOLARSHIP	1,000.00
26.05.2015	JUNIOR CHAMBER INTERNATIONAL	1,000.00
28.05.2015	YENİ MAH. DISTRICT GOVERNORSHIP 32 UNITS FURNITURE DONATION	735.00
28.05.2015	BAKIRKÖY DISTRICT GOVERNORSHIP 58 UNITS FURNITURE DONATION	1,145.00
28.05.2015	SARIYER DISTRICT GOVERNORSHIP 90 UNITS FURNITURE DONATION	765.00
28.05.2015	JUNIOR CHAMBER INTERNATIONAL	1,000.00
17.06.2015	ÜMRANİYE EMR. TUR. PRIMARY SCHOOL 41 UNITS FURNITURE DONATION	550.00
17.06.2015	MUSTAFA AYŞE YANBASTI SECONDARY SCHOOL35 UNITS FURNITURE DONATION	640.00
17.06.2015	ATAKÖY SECONDARY SCHOOL34 UNITS FURNITURE DONATION	720.00
17.06.2015	PROVATE FERİKÖY ARMENIAN PRIMARY SCHOOL 54 UNITS FURNITURE DONATION	840,00
22.06.2015	TEMA FOUNDATION	30,500.00
10.07.2015	AYDIN İNCİRLİOVA ACARLAR 60.YIL SECONDARY SCHOOL73 UNITS FURNITURE DONATION	1,180.00
30.07.2015	TOROSLAR DISTRICT GOVERNORSHIP BAHİRİYE KINDERGARTEN 89 UNITS FURNITURE DONATION	1,355.00
18.08.2015	SEN-DE-GEL FOUNDATION DONATION	1,000.00
21.08.2015	TOROSLAR DISTRICT GOVERNORSHIP BAKİRİYE KINDERGARTEN 2 UNITS AIR CONDITIONER DONATION	700.00
21.08.2015	AKDENİZ DISTRICT GOVERNORSHIP FURNITURE DONATION	730.00
28.08.2015	MÜKERREM-MEHMET EKE PRIMARY SCHOOL 47 UNITS FURNITURE DONATION	585.00
28.08.2015	YÜREĞİR DISTRICT GOVERNORSHIP SENİHA ÇOBANOĞLU PRIMARY SCHOOL 25 UNITS FURNITURE DONATION	475.00
28.08.2015	ADANA GENERAL DIRECTORATE OF FORESTRY 49 UNITS FURNITURE DONATION	805,00

28.08.2015	EYYÜBİYE DISTRICT GOVERNORSHIP GAZİ ANATOLIAN HIGH SCHOOL 61 UNITS FURNITURE DONATION	1,610.00
29.09.2015	KOÇ UNIVERSITY	53,500.00
30.09.2015	BEYKOZ DISTRICT GOVERNORSHIP 30 UNITS FURNITURE DONATION	300.00
30.09.2015	LAND FORCES COMMAND 56 UNITS FURNITURE DONATION	1,120.00
30.09.2015	MALATYA GOVERNORSHIP 86 UNITS FURNITURE DONATION	1,165.00
01.10.2015	TURKISH EDUCATION FOUNDATION	150.00
05.10.2015	ELİF PARLAKAY SEPTEMBER 2015 SCHOLARSHIP	750.00
05.10.2015	SABRİ TALHA PARLAKAY SEPTEMBER 2015 SCHOLARSHIP	750.00
05.10.2015	KEREM MERT DALKILIÇ SEPTEMBER 2015 SCHOLARSHIP	1,000.00
05.10.2015	ELİF ZEYNEP DALKILIÇ SEPTEMBER 2015 SCHOLARSHIP	1,000.00
05.10.2015	YİĞİT EREN DALKILIÇ SEPTEMBER 2015 SCHOLARSHIP	1,000.00
05.10.2015	AHMET İBRE SEPTEMBER 2015 SCHOLARSHIP	750.00
05.10.2015	YUSUF İBRE SEPTEMBER 2015 SCHOLARSHIP	1,000.00
05.10.2015	ELİF PARLAKAY OCTOBER 2015 SCHOLARSHIP	750.00
05.10.2015	SABRİ TALHA PARLAKAY OCTOBER 2015 SCHOLARSHIP	750.00
05.10.2015	KEREM MERT DALKILIÇ OCTOBER 2015 SCHOLARSHIP	1,000.00
05.10.2015	ELİF ZEYNEP DALKILIÇ OCTOBER 2015 SCHOLARSHIP	1,000.00
05.10.2015	YİĞİT EREN DALKILIÇ OCTOBER 2015 SCHOLARSHIP	1,000.00
05.10.2015	AHMET İBRE OCTOBER 2015 SCHOLARSHIP	750.00
05.10.2015	YUSUF İBRE OCTOBER 2015 SCHOLARSHIP	1,000.00
05.10.2015	RAMAZAN AKSU SCHOLARSHIP	18,869.02
09.10.2015	REŞİTPAŞA SPOR KLÜBÜ 4 UNITS FURNITURE DONATION	50.00
02.11.2015	ELİF PARLAKAY NOVEMBER 2015 SCHOLARSHIP	750.00
02.11.2015	SABRİ TALHA PARLAKAY NOVEMBER 2015 SCHOLARSHIP	750.00
02.11.2015	KEREM MERT DALKILIÇ NOVEMBER 2015 SCHOLARSHIP	1,000.00
02.11.2015	ELİF ZEYNEP DALKILIÇ NOVEMBER 2015 SCHOLARSHIP	1,000.00
02.11.2015	YİĞİT EREN DALKILIÇ NOVEMBER 2015 SCHOLARSHIP	1,000.00
02.11.2015	AHMET İBRE NOVEMBER 2015 SCHOLARSHIP	750.00
02.11.2015	YUSUF İBRE NOVEMBER 2015 SCHOLARSHIP	1,000.00
11.11.2015	SULTANGAZİ DISTRICT GOVERNORSHIP 75. YIL SECONDARY SCHOOL2 UNITS AIR CONDITIONER DONATION	575.00
11.11.2015	TC K.K.K. PİYADE OKULU 94 UNITS FURNITURE DONATION	3,240.00
11.11.2015	K.ÇEKMECE DISTRICT GOVERNORSHIP EMN. MÜD. 46 UNITS FURNITURE DONATION	840.00
11.11.2015	OSMANGAZİ DISTRICT GOVERNORSHIP 83 UNITS FURNITURE DONATION	1,260.00
11.11.2015	İSKENDERUN DISTRICT GOVERNORSHIP 89 UNITS FURNITURE DONATION	1,120.00
11.11.2015	SULTANGAZİ DISTRICT GOVERNORSHIP 51 UNITS FURNITURE DONATION	595.00
27.11.2015	BERGAMA DEREKÖY EBSO SECONDARY SCHOOL30 ARMCHAIRS DONATION	900.00
01.12.2015	ELİF PARLAKAY DECEMBER 2015 SCHOLARSHIP	750.00
01.12.2015	SABRİ TALHA PARLAKAY DECEMBER 2015 SCHOLARSHIP	750.00
01.12.2015	KEREM MERT DALKILIÇ DECEMBER 2015 SCHOLARSHIP	1,000.00
01.12.2015	ELİF ZEYNEP DALKILIÇ DECEMBER 2015 SCHOLARSHIP	1,000.00
01.12.2015	YİĞİT EREN DALKILIÇ DECEMBER 2015 SCHOLARSHIP	1,000.00
01.12.2015	AHMET İBRE DECEMBER 2015 SCHOLARSHIP.	750.00

01.12.2015	YUSUF İBRE DECEMBER 2015 SCHOLARSHIP	1,000.00
16.12.2015	KOÇ UNIVERSITY	107,000.00
23.12.2015	İSTANBUL BİLGİ UNIVERSITY DONATION	5,000.00
30.12.2015	GAZİPAŞA PRIMARY SCHOOL 15 UNITS FURNITURE DONATION	175.00
30.12.2015	ŞEHİTKAMİL NATIONAL EDUCATION DIRECTORATE 52 UNITS FURNITURE DONATION	830.00
30.12.2015	GAZİ PRIMARY SCHOOL 4 UNITS DESK DONATION	60.00
30.12.2015	SEFA AKIN SECONDARY SCHOOL88 UNITS FURNITURE DONATION	990.00
30.12.2015	TOKİ FAMILY HEALTH CENTER 45 UNITS FURNITURE DONATION	520.00
30.12.2015	NURULLAH BEYTER DONATION /DISCOUNT FROM TAXABLE BASE	10,000.00
31.12.2015	GOP OSMANGAZİ HIGH SCHOLL FURNITURE DONATION	365.00
31.12.2015	TURKISH EDUCATION FOUNDATION	1,400.00
31.12.2015	TURKISH EDUCATION FOUNDATION	70.00
31.12.2015	TURKISH EDUCATION FOUNDATION	120.00
31.12.2015	TURKISH EDUCATION FOUNDATION	150.00
31.12.2015	TURKISH EDUCATION FOUNDATION	50.00
31.12.2015	TURKISH EDUCATION FOUNDATION	341.60
31.12.2015	TURKISH EDUCATION FOUNDATION	700.00
31.12.2015	TURKISH EDUCATION FOUNDATION	90.00
31.12.2015	TURKISH EDUCATION FOUNDATION	95.00
31.12.2015	TURKISH EDUCATION FOUNDATION	100.00
31.12.2015	TURKISH EDUCATION FOUNDATION	65.00
31.12.2015	TURKISH EDUCATION FOUNDATION	70.00
31.12.2015	TURKISH EDUCATION FOUNDATION	100.00
31.12.2015	TURKISH EDUCATION FOUNDATION	50.00
31.12.2015	TURKISH EDUCATION FOUNDATION	6,260.00

FIVE-YEAR SUMMARY OF FINANCIAL INFORMATION INCLUDING THE REPORTING PERIOD

(TL thousand)	31.12.2011	2011-2010 change	31.12.2012	2012-2011 change	31.12.2013	2013-2012 change	31.12.2014	2014-2013 change	31.12.2015	2015-2014 change
Liquid Assets	4,869,639	78.32%	6,858,891	40.85%	7,135,898	4.04%	9,820,075	37.62%	11,237,316	14.43%
Securities	5,581,519	49.81%	4,708,275	-15.65%	5,205,234	10.56%	4,717,696	-9.37%	4,673,796	-0.93%
Loans	25,652,425	118.26%	29,685,734	15.72%	38,134,957	28.46%	45,392,210	19.03%	53,212,833	17.23%
Other Assets	1,988,155	142.07%	2,279,435	14.65%	2,932,539	28.65%	3,061,908	4.41%	2,836,397	-7.37%
Total Assets	38,091,738	100.16%	43,532,335	14.28%	53,408,628	22.69%	62,991,889	17.94%	71,960,342	14.24%
Demand Deposits	4,026,090	65.23%	4,339,298	7.78%	5,424,318	25.00%	5,496,770	1.34%	6,981,478	27.01%
Time Deposits	18,860,522	97.23%	24,387,267	29.30%	28,863,656	18.36%	33,941,791	17.59%	37,414,382	10.23%
Funds Borrowed	8,396,293	102.27%	6,257,178	-25.48%	9,633,738	53.96%	12,604,468	30.84%	15,919,560	26.30%
Other Liabilities	2,595,522	143.01%	3,743,010	44.21%	4,200,478	12.22%	5,045,881	20.13%	4,683,098	-7.19%
Equity (Exl.profit)	4,006,636	164.89%	4,309,604	7.56%	4,751,390	10.25%	5,280,419	11.13%	6,079,371	15.13%
Net Income	206,675	-31.18%	495,978	139.98%	535,048	7.88%	622,560	16.36%	882,453	41.75%
Total Liabilities	38,091,738	100.16%	43,532,335	14.28%	53,408,628	22.69%	62,991,889	17.94%	71,960,342	14.24%
NPL Ratio	2.78%	-0.22%	2.14%	-0.64%	2.25%	0.11%	2.43%	0.18%	2.28%	-0.15%
Return on Equity	6.86%	-10.49%	12.41%	5.91%	11.50%	-1.20%	11.76%	0.46%	14.68%	2.65%
Return on Assets	0.72%	-1.04%	1.19%	0.47%	1.10%	-0.09%	1.07%	-0.03%	1.31%	0.24%
Capital Adequacy Ratio	14.23%	-0.20%	15.24%	1.01%	14.23%	-1.01%	13.96%	-0.27%	13.94%	-0.02%

ANNUAL REPORT COMPLIANCE OPINION



**CONVENIENCE TRANSLATION INTO ENGLISH
OF INDEPENDENT AUDITOR'S REPORT ON THE BOARD OF DIRECTORS' ANNUAL
REPORT ORIGINALLY ISSUED IN TURKISH**

To the Board of Directors of Türk Ekonomi Bankası A.Ş.

Auditor's Report on the Board of Directors' Annual Report within the Scope of Independent Audit Standards

We have audited the annual report of Türk Ekonomi Bankası A.Ş. (the "Bank") and its consolidated subsidiaries for the period ended 31 December 2015.

Board of Directors' responsibility for the Annual Report

The Bank management is responsible for the fair preparation of the annual report and its consistency with the unconsolidated and consolidated financial statements ("financial statements") which are issued in accordance with the "Regulation on Principles and Procedures Regarding Preparation and Promulgation of Annual Reports by Banks" published in Official Gazette No. 26333 dated 1 November 2006 and Article 514 of Turkish Commercial Code ("TCC") No. 6102 and "Banking Regulation and Supervision Agency ("BRSA") Accounting and Reporting Legislation" which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, other regulations on accounting records of Banks published by BRSA, circulars and interpretations published by BRSA, and Turkish Accounting Standards for the matters not regulated by the aforementioned legislations and for such internal control as management determines is necessary to enable the preparation of the annual report.

Independent Auditor's Responsibility

Our responsibility is to express an opinion on whether the financial information in this annual report is consistent with the Bank's financial statements and reflects the truth, based on our independent audit of the Bank's annual report within the scope of "Regulation on Independent Audit of Banks" published on the Official Gazette No.29314 dated 2 April 2015 and article 397 of the TCC.

Our independent audit was conducted in accordance with Independent Auditing Standards that are part of Turkish Standards on Auditing published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Those standards require that ethical requirements are complied with and that the independent audit is planned and performed to obtain reasonable assurance whether the financial information in the annual report is fairly presented and consistent with the financial statements.

An independent audit requires applying audit procedures to obtain audit evidence on the historical financial information. The procedures selected depend on the professional judgement of the independent auditor.

We believe that the independent audit evidences we have obtained during our independent audit, are sufficient and appropriate to provide a basis for our opinion.



Opinion

Based on our opinion, the financial information in the annual report of the Board of Directors of Türk Ekonomi Bankası A.Ş. is consistent with the audited financial statements and presented fairly, in all material respects.

Other Responsibilities Arising from Regulatory Requirements

Pursuant to subparagraph 3 of Article 402 of the TCC No. 6102, within the context of ISA 570 "Going Concern", we have not encountered any significant issue which we are required to be reported with regard to the inability of Türk Ekonomi Bankası A.Ş. to continue its operations for the foreseeable future.

Başaran Nas Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PricewaterhouseCoopers

A handwritten signature in blue ink, appearing to read 'Engin Çubukçu', is written over a light blue horizontal line.

Engin Çubukçu, SMMM
Partner

Istanbul, 2 March 2016

**INDEPENDENT AUDITOR’S REPORT, UNCONSOLIDATED FINANCIAL STATEMENTS AND
NOTES FOR THE YEAR ENDED 31 DECEMBER 2015**

**CONVENIENCE TRANSLATION
OF PUBLICLY ANNOUNCED UNCONSOLIDATED
FINANCIAL STATEMENTS AND
AUDITOR REPORT
ORIGINALLY ISSUED IN TURKISH,
SEE NOTE I. OF SECTION THREE**

TÜRK EKONOMİ BANKASI A.Ş.

**PUBLICLY ANNOUNCED UNCONSOLIDATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY TO
31 DECEMBER 2015**



**CONVENIENCE TRANSLATION INTO ENGLISH OF THE
INDEPENDENT AUDITOR'S REPORT
ORIGINALLY PREPARED AND ISSUED IN TURKISH**

To the Board of Directors of Türk Ekonomi Bankası A.Ş.;

Report on the Unconsolidated Financial Statements

We have audited the accompanying unconsolidated balance sheet of Türk Ekonomi Bankası A.Ş. ("the Bank") as at 31 December 2015 and the related unconsolidated statement of income, unconsolidated income and expense items under shareholders' equity, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Unconsolidated Financial Statements

Bank management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the "Banking Regulation and Supervision Agency ("BRSA") Accounting and Reporting Legislation" which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, other regulations on accounting records of Banks published by BRSA, circulars and interpretations published by BRSA, and Turkish Accounting Standards for the matters not regulated by the aforementioned legislations and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Responsibility

Our responsibility is to express an opinion on these unconsolidated financial statements based on our audit. Our audit was conducted in accordance with the "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and Independent Auditing Standards that are part of Turkish Standards on Auditing published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Those standards require that ethical requirements are complied with and that the audit is planned and performed to obtain reasonable assurance whether the financial statements are free from material misstatement.

An independent audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on independent auditor's professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error or fraud. In making those risk assessments, the independent auditor considers internal control relevant to the bank'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 bank's internal control. An independent audit includes also evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by bank's management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion, the unconsolidated financial statements present fairly, in all material respects, the financial position of Türk Ekonomi Bankası A.Ş. as at 31 December 2015 and the results of its operations and its cash flows for the year then ended in accordance with BRSA Accounting and Reporting Legislation.

Report on Other Responsibilities Arising From Regulatory Requirements

In accordance with subparagraph 4 of Article 402 of the Turkish Commercial Code ("TCC") No. 6102; no significant matter has come to our attention that causes us to believe that the Bank's bookkeeping activities for the period 1 January - 31 December 2015 are not in compliance with TCC and provisions of the Bank's articles of association in relation to financial reporting.

In accordance with subparagraph 4 of Article 402 of the TCC; the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

Additional Paragraph for Convenience Translation

The effects of differences between accounting principles and standards explained in detail in Section Three and accounting principles generally accepted in countries in which the accompanying unconsolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in the accompanying unconsolidated financial statements. Accordingly, the accompanying unconsolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

Başaran Nas Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PricewaterhouseCoopers

Engin Çubukçu, SMMM
Partner

Istanbul, 5 February 2016



TEB
BNP PARIBAS JOINT VENTURE

TÜRK EKONOMİ BANKASI
Head Office
TEB Kampüs C ve D Blok, Saray Mah.,
Sokullu Caddesi, No: 7A-7B Ümraniye 34768 İSTANBUL
Tel : (0216) 635 35 35
Fax : (0216) 636 36 36
Trade Registration No: 189356
Central Registration System Number: 0876004342000105
www.teb.com.tr

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED
FINANCIAL STATEMENTS AND AUDITED REPORT
ORIGINALLY ISSUED IN TURKISH, SEE IN NOTE I. OF SECTION THREE**

**UNCONSOLIDATED FINANCIAL REPORT OF TÜRK EKONOMİ BANKASI A.Ş.
FOR THE YEAR ENDED 31 DECEMBER 2015**

Address : Saray Mahallesi Sokullu Caddesi No:7/A – 7/B
Ümraniye 34768 - İstanbul
Telephone : (0 216) 635 35 35
Fax : (0 216) 636 36 36
Website : www.teb.com.tr
E-mail : investor.relations@teb.com.tr

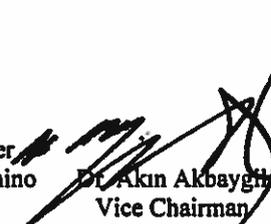
The unconsolidated financial report for the year-ended prepared in accordance with “Communiqué on the Financial Statements and the Related Policies and Disclosures to be Publicly Announced” as regulated by the Banking Regulation and Supervision Agency, is consist of the sections listed below:

- General Information About The Bank
- Unconsolidated Financial Statements Of The Bank
- Explanations On The Accounting Policies Applied In The Related Period
- Information On Financial Structure Of The Bank
- Explanatory Disclosures And Footnotes On Unconsolidated Financial Statements
- Other Explanation
- Independent Auditor's Report

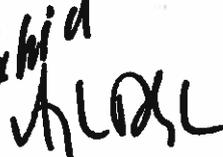
The unconsolidated financial statements and the explanatory disclosures and footnotes, unless otherwise stated, are presented in thousands of Turkish Lira, in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, related statements and guidances and in compliance with the financial records of the Bank, have been independently audited and presented as attached.


Yavuz Canevi
Chairman of the
Board of
Directors


Jacques Roger
Jean Marie Rinino
Chairman
of the Audit
Committee


Dr. Akın Akbayrak
Vice Chairman
of the Audit
Committee


Ornit Leolebici
General
Manager


M. Aşkın Dolacı
Assistant General
Manager Responsible of
Financial Reporting


Gökhan Kazıcılar
Director
Responsible of
Financial Reporting

Information related to responsible personnel for the questions can be raised about financial statements:

Name-Surname/Title : Çiğdem Çelikbilek / Investor Relations Manager
Telephone Number : (0216) 635 24 63
Fax Number : (0216) 636 36 36

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**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN
TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD
FROM 1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

SECTION ONE

GENERAL INFORMATION

I. History of the Bank, Including its Incorporation Date, Initial Legal Status and Amendments to Legal Status, if any

Türk Ekonomi Bankası Anonim Şirketi (“TEB” or “Bank”), which had been a local bank incorporated in Kocaeli in 1927 under the name of Kocaeli Halk Bankası T.A.Ş., was acquired by the Çolakoğlu Group in 1982. Its title was changed as Türk Ekonomi Bankası A.Ş. and its headquarters moved to İstanbul. On 10 February 2005, BNP Paribas took over 50% of shares of TEB Holding A.Ş. Consequently, BNP Paribas became indirect shareholder of TEB with 42.125% ownership. In 2009 BNP Paribas Group successively acquired 75% of Fortis Bank Belgium and 66% of Fortis Bank Luxembourg and became the shareholder holding the majority of the shares of Fortis Bank Turkey. The indirect majority shareholders of TEB which are BNP Paribas and Çolakoğlu Group has agreed on the merger of TEB and Fortis Bank under the trademark of TEB and following the authorizations obtained from the regulatory authorities on 14 February 2011 the legal merge of two banks has been performed. The process regarding the procedure has been summarized below. As a result of the merger of TEB Holding, TEB has a majority stake of 55% and on the other hand Çolakoğlu Group and BNP Paribas have the share of 50%.

II. Explanation on the Bank’s Capital Structure, Shareholders of the Bank who are in Charge of the Management and/or Auditing of the Bank Directly or Indirectly, Changes in These Matters (if any), and the Group the Bank Belongs to

As of 31 December 2015 and 31 December 2014 the shareholders’ structure and their respective ownerships are summarized as follows:

Name of shareholders	31 December 2015		31 December 2014	
	Paid in Capital	%	Paid in Capital	%
TEB Holding A.Ş.	1,212,415	55.00	1,212,415	55.00
BNPP Yatırımlar Holding A.Ş.	518,342	23.51	518,342	23.51
BNP Paribas Fortis Yatırımlar Holding A.Ş.	467,879	21.23	402,517	18.26
Other	5,754	0.26	71,116	3.23
	2,204,390	100.00	2,204,390	100.00

As of 31 December 2015, Bank’s paid-in-capital consists of 2,204,390,000 shares of TL1 (full TL) nominal each.

As of 14 November 2014, BNP Paribas Fortis Yatırımlar Holding A.Ş., BNP Paribas Yatırımlar Holding A.Ş., BNP Paribas, and TEB Holding A.Ş. together hold 96.005% of Türk Ekonomi Bankası (“TEB”) acting jointly as the “Controlling Shareholders” according to the Communiqué of the Capital Markets Board No II-27.2 on Squeeze-out and Sell-Out Rights (“Communiqué”). Pursuant to Provisional Article 1 of the Communiqué, sell-out and squeeze-out rights become exercisable upon the acquisition of the additional share by BNP Paribas Fortis Yatırımlar Holding A.Ş., one of the controlling shareholders, on 14 November 2014.

Pursuant to Sub-paragraph (a) of the third paragraph of Article 6 of the Communiqué, the fair value of the sell-out right was determined to be TL2,437, which is the highest of the 5 prices to be taken as a basis in the valuation report prepared by Ernst & Young. The value was calculated by

- Comparing TL2.0032, which is the arithmetic average of the weighted average market prices of the 30 days preceding the announcement of the acquisition of the additional share,
- TL2.0185, TL2.0528 and TL2.0562, the averages of the weighted average market prices of the last six months, last one year and last five years preceding the announcement of the acquisition of the additional share, respectively,

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II. Explanation on the Bank's Capital Structure, Shareholders of the Bank who are in Charge of the Management and/or Auditing of the Bank Directly or Indirectly, Changes in These Matters (if any), and the Group the Bank Belongs to (continued)

- To TL2,437, which is the price determined in the valuation report prepared in line with the Board's Communiqué Serial: VIII, No: 45 On "International Valuation Standards In The Capital Markets" by Ernst Young Kurumsal Finansman Danışmanlık A.Ş. ("Ernst&Young"), an independent valuation institution which is not directly or indirectly affiliated with the bank in terms of capital equity and management and which has the capacity to give valuation services with the aim of determining a price according to the Capital Markets Board's legislation.

The shareholders other than the Controlling Shareholders exercised their right to sell-out their shares to BNP Paribas Fortis Yatırımlar Holding A.Ş. within the three-month-period between 14 November 2014 and 16 February 2015.

Following the application by BNP Paribas Fortis Yatırımlar A.Ş. on 18 February 2015, in line with the decisions made by the Bank's Board of Directors on 26 February 2015,

- The Bank filed an application with the CMB on 2 March 2015 for approval of the issuance document for the share issuance related to the Restricted Rights Issue to controlling shareholders, which will take place simultaneously with the annulment of the shares related to the squeeze-out process, and
- The Bank filed an application with Borsa İstanbul A.Ş. requesting termination of trading of TEB's shares and delisting of TEB A.Ş. on the stock market.

On 13 March 2015, the CMB referred to Articles 5.14.1.3 and 5.14.2.2.1 of the International Standards on Auditing (ISA) and requested additional work. Additional work prepared by Ernst & Young and was submitted to the CMB on 6 April 2015. The results of this work were also announced on the same date on Public Disclosure Platform ("PDP").

The Bank's application was evaluated in the Board of Directors meeting of Borsa İstanbul dated 19 March 2015, and it was announced by Borsa İstanbul with a PDP announcement on the same date that the following had been decided:

- TEB shares will be delisted following the approval of the export document by CMB,
- Bank shares will be removed from all the current indexes due to de-listing, and
- Following the completion of the Central Registry Agency (MKK) process, starting from the first business day following the announcement made by Borsa İstanbul on PDP, bank shares will be removed from the exchange list and will be banned from being traded at the exchange.

As a result of the evaluation made regarding the Bank's application, it was stated in the CMB bulletin dated 16 April 2015 that the application will be deemed positive, if:

- The difference between the unit share price of the Bank determined by the valuation report and announced on PDP on 16 December 2014 and unit share price determined in the valuation report prepared by Ernst&Young based on the additional work done on the said valuation report and announced on PDP on 6 April 2015, is paid by the controlling shareholder BNP Paribas Fortis Yatırımlar Holding A.Ş., to the shareholders who used their right of sale and
- There are no issues in the BRSA opinion sent to the CMB regarding the Bank's application which might negatively affect said application.

On 17 April 2015, following the publication of the CMB bulletin, Borsa İstanbul announced that TEB shares were closed for trading on the exchange, prior to the first session, and will be removed from BIST index as of 20 April 2015 pursuant to the Board of Directors meeting of Borsa İstanbul dated 19 March 2015.

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II. Explanation on the Bank’s Capital Structure, Shareholders of the Bank who are in Charge of the Management and/or Auditing of the Bank Directly or Indirectly, Changes in These Matters (if any), and the Group the Bank Belongs to (continued)

Following the positive opinion given by BRSA on 17 June 2015, the export document approved by the CMB was received by Bank on 19 June 2015 and, after the registration procedures were completed, the shares subject to sell-out were cancelled on 23 June 2015, and on 24 June 2015 share prices were paid to share owners through the Central Registry Agency (MKK). On 24 June 2015 new shares were issued in place of the cancelled shares via private placement on behalf of our majority shareholder BNP Paribas Fortis Yatırımlar Holding A.Ş.

Following these transactions, as per the Borsa İstanbul Board of Directors decision dated 19 March 2015, TEB shares were delisted and will be permanently removed from trading. On the same date, TEB was removed from the scope of the CMB Law by the CMB.

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III. Explanations Regarding the Chairman and the Members of Board of Directors, Audit Committee, General Manager and Assistants and Shares of the Bank They Possess

<u>Name</u>	<u>Title</u>	<u>Education</u>
Board of Directors;		
Yavuz Canevi	Chairman of the Board of Directors	Master
PhD.Akın Akbaygil	Vice Chairman of the Board of Directors and Vice Chairman of the Audit Committee and Independent Member of the Board of Directors	PhD
Xavier Henri Jean Guilmineau	Member of the Board of Directors	Master
Jean Paul Sabet	Vice Chairman of the Board of Directors	University
Ayşe Aşardağ	Member of the Board of Directors	University
Ümit Leblebici	General Manager and the Executive Member	Master
Sabri Davaz	Member of the Board of Directors and Audit Committee	Master
Alain Georges Auguste Fonteneau	Member of the Board of Directors	Master
Yvan L.A.M De Cock	Member of the Board of Directors and Audit Committee	University
Musa Erden	Member of the Board of Directors	University
Jacques Roger Jean Marie Rinino	Member of the Board of Directors and Chairman of the Audit Committee	University
Pascal Jean Fischer	Member of the Board of Directors	University
Alain Kokocinski	Independent Member of the Board of Directors	Bank Technical Institute
PhD.İsmail Yanık	Independent Member of the Board of Directors	PhD
Assistant General Managers;		
Turgut Boz	Assistant General Manager Responsible from SME Banking and Vice Chairman of General Manager	University
Gökhan Mendi	Assistant General Manager Responsible from Consumer Banking and Private Banking	Master
PhD.Nilsen Altıntaş	Assistant General Manager Responsible from Human Resources	PhD
Melis Coşan Baban	Chief Legal Counsel and Secretary of the Board of Directors	Master
Mehmet Ali Cer	Assistant Manager Responsible from Information Technologies	Master
Mustafa Aşkın Dolaştır	Assistant General Manager Responsible from Financial Affairs	Master
Osman Durmuş	Assistant General Manager Responsible from Consumer Loans and Business Loans	University
Kubilay Güler	Banking Operations & Facility Services Assistant General Manager	University
Akil Özçay	Assistant Manager Responsible from Financial Markets	Master
Gökhan Özdil	Assistant General Manager Responsible from Corporate Loans	University
Nuri Tuncalı	Assistant General Manager Responsible from SME Loans	University
Ömer Abidin Yenidoğan	Assistant General Manager Responsible from Corporate Investment Banking Group	Master
PhD.Tuğrul Özbakan	Assistant General Manager Responsible from Asset Liability Management and Treasury Group	PhD
Gülümser Özgün Henden	Assistant General Manager Responsible from Corporate Banking Group	University
Group Heads (*);		
Pascal Alfred J. Gilliard	Chief Risk Officer	University
Birol Deper	Head of Compliance Group and Internal Control Group, Consumer Relations Coordination Officer	Master
Inspection Committee (*);		
Hakan Tıraşın	Chairman of the Inspection Committee	University

(*) Group Heads and Chairman of the Inspection Committee are in Assistant General Manager status.

Shares of the Bank owned by the above stated Chairman and Members of Board of Directors, General Manager and Assistants are negligible.

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IV. Information about the Persons and Institutions That Have Qualified Shares

Name / Commercial Name	Share Amount	Share Ratio	Paid-up Shares	Unpaid Shares
TEB Holding A.Ş.	1,212,415	55.00%	1,212,415	-
BNPP Yatırımlar Holding A.Ş.	518,342	23.51%	518,342	-
BNP Paribas Fortis Yatırımlar Holding A.Ş.	467,879	21.23%	467,879	-

TEB Holding A.Ş. is the controlling party of the Bank’s capital having both direct and indirect qualified shares. TEB Holding A.Ş. is a member of both Çolakoğlu and BNP Paribas groups. 50% of the shares of TEB Holding A.Ş. are controlled by BNP Paribas, Fortis Yatırımlar Holding A.Ş., while the remaining 50% is controlled by Çolakoğlu Group. BNP Paribas Fortis Yatırımlar Holding A.Ş. is controlled by Fortis Bank SA/NV whose shareholders are BNP Paribas Fortis NV/SA by 100% shares, respectively. 100% of the shares of BNPP Yatırımlar Holding are controlled by BNP Paribas S.A.

V. Summary on the Bank’s Functions and Areas of Activity

The Bank’s operating areas include, corporate, retail and private banking as well as project finance, fund management and custody operations. Besides the ordinary banking operations, the Bank is handling agency functions through its branches on behalf of TEB Yatırım Menkul Değerler A.Ş., TEB Portföy Yönetimi A.Ş., Zurich Sigorta A.Ş. and Cardif Hayat Sigorta A.Ş. As of 31 December 2015, the Bank has 528 local branches and 4 foreign branches (31 December 2014: 546 local branches, 5 foreign branches). According to the Bank’s Board of Directors Resolution, No: 5132/147 and dated 21 October 2014, it was decided to close Türk Ekonomi Bankası A.Ş. Bahrain Branch in Bahrain which is registered to Trade Registry, No:50046-1 and as of 23 November 2015, closing process has been completed.

VI. Differences between the communiqué on preparation of consolidated financial statements of Banks and Turkish Accounting Standards and short explanation about the entities subject to full consolidation or proportional consolidation and entities which are deducted from equity or entities which are not included in these three methods

There is no difference for the Bank between the consolidation process according to the Turkish Accounting Standards and the Communiqué of the Preparation of Consolidated Financial Statements of Banks in Turkey.

The Bank owns 0.1% but the Group owns 33.3% share of Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş, it is presented as joint venture in financial statements however, it is carried by cost value since necessary requirements for consolidation is not met.

VII. Current or Likely Actual or Legal Barriers to Immediate Transfer of Equity or Repayment of Debts Between Bank and Its Subsidiaries

None.

SECTION TWO

UNCONSOLIDATED FINANCIAL STATEMENTS

- I. Balance Sheet
- II. Statement of Off-Balance Sheet Contingencies and Commitments
- III. Statement of Income
- IV. Income and Expense Items Under Shareholders' Equity
- V. Statement of Changes in Shareholders' Equity
- VI. Statement of Cash Flows
- VII. Statement of Profit Distribution

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TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2015
(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

I. BALANCE SHEET - ASSETS (STATEMENT OF FINANCIAL POSITION)

		Audited Current Period 31.12.2015			Audited Prior Period 31.12.2014			
		Section 5 Note Ref.	TL	FC	Total	TL	FC	Total
I.	CASH AND BALANCES WITH THE CENTRAL BANK	(I-1)	1,202,306	8,713,621	9,915,927	861,787	7,605,141	8,466,928
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (Net)	(I-2)	599,312	100,685	699,997	589,691	88,618	678,309
2.1	Financial assets held for trading		599,312	100,685	699,997	589,691	88,618	678,309
2.1.1	Public sector debt securities		194,821	11,007	205,828	77,774	9,793	87,567
2.1.2	Share certificates		-	-	-	-	-	-
2.1.3	Derivative financial assets held for trading		404,491	89,678	494,169	511,917	78,825	590,742
2.1.4	Other marketable securities		-	-	-	-	-	-
2.2	Financial assets classified at fair value through profit and loss		-	-	-	-	-	-
2.2.1	Public sector debt securities		-	-	-	-	-	-
2.2.2	Share certificates		-	-	-	-	-	-
2.2.3	Loans		-	-	-	-	-	-
2.2.4	Other marketable securities		-	-	-	-	-	-
III.	BANKS	(I-3)	616,630	704,759	1,321,389	595,021	207,957	802,978
IV.	MONEY MARKET PLACEMENTS		-	-	-	550,169	-	550,169
4.1	Interbank money market placements		-	-	-	-	-	-
4.2	Istanbul Stock Exchange money market placements		-	-	-	-	-	-
4.3	Receivables from reverse repurchase agreements		-	-	-	550,169	-	550,169
V.	FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(I-4)	4,029,678	98,873	4,128,551	4,304,501	8,268	4,312,769
5.1	Share certificates		21,384	75,150	96,534	20,875	96	20,971
5.2	Public sector debt securities		4,008,294	23,723	4,032,017	4,283,626	8,172	4,291,798
5.3	Other marketable securities		-	-	-	-	-	-
VI.	LOANS AND RECEIVABLES	(I-5)	43,513,186	9,699,647	53,212,833	37,471,580	7,920,630	45,392,210
6.1	Loans and receivables		43,110,006	9,699,647	52,809,653	37,070,699	7,920,630	44,991,329
6.1.1	Loans to Risk Group of the Bank		10,477	2	10,479	88,898	3	88,901
6.1.2	Public sector debt securities		-	-	-	-	-	-
6.1.3	Other		43,099,529	9,699,645	52,799,174	36,981,801	7,920,627	44,902,428
6.2	Non-performing loans		1,232,527	-	1,232,527	1,120,411	-	1,120,411
6.3	Specific provisions (-)		829,347	-	829,347	719,530	-	719,530
VII.	FACTORING RECEIVABLES		-	-	-	-	-	-
VIII.	HELD TO MATURITY INVESTMENTS (Net)	(I-6)	339,417	-	339,417	317,360	-	317,360
8.1	Public sector debt securities		339,417	-	339,417	317,360	-	317,360
8.2	Other marketable securities		-	-	-	-	-	-
IX.	INVESTMENTS IN ASSOCIATES (Net)	(I-7)	-	-	-	-	-	-
9.1	Accounted for under equity method		-	-	-	-	-	-
9.2	Unconsolidated associates		-	-	-	-	-	-
9.2.1	Financial investments		-	-	-	-	-	-
9.2.2	Non-financial investments		-	-	-	-	-	-
X.	INVESTMENTS IN SUBSIDIARIES (Net)	(I-8)	115,986	-	115,986	115,986	61,254	177,240
10.1	Unconsolidated financial subsidiaries		115,986	-	115,986	115,986	61,254	177,240
10.2	Unconsolidated non-financial subsidiaries		-	-	-	-	-	-
XI.	ENTITIES UNDER COMMON CONTROL (JOINT VENT.) (Net)	(I-9)	5	-	5	5	-	5
11.1	Consolidated under equity method		-	-	-	-	-	-
11.2	Unconsolidated		5	-	5	5	-	5
11.2.1	Financial subsidiaries		-	-	-	-	-	-
11.2.2	Non-financial subsidiaries		5	-	5	5	-	5
XII.	FINANCE LEASE RECEIVABLES	(I-10)	-	-	-	-	-	-
12.1	Finance lease receivables		-	-	-	-	-	-
12.2	Operating lease receivables		-	-	-	-	-	-
12.3	Other		-	-	-	-	-	-
12.4	Unearned income (-)		-	-	-	-	-	-
XIII.	DERIVATIVE FINANCIAL ASSETS FOR HEDGING PURPOSES	(I-11)	58,309	-	58,309	60,800	-	60,800
13.1	Fair value hedge		-	-	-	1,681	-	1,681
13.2	Cash flow hedge		58,309	-	58,309	59,119	-	59,119
13.3	Hedge of net investment risks in foreign operations		-	-	-	-	-	-
XIV.	TANGIBLE ASSETS (Net)	(I-12)	283,005	-	283,005	315,128	-	315,128
XV.	INTANGIBLE ASSETS (Net)	(I-13)	471,406	-	471,406	475,472	-	475,472
15.1	Goodwill		421,124	-	421,124	421,124	-	421,124
15.2	Other		50,282	-	50,282	54,348	-	54,348
XVI.	INVESTMENT PROPERTIES (Net)	(I-14)	-	-	-	-	-	-
XVII.	TAX ASSET		81,214	-	81,214	100,595	-	100,595
17.1	Current tax asset		1,430	-	1,430	3,849	-	3,849
17.2	Deferred tax asset	(I-15)	79,784	-	79,784	96,746	-	96,746
XVIII.	ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(I-16)	71,874	-	71,874	79,466	-	79,466
18.1	Held for sale		71,874	-	71,874	79,466	-	79,466
18.2	Discontinued operations		-	-	-	-	-	-
XIX.	OTHER ASSETS	(I-17)	989,437	270,992	1,260,429	1,046,802	215,658	1,262,460
TOTAL ASSETS			52,371,765	19,588,577	71,960,342	46,884,363	16,107,526	62,991,889

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

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UNCONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2015
(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

I. BALANCE SHEET - LIABILITIES AND EQUITY (STATEMENT OF FINANCIAL POSITION)

	Section 5 Note Ref.	Audited Current Period 31.12.2015			Audited Prior Period 31.12.2014		
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	(II-1)	28,627,484	15,768,376	44,395,860	27,304,648	12,133,913	39,438,561
1.1 Deposits from Risk Group of the Bank		567,219	1,009,931	1,577,150	883,417	1,273,475	2,156,892
1.2 Other		28,060,265	14,758,445	42,818,710	26,421,231	10,860,438	37,281,669
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(II-2)	466,161	53,286	519,447	312,166	118,647	430,813
III. FUNDS BORROWED	(II-3)	1,243,066	10,351,671	11,594,737	251,958	8,809,608	9,061,566
IV. MONEY MARKET BALANCES		2,384,787	-	2,384,787	1,756,987	-	1,756,987
4.1 Interbank money market takings		-	-	-	-	-	-
4.2 Istanbul Stock Exchange money market takings		-	-	-	-	-	-
4.3 Funds provided under repurchase agreements		2,384,787	-	2,384,787	1,756,987	-	1,756,987
V. MARKETABLE SECURITIES ISSUED (Net)	(II-3)	184,110	86,553	270,663	696,679	294,904	991,583
5.1 Bills		184,110	86,553	270,663	696,679	294,904	991,583
5.2 Asset backed securities		-	-	-	-	-	-
5.3 Bonds		-	-	-	-	-	-
VI. FUNDS		-	-	-	-	-	-
6.1 Borrower funds		-	-	-	-	-	-
6.2 Other		-	-	-	-	-	-
VII. MISCELLANEOUS PAYABLES		999,765	286,792	1,286,557	940,951	181,715	1,122,666
VIII. OTHER LIABILITIES	(II-4)	1,063,037	1,421	1,064,458	1,021,511	3,889	1,025,400
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. FINANCE LEASE PAYABLES	(II-5)	-	-	-	-	-	-
10.1 Finance lease payables		-	-	-	-	-	-
10.2 Operating lease payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance lease expenses (-)		-	-	-	-	-	-
XI. DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING PURPOSES	(II-6)	158,539	677	159,216	313,870	-	313,870
11.1 Fair value hedge		-	-	-	11,264	-	11,264
11.2 Cash flow hedge		158,539	677	159,216	302,606	-	302,606
11.3 Hedge of net investment in foreign operations		-	-	-	-	-	-
XII. PROVISIONS	(II-7)	1,036,090	115,721	1,151,811	968,719	411	969,130
12.1 General loan loss provisions		698,089	-	698,089	609,538	-	609,538
12.2 Restructuring provisions		-	-	-	-	-	-
12.3 Reserve for employee benefits		199,530	5,209	204,739	208,498	-	208,498
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions		138,471	110,512	248,983	150,683	411	151,094
XIII. TAX LIABILITY	(II-8)	230,946	-	230,946	192,419	-	192,419
13.1 Current tax liability		230,946	-	230,946	192,419	-	192,419
13.2 Deferred tax liability		-	-	-	-	-	-
XIV. PAYABLES RELATED TO ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(II-9)	-	-	-	-	-	-
14.1 Held for sale		-	-	-	-	-	-
14.2 Discontinued operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS	(II-10)	-	1,940,036	1,940,036	-	1,785,915	1,785,915
XVI. SHAREHOLDERS' EQUITY	(II-11)	6,902,345	59,479	6,961,824	5,902,942	37	5,902,979
16.1 Paid-in capital		2,204,390	-	2,204,390	2,204,390	-	2,204,390
16.2 Supplementary capital		828,515	59,479	887,994	706,532	37	706,569
16.2.1 Share premium		2,565	-	2,565	2,565	-	2,565
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Marketable securities valuation differences		(60,958)	59,523	(1,435)	(18,848)	37	(18,811)
16.2.4 Tangible assets revaluation differences		97,024	-	97,024	91,991	-	91,991
16.2.5 Intangible assets revaluation differences		-	-	-	-	-	-
16.2.6 Investment property revaluation differences		-	-	-	-	-	-
16.2.7 Bonus shares obtained from associates, subsidiaries and jointly controlled entities (Joint Vent.)		527	-	527	527	-	527
16.2.8 Hedging funds (Effective portion)		80,987	(44)	80,943	(60,118)	-	(60,118)
16.2.9 Accumulated valuation differences from assets held for sale and from discontinued operations		-	-	-	-	-	-
16.2.10 Other capital reserves		708,370	-	708,370	690,415	-	690,415
16.3 Profit reserves		2,977,490	-	2,977,490	2,359,963	-	2,359,963
16.3.1 Legal reserves		203,828	-	203,828	172,700	-	172,700
16.3.2 Status reserves		-	-	-	-	-	-
16.3.3 Extraordinary reserves		2,484,698	-	2,484,698	1,959,298	-	1,959,298
16.3.4 Other profit reserves		288,964	-	288,964	227,965	-	227,965
16.4 Profit or loss		891,950	-	891,950	632,057	-	632,057
16.4.1 Prior years' income/ (loss)		9,497	-	9,497	9,497	-	9,497
16.4.2 Current year income/ (loss)		882,453	-	882,453	622,560	-	622,560
16.5 Minority shares	(II-12)	-	-	-	-	-	-
TOTAL LIABILITIES AND EQUITY		43,296,330	28,664,012	71,960,342	39,662,850	23,329,039	62,991,889

The accompanying notes are an integral part of these financial statements

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED OFF-BALANCE SHEET
COMMITMENT AT 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

II. STATEMENT OF OFF-BALANCE SHEET CONTINGENCIES AND COMMITMENTS

	Section 5 Note Ref.	Audited Current Period 31.12.2015			Audited Prior Period 31.12.2014		
		TL	FC	TOTAL	TL	FC	TOTAL
A. OFF BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I+II+III)		54,743,859	53,030,495	107,774,354	48,849,156	48,654,297	97,503,453
I. GUARANTEES	(III-1)	6,275,583	8,223,238	14,498,821	5,408,402	6,452,539	11,860,941
1.1 Letters of guarantee		4,805,952	5,061,178	9,867,130	4,191,978	4,092,624	8,284,602
1.1.1 Guarantees subject to State Tender Law		142,514	115,200	257,714	122,191	109,163	231,354
1.1.2 Guarantees given for foreign trade operations		302,325	829,643	1,131,968	304,025	294,680	598,705
1.1.3 Other letters of guarantee		4,361,113	4,116,335	8,477,448	3,765,762	3,688,781	7,454,543
1.2 Bank loans		-	48,830	48,830	-	62,150	62,150
1.2.1 Import letter of acceptance		-	48,830	48,830	-	62,150	62,150
1.2.2 Other bank acceptances		-	-	-	-	-	-
1.3 Letters of credit		1,419	1,405,327	1,406,746	-	1,271,645	1,271,645
1.3.1 Documentary letters of credit		1,419	147,003	148,422	-	145,575	145,575
1.3.2 Other letters of credit		-	1,258,324	1,258,324	-	1,126,070	1,126,070
1.4 Refinancing given as guarantee		-	-	-	-	-	-
1.5 Endorsements		-	-	-	-	-	-
1.5.1 Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2 Other endorsements		-	-	-	-	-	-
1.6 Securities issue purchase guarantees		-	-	-	-	-	-
1.7 Factoring guarantees		-	-	-	-	-	-
1.8 Other guarantees		1,465,662	1,176,545	2,642,207	1,209,108	593,229	1,802,337
1.9 Other collaterals		2,550	531,358	533,908	7,316	432,891	440,207
II. COMMITMENTS	(III-1)	11,809,764	1,420,492	13,230,256	11,142,402	1,491,443	12,633,845
2.1 Irrevocable commitments		11,809,764	1,420,492	13,230,256	11,142,402	1,491,443	12,633,845
2.1.1 Forward asset purchase commitments		347,976	1,219,279	1,567,255	221,352	1,467,898	1,689,250
2.1.2 Forward deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3 Share capital commitment to associates and subsidiaries		-	-	-	-	-	-
2.1.4 Loan granting commitments		4,306,371	478	4,306,849	4,336,448	94	4,336,542
2.1.5 Securities underwriting commitments		-	-	-	-	-	-
2.1.6 Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7 Payment commitment for checks		2,260,921	-	2,260,921	2,186,510	-	2,186,510
2.1.8 Tax and fund liabilities from export commitments		26,185	-	26,185	24,189	-	24,189
2.1.9 Commitments for credit card expenditure limits		4,580,727	-	4,580,727	4,101,473	-	4,101,473
2.1.10 Commitments for promotions related with credit cards and banking activities		4,538	-	4,538	5,178	-	5,178
2.1.11 Receivables from short sale commitments		-	-	-	-	-	-
2.1.12 Payables for short sale commitments		-	-	-	-	-	-
2.1.13 Other irrevocable commitments		283,046	200,735	483,781	267,252	23,451	290,703
2.2 Revocable commitments		-	-	-	-	-	-
2.2.1 Revocable loan granting commitments		-	-	-	-	-	-
2.2.2 Other revocable commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS	(III-2)	36,658,512	43,386,765	80,045,277	32,298,352	40,710,315	73,008,667
3.1 Derivative financial instruments for hedging purposes		12,880,140	1,378,498	14,258,638	10,757,751	328,460	11,086,211
3.1.1 Fair value hedge		-	-	-	363,480	328,460	691,940
3.1.2 Cash flow hedge		12,880,140	1,378,498	14,258,638	10,394,271	-	10,394,271
3.1.3 Hedge of net investment in foreign operations		-	-	-	-	-	-
3.2 Held for trading transactions		23,778,372	42,008,267	65,786,639	21,540,601	40,381,855	61,922,456
3.2.1 Forward foreign currency buy/sell transactions		3,696,905	6,047,077	9,743,982	3,446,564	4,146,566	7,593,130
3.2.1.1 Forward foreign currency transactions-buy		1,331,946	3,475,605	4,807,551	1,175,714	2,516,439	3,692,153
3.2.1.2 Forward foreign currency transactions-sell		2,364,959	2,571,472	4,936,431	2,270,850	1,630,127	3,900,977
3.2.2 Swap transactions related to foreign currency and interest rates		15,050,915	27,796,905	42,847,820	12,653,451	23,967,798	36,621,249
3.2.2.1 Foreign currency swap-buy		5,268,363	13,806,210	19,074,573	4,418,890	11,793,982	16,212,872
3.2.2.2 Foreign currency swap-sell		9,382,552	9,649,731	19,032,283	7,634,561	8,274,358	15,908,919
3.2.2.3 Interest rate swaps-buy		200,000	2,170,482	2,370,482	300,000	1,949,729	2,249,729
3.2.2.4 Interest rate swaps-sell		200,000	2,170,482	2,370,482	300,000	1,949,729	2,249,729
3.2.3 Foreign currency, interest rate and securities options		5,030,552	8,164,285	13,194,837	5,440,586	12,264,066	17,704,652
3.2.3.1 Foreign currency options-buy		2,100,903	4,525,821	6,626,724	3,286,420	5,628,254	8,914,674
3.2.3.2 Foreign currency options-sell		2,929,649	3,638,464	6,568,113	2,154,166	6,633,488	8,787,654
3.2.3.3 Interest rate options-buy		-	-	-	-	-	-
3.2.3.4 Interest rate options-sell		-	-	-	-	2,324	2,324
3.2.3.5 Securities options-buy		-	-	-	-	-	-
3.2.3.6 Securities options-sell		-	-	-	-	-	-
3.2.4 Foreign currency futures		-	-	-	-	-	-
3.2.4.1 Foreign currency futures-buy		-	-	-	-	-	-
3.2.4.2 Foreign currency futures-sell		-	-	-	-	-	-
3.2.5 Interest rate futures		-	-	-	-	-	-
3.2.5.1 Interest rate futures-buy		-	-	-	-	-	-
3.2.5.2 Interest rate futures-sell		-	-	-	-	-	-
3.2.6 Other		-	-	-	-	3,425	3,425
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		149,779,878	24,008,637	173,788,515	136,906,009	19,722,997	156,629,006
IV. ITEMS HELD IN CUSTODY	(III-5)	24,038,802	1,474,752	25,513,554	27,454,007	1,538,701	28,992,708
4.1 Assets under management		-	-	-	1,666,807	-	1,666,807
4.2 Investment securities held in custody		13,189,674	391,059	13,580,733	15,906,018	337,297	16,243,315
4.3 Checks received for collection		10,084,390	830,100	10,914,490	9,454,665	928,503	10,383,168
4.4 Commercial notes received for collection		335,898	119,139	455,037	355,438	105,561	460,999
4.5 Other assets received for collection		-	134,454	134,454	-	167,340	167,340
4.6 Assets received for public offering		-	-	-	-	-	-
4.7 Other items under custody		428,840	-	428,840	71,079	-	71,079
4.8 Custodians		-	-	-	-	-	-
V. PLEDGED ITEMS		125,324,722	22,474,956	147,799,678	109,281,579	18,143,460	127,425,039
5.1 Marketable securities		618,925	50,545	669,470	773,354	16,333	789,687
5.2 Guarantee notes		55,503,999	16,140,886	71,644,885	52,454,968	13,409,366	65,864,334
5.3 Commodity		114,135	206,019	320,154	53,640	211,098	264,738
5.4 Warranty		-	-	-	-	-	-
5.5 Properties		61,762,008	4,088,626	65,850,634	49,440,563	3,131,992	52,572,555
5.6 Other pledged items		7,325,655	1,988,880	9,314,535	6,559,054	1,374,671	7,933,725
5.7 Pledged items-depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		416,354	58,929	475,283	170,423	40,836	211,259
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		204,523,737	77,039,132	281,562,869	185,755,165	68,377,294	254,132,459

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD
FROM 1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

III. STATEMENT OF INCOME

	Section 5 Note Ref	Audited Current Period 01.01-31.12.2015	Audited Prior Period 01.01-31.12.2014
I. INTEREST INCOME	(IV-1)	6,219,447	5,202,374
1.1 Interest on loans		5,718,676	4,705,697
1.2 Interest received from reserve deposits		21,805	1,775
1.3 Interest received from banks		36,479	29,380
1.4 Interest received from money market placements		49,988	32,748
1.5 Interest received from marketable securities portfolio		389,864	421,969
1.5.1 Held-for-trading financial assets		22,100	33,649
1.5.2 Financial assets at fair value through profit and loss		-	-
1.5.3 Available-for-sale financial assets		340,016	359,243
1.5.4 Investments held-to-maturity		27,748	29,077
1.6 Finance lease Income		-	-
1.7 Other interest income		2,635	10,805
II. INTEREST EXPENSE	(IV-2)	3,145,286	2,637,869
2.1 Interest on deposits		2,632,741	2,227,313
2.2 Interest on funds borrowed		280,823	191,193
2.3 Interest on money market borrowings		153,481	138,211
2.4 Interest on securities issued		43,072	55,521
2.5 Other interest expense		35,169	25,631
III. NET INTEREST INCOME/EXPENSE (I - II)		3,074,161	2,564,505
IV. NET FEES AND COMMISSIONS INCOME/EXPENSE		1,016,655	880,821
4.1 Fees and commissions received		1,397,557	1,304,719
4.1.1 Non-cash loans		127,875	115,205
4.1.2 Other	(IV-12)	1,269,682	1,189,514
4.2 Fees and commissions paid		380,902	423,898
4.2.1 Non-cash loans		2,148	1,767
4.2.2 Other	(IV-12)	378,754	422,131
V. DIVIDEND INCOME	(IV-3)	20,671	19,278
VI. NET TRADING INCOME	(IV-4)	(553,503)	(356,681)
6.1 Securities trading gains/ (losses)		2,113	8,185
6.2 Gains/ (losses) from derivative financial instruments		771,053	(821,749)
6.3 Foreign exchange gains/ (losses)		(1,326,669)	456,883
VII. OTHER OPERATING INCOME	(IV-5)	293,390	210,931
VIII. NET OPERATING INCOME (III+IV+V+VI+VII)		3,851,374	3,318,854
IX. PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)	(IV-6)	923,520	565,603
X. OTHER OPERATING EXPENSES (-) (*)	(IV-7)	2,136,792	1,958,196
XI. NET OPERATING INCOME/(LOSS) (VIII-IX-X)		791,062	795,055
XII. AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER		-	-
XIII. GAIN / (LOSS) ON EQUITY METHOD		-	-
XIV. GAIN / (LOSS) ON NET MONETARY POSITION		-	-
XV. PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XI+...+XIV)	(IV-8)	791,062	795,055
XVI. TAX PROVISION FOR CONTINUED OPERATIONS	(IV-9)	(179,847)	(172,495)
16.1 Current income tax (charge)/benefit		(206,921)	(233,494)
16.2 Deferred tax (charge)/benefit		27,074	60,999
XVII. NET PROFIT/(LOSS) FROM CONTINUED OPERATIONS (XV+XVI)	(IV-10)	611,215	622,560
XVIII. INCOME ON DISCONTINUED OPERATIONS		285,514	-
18.1 Income on assets held for sale		-	-
18.2 Income on sale of associates, subsidiaries and entities under common control (Joint vent.)		285,514	-
18.3 Income on other discontinued operations		-	-
XIX. LOSS FROM DISCONTINUED OPERATIONS (-)		-	-
19.1 Loss from assets held for sale		-	-
19.2 Loss on sale of associates, subsidiaries and jointly controlled entities (Joint vent.)		-	-
19.3 Loss from other discontinued operations		-	-
XX. PROFIT / (LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XVIII-XIX)	(IV-8)	285,514	-
XXI. TAX PROVISION FOR DISCONTINUED OPERATIONS	(IV-9)	(14,276)	-
21.1 Current income tax (charge)/benefit		(14,276)	-
21.2 Deferred tax (charge)/benefit		-	-
XXII. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX+XXI)	(IV-10)	271,238	-
XXIII. NET PROFIT/LOSS (XVII±XXII)	(IV-11)	882,453	622,560
23.1 Group's profit/loss		882,453	622,560
23.2 Minority shares profit / loss (-)		-	-
Earnings per share		0.4003	0.2824

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED INCOME AND EXPENSE ITEMS UNDER SHAREHOLDERS' EQUITY
FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

IV. INCOME AND EXPENSE ITEMS UNDER SHAREHOLDERS' EQUITY

	Audited Current Period 01.01-31.12.2015	Audited Prior Period 01.01-31.12.2014
I. ADDITIONS TO MARKETABLE SECURITIES VALUATION DIFFERENCES FOR AVAILABLE SALE FINANCIAL ASSETS	21,720	93,610
II. TANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	-	-
V. PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR CASH FLOW HEDGE PURPOSES (EFFECTIVE PORTION OF FAIR VALUE DIFFERENCES)	176,327	(115,379)
VI. PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGE OF NET INVESTMENT IN FOREIGN OPERATIONS (EFFECTIVE PORTION OF FAIR VALUE DIFFERENCES)	-	-
VII. THE EFFECT OF CORRECTION OF ERRORS AND CHANGES IN ACCOUNTING POLICIES	-	-
VIII. OTHER PROFIT LOSS ITEMS ACCOUNTED FOR UNDER EQUITY DUE TO TAS	22,381	14,245
IX. DEFERRED TAX OF VALUATION DIFFERENCES	(44,036)	1,505
X. TOTAL NET PROFIT/LOSS ACCOUNTED FOR UNDER EQUITY (I+II+...+IX)	176,392	(6,019)
XI. PROFIT/LOSS	882,453	622,560
11.1 Change in fair value of marketable securities (Transfer to Profit/Loss)	(22,640)	(12,880)
11.2 Reclassification and transfer of derivatives accounted for cash flow hedge purposes to Income Statement	(3,548)	4
11.3 Transfer of hedge of net investments in foreign operations to Income Statement	-	-
11.4 Other	908,641	635,436
XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE PERIOD (X+XI)	1,058,845	616,541

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2014**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Section 5 Note Ref	Paid-in Capital	Effect of Inflation Acc. On Capital and Other Reserves	Share Premium	Share Cancellation Profits	Legal Reserves	Statutory Reserves	Extra- ordinary Reserves	Other Reserves	Current Period Net Income/ (Loss)	Prior Period Net Income/ (Loss)	Marketable Securities Value Increase Fund	Tangible and Intangible Assets Revaluation Differences	Bonus Shares Obtained from Associates	Hedging Funds	Acc. Val. Diff. from Assets Held for Sale and from Disc. Op.	Total Equity Before Minority Shares	Minority Shares	Total Equity
Audited																			
Prior Period – 01.01-31.12.2014																			
I		2,204,390	200,262	2,565	-	145,948	-	1,441,602	706,722	-	544,545	(93,699)	101,391	527	32,185	-	5,286,438	-	5,286,438
II		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III		2,204,390	200,262	2,565	-	145,948	-	1,441,602	706,722	-	544,545	(93,699)	101,391	527	32,185	-	5,286,438	-	5,286,438
IV		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V	(V-a)	-	-	-	-	-	-	-	-	-	-	74,888	-	-	-	-	74,888	-	74,888
VI	(V-b)	-	-	-	-	-	-	-	-	-	-	-	-	(92,303)	-	-	(92,303)	-	(92,303)
6.1		-	-	-	-	-	-	-	-	-	-	-	-	(92,303)	-	-	(92,303)	-	(92,303)
6.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X	(V-c)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV	(V-h)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII		-	-	-	-	-	-	9,400	11,396	-	-	-	(9,400)	-	-	-	11,396	-	11,396
XIX		-	-	-	-	-	-	-	-	622,560	-	-	-	-	-	-	622,560	-	622,560
XX		-	-	-	-	26,752	-	508,296	-	-	(535,048)	-	-	-	-	-	-	-	-
20.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.2		-	-	-	-	26,752	-	508,296	-	-	(535,048)	-	-	-	-	-	-	-	-
20.3		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance 31.12.2014																			
(III+IV+V+VI+VII+VIII+IX+X+XI+XII+XIII+XIV+XV+XVI+XVII+XVIII+XIX+XX)																			
		2,204,390	200,262	2,565	-	172,700	-	1,959,298	718,118	622,560	9,497	(18,811)	91,991	527	(60,118)	-	5,902,979	-	5,902,979

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Audited	Section 5 Note Ref	Paid-in Capital	Effect of Inflation Acc. On Capital and Other Reserves	Share Premium	Share Cancellation Profits	Legal Reserves	Statutory Reserves	Extraordi- nary Reserves	Other Reserves	Current Period Net Income/ (Loss)	Prior Period Net Income/ (Loss)	Marketable Securities Value Increase Fund	Tangible and Intangible Assets Revaluation Differences	Bonus Shares Obtained from Associates	Hedging Funds	Acc. Val. Diff. from Assets Held for Sale and from Disc. Op.	Total Equity Before Minority Shares	Minority Shares	Total Equity
Current Period 01.01-31.12.2015																			
I Beginning Balance – 31.12.2014		2,204,390	200,262	2,565	-	172,700	-	1,959,298	718,118	-	632,057	(18,811)	91,991	527	(60,118)	-	5,902,979	-	5,902,979
Changes in period		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Increase/Decrease related to merger		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Marketable securities valuation differences	(V-a)	-	-	-	-	-	-	-	-	-	-	17,376	-	-	-	-	-	-	17,376
IV. Hedging Funds (Effective Portion)	(V-b)	-	-	-	-	-	-	-	-	-	-	-	-	-	141,061	-	-	-	141,061
4.1 Cash-flow hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	141,061	-	-	-	141,061
4.2 Hedge of net investment in foreign operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Tangible assets revaluation differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Intangible assets revaluation differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Bonus shares obtained from associates, subsidiaries and jointly controlled entities (Joint vent.)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Foreign exchange differences	(V-c)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. The disposal of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. The reclassification of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. The effect of change in associate's equity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Capital increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2 Internal sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Share premium	(V-d)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Share cancellation profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Inflation adjustment to paid-in capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Other		-	-	-	-	-	-	-	17,955	-	-	-	-	-	-	-	-	-	17,955
XVII. Period net income/(loss)		-	-	-	-	-	-	-	-	882,453	-	-	-	-	-	-	-	-	882,453
XVIII. Profit distribution		-	-	-	-	31,128	-	525,400	60,999	-	(622,560)	-	5,033	-	-	-	-	-	-
18.1 Dividends distributed		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2 Transfers to reserves		-	-	-	-	31,128	-	525,400	60,999	-	(622,560)	-	5,033	-	-	-	-	-	-
18.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance 31.12.2015																			
(I+II+III+IV+V+VI+VII+VIII+IX+X+XI+XII+XIII+XIV+XV+XVI+XVII+XVIII)		2,204,390	200,262	2,565	-	203,828	-	2,484,698	797,072	882,453	9,497	(1,435)	97,024	527	80,943	-	6,961,824	-	6,961,824

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015
(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)**

VI. STATEMENT OF CASH FLOWS

	Section 5 Note Ref	Audited Current Period 01.01-31.12.2015	Audited Prior Period 01.01-31.12.2014
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities		2,003,120	1,999,891
1.1.1 Interest received		6,133,439	5,010,085
1.1.2 Interest paid		(3,104,690)	(2,393,579)
1.1.3 Dividend received		19,559	8,559
1.1.4 Fees and commissions received		2,031,369	1,931,178
1.1.5 Other income		1,087,952	682,728
1.1.6 Collections from previously written off loans		495,010	445,064
1.1.7 Payments to personnel and service suppliers		(895,732)	(816,502)
1.1.8 Taxes paid		(195,482)	(162,760)
1.1.9 Others	(VI-1)	(3,568,305)	(2,704,882)
1.2 Changes in operating assets and liabilities		(1,425,437)	(815,683)
1.2.1 Net (increase) / decrease in financial assets held for trading		(117,734)	566,661
1.2.2 Net (increase) /decrease in financial assets at fair value through profit or loss		-	-
1.2.3 Net (increase) /decrease in due from banks and other financial institutions		(2,654)	1,926
1.2.4 Net increase in loans		(8,254,746)	(7,439,195)
1.2.5 Net increase in other assets	(VI-1)	(749,386)	(1,252,038)
1.2.6 Net (decrease) / increase in bank deposits		(497,873)	449,401
1.2.7 Net increase in other deposits		6,019,686	5,336,193
1.2.8 Net increase in funds borrowed		2,488,902	2,274,843
1.2.9 Net increase /decrease in matured payables		-	-
1.2.10 Net (decrease) in other liabilities	(VI-1)	(311,632)	(753,474)
I. Net cash provided from / (used in) banking operations		577,683	1,184,208
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided from/ (used in) investing activities		416,470	6,572
2.1 Cash paid for purchase of entities under common control, associates and subsidiaries		-	-
2.2 Cash obtained from sale of entities under common control, associates and subsidiaries		346,768	-
2.3 Fixed asset purchases		(61,520)	(80,975)
2.4 Fixed asset sales		1,339	10,568
2.5 Cash paid for purchase of financial assets available for sale		(2,960,665)	(3,769,644)
2.6 Cash obtained from sale of financial assets available for sale		3,118,501	3,874,067
2.7 Cash paid for purchase of investment securities		-	-
2.8 Cash obtained from sale of investment securities		-	-
2.9 Others	(VI-1)	(27,953)	(27,444)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash provided from/ (used in) financing activities		(712,244)	282,633
3.1 Cash obtained from funds borrowed and securities issued		266,556	1,604,439
3.2 Cash used for repayment of funds borrowed and securities issued		(978,800)	(1,321,806)
3.3 Capital increase		-	-
3.4 Dividends paid		-	-
3.5 Payments for finance leases		-	-
3.6 Other		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents	(VI-1)	288,054	3,981
V. Net increase / (decrease) in cash and cash equivalents		569,963	1,477,394
VI. Cash and cash equivalents at beginning of the period	(VI-2)	3,310,166	1,832,772
VII. Cash and cash equivalents at end of the period	(VI-2)	3,880,129	3,310,166

The accompanying notes are an integral part of these financial statement

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED STATEMENT OF PROFIT DISTRIBUTION
FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

VII. STATEMENT OF PROFIT DISTRIBUTION

	Audited Current Period 31.12.2015 (*)	Audited Prior Period 31.12.2014
I. DISTRIBUTION OF CURRENT YEAR INCOME		
1.1	1,076,576	795,055
1.2	194,123	172,495
1.2.1	221,197	233,494
1.2.2	-	-
1.2.3	(27,074)	(60,999)
A.	882,453	622,560
1.3	-	-
1.4	-	31,128
1.5	-	-
B.	-	591,432
1.6	-	-
1.6.1	-	-
1.6.2	-	-
1.6.3	-	-
1.6.4	-	-
1.6.5	-	-
1.7	-	-
1.8	-	-
1.9	-	-
1.9.1	-	-
1.9.2	-	-
1.9.3	-	-
1.9.4	-	-
1.9.5	-	-
1.10	-	-
1.11	-	-
1.12	-	586,399
1.13	-	-
1.14	-	5,033
II. DISTRIBUTION OF RESERVE		
2.1	-	-
2.2	-	-
2.3	-	-
2.3.1	-	-
2.3.2	-	-
2.3.3	-	-
2.3.4	-	-
2.3.5	-	-
2.4	-	-
2.5	-	-
III. EARNINGS PER SHARE		
3.1	0.4003	0.2824
3.2	40.30	28.24
3.3	-	-
3.4	-	-
IV. DIVIDEND PER SHARE		
4.1	-	-
4.2	-	-
4.3	-	-
4.4	-	-

(*) As of 31 December 2015 when the financial statements has been finalized, the general Assembly meeting did not performed.

(**) Other taxes and duties amount is deferred tax assets which are not used in dividends distribution.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD
FROM 1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

SECTION THREE

ACCOUNTING PRINCIPLES

I. Basis of Presentation

The unconsolidated financial statements are prepared within the scope of the “Regulation on Accounting Applications for Banks and Safeguarding of Documents” related with Banking Act numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006 and other regulations related to reporting principles on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by Banking Regulation and Supervision Authority (together referred as BRSA Accounting and Reporting Legislation) and in case where a specific regulation is not made by BRSA, Turkish Accounting Standards (“TAS”) and Turkish Financial Reporting Standards (TFRS) and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority (“POA”).

The format and content of the publicly announced unconsolidated financial statements and notes to these statements have been prepared in accordance with the “Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements”, published in Official Gazette no. 28337, dated 28 June 2012, and amendments to this Communiqué.

The prior period financial statements are presented in line with the principles of TAS Board No:1 “Fundamentals of Preparing and Presenting Financial Statements” published in the Official Gazette on 16 January 2005 with No: 25702, and in accordance with Turkish Accounting Standards and Turkish Financial Reporting Standards; and other principles, methods and explanations about accounting and financial reporting issued by the BRSA. Certain reclassifications have been made to the prior year financial statements in order to comply with the current year presentation whenever required.

Additional paragraph for convenience of translation into English:

The differences between accounting principles, as described in the preceding paragraphs, and accounting principles generally accepted in countries in which the accompanying unconsolidated financial statements are to be distributed and International Financial Reporting Standards (“IFRS”) have not been quantified in the accompanying unconsolidated financial statements. Accordingly, the accompanying unconsolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

II. Explanations on Usage Strategy of Financial Assets and Foreign Currency Transactions

The Bank aims to develop and promote products for the financial needs of each customer such as SMEs, multinational companies and small individual investors in line with Banking Legislation. The primary objective of the Bank is to increase profitability with optimum liquidity and minimum risk while fulfilling customer needs.

The Bank aims at creating an optimum maturity risk and working with a positive margin between cost of resource and product yield in the process of asset and liability management.

As a component of risk management strategy of the Bank, risk bearing short positions of currency, interest or price movements is performed only by the Treasury Asset-Liability Management using the limits defined by the Board of Directors. The Asset-Liability Committee manages the maturity mismatches while deciding the short, medium and long term strategies as well as adopting the principle of positive balance sheet margin as a pricing policy.

The Board of Directors allows a purchase risk in treasury operations and individual limits are defined by the Board of Directors for each product.

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**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD
FROM 1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

II. Explanations on Usage Strategy of Financial Assets and Foreign Currency Transactions (continued)

At period ends, foreign currency asset and liability balances are valued at the Bank’s period end counter currency buying rates and recognized as a “Foreign exchange gain or loss”.

The Bank’s hedging activities for the currency risk due to foreign currency available-for-sale equity instruments are described under the Currency Risk section; and the Bank’s hedging activities from interest rate risk arising from fixed interest rate deposits and floating interest rate borrowings are described in detail under Interest Rate Risk section.

The Bank’s Asset-Liability Committee approves the trading of various derivative instruments such as currency swaps, forwards and similar derivatives to hedge interest and currency exchange risks in line with the balance sheet structure.

III. Explanations on Investments in Associates, Subsidiaries and Joint Ventures

Based on the TAS 27 “Turkish Accounting Standard for Consolidated and Separate Financial Statements”, Turkish Lira denominated investments in associates and subsidiaries are accounted at cost and are reflected to the unconsolidated financial statements after deducting the provision for impairment, if any.

IV. Explanations on Forward and Option Contracts and Derivative Instruments

Fair values of foreign currency forward and swap transactions are determined by valuating the period end Bank foreign exchange rates with the maturity value discounted to the balance sheet date with the prevailing current market rates. The resulting gain or loss is reflected to the income statement.

In the assessment of fair value of interest rate swap instruments, interest amounts to be paid or to be received due to/from the fixed rate on the derivative contract are discounted to the balance sheet date with the current applicable fixed rate in the market that is prevailing between the balance sheet date and the interest payment date, whereas interest amounts to be paid or to be received due to/from the floating rate on the derivative contract are recalculated with the current applicable market rates that are prevailing between the balance sheet date and the interest payment date and are discounted to the balance sheet date again with the current applicable market rates that are prevailing between the balance sheet date and the interest payment date. The differences between the fixed rate interest amounts and floating rate interest amounts to be received/paid are recorded in the profit/loss accounts in the current period.

The fair value of call and put option agreements are measured at the valuation date by using the current premium values of all option agreements, and the differences between the contractual premiums received/paid and the current premiums measured at valuation date are recognized in the statement of income.

Futures transactions are valued on a daily basis by the primary market prices and related unrealized gains or losses are reflected in the income statement.

The Bank has adopted cash flow hedge accounting. The Bank documents relations between hedging instrument and hedged item on transaction date, in conjunction with strategies on objectives of the Bank's risk management and hedging transactions for hedging purposed transactions. Besides, the Bank that effectively values fair value changes of hedged items that are balanced by derivative transactions for hedging purposes documented regularly. In case that the hedging transactions do not meet the hedging accounting conditions, adjustments to fair value of hedged item, which are rediscounted within days to maturity, are reflected in Income Statement.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
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**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD
FROM 1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

IV. Explanations on Forward and Option Contracts and Derivative Instruments (continued)

While the Bank recognizes the fair value changes of the hedged items in the “Other Interest Income” and “Other Interest Expense” accounts, it recognizes the fair value changes of the hedging instruments related to the same period in the “Gains/(Losses) from Derivative Financial Instruments” account.

Additionally, the difference between the fair value and carrying value of the hedged items as of the application date of hedge accounting is amortized based on their maturities and recognized in “Other Interest Income” and “Other Interest Expense” accounts.

V. Explanations on Interest Income and Expenses

Interest income and expense are recognized in the income statement for all interest bearing instruments whose cash inflows and outflows are known on an accrual basis using the effective interest method. In accordance with the related regulation, realized and unrealized interest accruals of the non-performing loans are reversed and interest income related to these loans are recorded as interest income only when collected.

VI. Explanations on Fees and Commission Income and Expenses

Fees for various banking services and loan origination fees are recorded as income when collected and prepaid commission income on cash and non-cash loans is recorded as income by using effective interest rate in the related period.

Fees and commissions for funds borrowed paid to other financial institutions, as part of the transaction costs, are recorded as prepaid expenses by using effective interest rate and are expensed on the related periods.

The dividend income is reflected to the financial statements when the profit distribution is realized by the associates and subsidiaries.

VII. Explanations on Financial Assets

Financial instruments comprise of financial assets, financial liabilities and derivative instruments. Risks related to these activities form a significant part among total risks the Bank undertakes. Financial instruments affect liquidity, market, and credit risks on the Bank’s balance sheet in all respects. The Bank trades these instruments on behalf of its customers and on its own behalf.

Basically, financial assets create the majority of the commercial activities of the Bank. These instruments expose, affect and diminish the liquidity, credit and interest risks in the financial statements.

All regular way purchases and sales of financial assets are recognized on the settlement date i.e. the date that the asset is delivered to or by the Bank. Settlement date accounting requires (a) accounting of the asset when acquired by the institution and (b) disposing of the asset out of the balance sheet on the date settled by the institution; and accounting of gain or loss on disposal. In case of application of settlement date accounting, the institution accounts for the changes that occur in the fair value of the asset in the period between commercial transaction date and settlement date as in the assets that the institution settles.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
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**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD
FROM 1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

VII. Explanations on Financial Assets (continued)

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Changes in fair value of assets to be received during the period between the trade date and the settlement date are accounted for in the same way as the acquired assets.

The methods and assumptions used in determining the reasonable estimated values of all of the financial instruments are described below.

Cash, Banks, and Other Financial Institutions

Cash and cash equivalents comprise cash on hand, demand deposits, and highly liquid short-term investments with maturity of 3 months or less following the purchase date, not bearing risk of significant value change, and that are readily convertible to a known amount of cash. The book value of these assets approximates their fair values.

Financial Assets at Fair Value through Profit and Loss

Trading securities are securities which were either acquired for generating a profit from short-term fluctuations in price or dealer’s margin, or are securities included in a portfolio with a pattern of short-term profit taking.

Trading securities are initially recognized at cost. Transaction costs of the related securities are included in the initial cost. After the initial recognition, subsequent valuation of financial assets at fair value through profit and loss is performed based on the fair value. The positive difference between the cost and fair value of such securities is accounted for as interest and income accrual, and the negative difference is accounted for as “Impairment Provision on Marketable Securities”. Fair values of debt securities that are traded in an active market are determined based on quoted prices and in the absence of quoted prices, fair value of these securities are determined using the prices declared in the Official Gazette in the absence of a price formed in an active market or other valuation methods stated in TAS are applied.

Held to Maturity Investments and Financial Assets Available for Sale

Investments held to maturity include securities with fixed or determinable payments and fixed maturity where there is an intention of holding till maturity and the relevant conditions for fulfillment of such intention, including the funding ability other than loans and receivables.

Available for sale financial assets include all securities other than loans and receivables, securities held to maturity and securities held for trading.

Marketable securities are initially recognized at cost including the transaction costs.

After the initial recognition, available for sale securities are measured at fair value and the unrealized gain/loss originating from the difference between the amortized cost and the fair value is recorded in “Marketable Securities Valuation Differences” under the equity. Fair values of debt securities that are traded in an active market are determined based on quoted prices or current market prices. In the absence of prices formed in an active market, fair value of these securities is determined using the prices declared in the Official Gazette or other valuation methods stated in TAS.

After initial recognition, held to maturity investments are measured at amortized cost by using effective interest rate less impairment losses, if any.

The interests received from held to maturity investments are recorded as interest income.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
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**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD
FROM 1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

VII. Explanations on Financial Assets (continued)

Held to Maturity Investments and Financial Assets Available for Sale (continued)

There are no financial assets that have been previously classified as held to maturity investments but cannot be currently classified as held to maturity for two years due to “tainting” rule.

The Bank classifies its securities as referred to above at the acquisition date of related assets.

The sale and purchase transactions of the held to maturity investments are recorded on a settlement date basis.

Loans and Provisions for Impairment

Loans are non-derivative financial assets to fund borrowers with fixed or determinable payment terms which are not traded on an active market and are not classified as trading or held for sale.

The Bank initially records loans and receivables at cost. In subsequent periods, in accordance with TAS, loans are measured at amortized cost using effective interest rate method.

Provision is set for the loans that may be doubtful and the amount is charged in the current period income statement. The provisioning criteria for non-performing loans are determined by the Bank’s management for compensating the probable losses of the current loan portfolio, by evaluating the quality of loan portfolio, risk factors and considering the economic conditions, other facts and related regulations.

Specific reserves are provided for Group III, IV and V loans in accordance with the regulation on “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” published in the Official Gazette No. 26333 dated 1 November 2006. These provisions are reflected in the income statement under “Provision and Impairment Expenses - Special Provision Expense”. The collections made regarding these loans are first deducted from the principal amount of the loan and the remaining collections are deducted from interest receivables.

The collections made related to loans for which provision is made in the current period are reversed from the “Provision for Loan Losses and Other Receivables” account in the income statement, and related interest income is credited to the “Interest Received from Non-performing Loans” account.

Current period provisions are booked in “Provision for Loan Losses and Other Receivables” account. If the provisions for the receivables that had been realised in earlier periods are collected in current year, reversals of specific provisions are booked in “Other Operating Income”. Income realized through the sale of non-performing loans are booked in “Other Operating Income” account.

In addition to specific loan loss provisions, within the framework of the regulation and principles referred to above; the Bank records general loan loss provision for loans and other receivables.

The Bank has reflected in related period financial statements the general provision difference calculated for standard and under close monitoring loans with the mentioned ratios and provided until 31 December 2015 according to change in paragraph 7, article 1 of Communiqué on “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” dated 21 September 2012, numbered 28418.

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VIII. Explanations on Impairment of Financial Assets

At each balance sheet date, the Bank evaluates the carrying amounts of its financial asset or a group of financial assets to determine whether there is an objective indication that those assets have suffered an impairment loss or not. If any such indication exists, the Bank determines the related impairment.

A financial asset or a financial asset group incurs impairment loss only if there is an objective indicator related to the occurrence (or nonoccurrence) of one or more than one event (“loss event”) after the first recognition of that asset; and such loss event (or events) causes, an impairment as a result of the effect on the reliable estimate of the expected future cash flows of the related financial asset and asset group. Irrespective of high probability the expected losses caused by the future events are not journalized.

IX. Explanations on Offsetting of Financial Assets and Liabilities

Financial assets and liabilities are offset when the Bank has a legally enforceable right to set off, and the intention of collecting or paying the net amount of related assets and liabilities or the right to offset the assets and liabilities simultaneously.

X. Explanations on Sales and Repurchase Agreements and Lending of Securities

The sales and purchase of government securities under repurchase agreements made with the customers are recorded in balance sheet accounts in accordance with the Uniform Chart of Accounts. Accordingly in the financial statements, the government bonds and treasury bills sold to customers under repurchase agreements are classified under securities held for trading, available for sale and held to maturity depending on the portfolio they are originally included in and are valued according to the valuation principles of the related portfolios. Funds obtained from repurchase agreements are classified as a separate sub-account under money markets borrowings account in the liabilities.

These transactions are short-term and consist of domestic public sector debt securities.

The income and expenses from these transactions are reflected to the “Interest Income on Marketable Securities” and “Interest Expense on Money Market Borrowings” accounts in the income statement.

As of 31 December 2015, the Bank does not have any reverse repo transaction (31 December 2014: TL550,169).

As of 31 December 2015, the Bank does not have any marketable securities lending transaction (31 December 2014: None).

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XI. Explanations on Assets Held for Sale, Discontinued Operations and Liabilities Related to Those Assets

Assets held for sale are those under a plan prepared by the management regarding the sale of the asset to be disposed (or else the group of assets), together with an active program for determination of buyers as well as for the completion of the plan. Also the asset (or else the group of assets) shall be actively marketed in conformity with its fair value. On the other hand, the sale is expected to be journalized as a completed sale within one year after the classification date; and the necessary transactions and procedures to complete the plan should demonstrate the fact that the possibility of making significant changes or canceling the plan is low.

As of 31 December 2015, assets held for sale and discontinued operations of the Bank are TL71,874 (31 December 2014: TL79,466). As per the appraisals performed for the real estates held for sale included “Assets Held for Sale” in the financial statements, TL1,480 (31 December 2014: TL2,064) has been reserved as provision for impairment losses.

XII. Explanations on Goodwill and Other Intangible Assets

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. In the merger transaction where acquirer and acquiree exchange equity instruments, it is taken into account the fair value of equity shares exchanged and the difference between such amount and fair value of the acquiree's identifiable net asset value is accounted as goodwill. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the acquirer shall report in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the acquirer shall retrospectively adjust the provisional amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date. During the measurement period, the acquirer shall also recognize additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date. The measurement period shall not exceed one year from the acquisition date.

Goodwill arising on an acquisition of a business or a merger is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Bank's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the income statement. An impairment loss recognized for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

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XII. Explanations on Goodwill and Other Intangible Assets (continued)

Under the Banking Regulation and Supervision Agency decision dated 10 February 2011 and the release of decision in Official Newspaper 12 February 2011 dated and numbered as 27844, all rights, receivables, assets and liabilities of Fortis Bank A.Ş. would be transferred to the Bank as stated in Istanbul Commerce Trade dated 14 February 2011.

Within the framework of TFRS 3 “Business Combination”, identifiable assets and liabilities acquired at the merger date are measured at their acquisition date fair value. The resulting difference of TL48,783 is shown in related assets and liability section, the equity impact is shown under other shareholder’s equity section. The amount of TL421,124, which is the difference between TL2,385,482 which is the fair value of transferred amount and TL1,964,358 which is the identifiable net asset value is accounted as goodwill in the financial statements of the Bank and the equity impact is shown under other shareholder’s equity section.

Intangible assets are accounted for at restated cost until 31 December 2004 in accordance with inflation accounting and are amortized with straight-line method, after 31 December 2004 the acquisition cost and any other cost incurred so as to prepare the intangible asset ready for use less reserve for impairment, if any, and amortized on a straight-line method. The cost of assets subject to amortization is restated after deducting the exchange differences, capitalized financial expenses and revaluation increases, if any, from the cost of the assets.

The other intangible assets of the Group comprise mainly software. The useful lives of such assets acquired are determined as 3-5 years by taking into consideration the expected utilization period, technical, technological or any other impairment and maintenance expenses necessary for the economic use of such assets. Software used are mainly developed within the Bank by the Bank’s personnel and the related expenses are not capitalized.

There are no anticipated changes in the accounting estimates about the amortization rate and amortization method and residual values that would have a significant impact in the current and future periods.

XIII. Explanations on Tangible Fixed Assets

Properties are accounted for at their restated costs until 31 December 2004; after that the acquisition cost and any other cost incurred so as to prepare the fixed asset ready for use are reflected, less reserve for impairment, if any. The straight-line method of depreciation is used for buildings and useful life is considered as 50 years.

Other tangible fixed assets are accounted for at their restated costs until 31 December 2004; afterwards the acquisition cost and any other cost incurred so as to prepare the fixed asset ready for use are reflected less reserve for impairment, if any, and depreciated on a straight-line method. Depreciation of assets held less than one year as of the balance sheet date is accounted for proportionately. No amendment has been made to the depreciation method in the current period. The annual rates used, which approximate rates based on the estimated economic useful lives of the related assets, are as follows:

	%
Buildings	2
Motor Vehicles	10-20
Furniture, Fixtures and Office Equipment and Others	2-50

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XIII. Explanations on Tangible Fixed Assets (continued)

Gain or loss resulting from disposals of the tangible fixed assets is reflected to the income statement as the difference between the net proceeds and net book value.

Maintenance costs of tangible fixed assets are capitalized if they extend the economic useful life of related assets. Other maintenance costs are expensed.

There are no pledges, mortgages or other restrictions on the tangible fixed assets.

There is no purchase commitments related to the tangible fixed assets.

There are no anticipated changes in the accounting estimates, which could have a significant impact in the current and future periods.

The Bank employs independent appraisers in determining the current fair values of its real estates when there is any indication of impairment in value of real estates.

XIV. Explanations on Leasing Transactions

Tangible fixed assets acquired by financial leases are accounted for in accordance with TAS No: 17. In accordance with this standard, the leasing transactions, which consist of only foreign currency liabilities, are translated to Turkish Lira with the exchange rates prevailing at the transaction dates and they are recorded as an asset or a liability. The foreign currency liabilities are translated to Turkish Lira with the Bank’s period end exchange rates. The increases/decreases resulting from the differences in the foreign exchange rates are recorded as expense/income in the relevant period. The financing cost resulting from leasing is distributed through the lease period to form a fixed interest rate.

In addition to the interest expense, depreciation expense is recorded for the depreciable leased assets in each period. The depreciation rate is determined in accordance with TAS No: 16 "Accounting Standard for Tangible Fixed Assets" by taking the useful lives into account.

Operating lease payments are recognized as expense in the income statement on a straight line basis over the lease term.

The Bank does not have any leasing transactions as “Lessor”.

XV. Explanations on Provisions and Contingent Liabilities

Provisions are recognized when there is a present obligation, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by using the Bank’s best expectation of expenses in fulfilling the obligation, and discounted to present value if material. Provisions and contingent liabilities, excluding Specific and general provisions for loans and other receivables, are recognized in accordance with the Turkish Accounting Standards (“TAS 37”) regarding “Provisions, Contingent Liabilities and Contingent Assets”

The inspection of the Competition Board that was conducted to determine whether active 12 banks in Turkey are in agreement and concerted practice in loan and credit card services sector and thus violated Article 4 of the Law on Protection of Competition (no 4054) was completed on March 8, 2013. As a result of inspection, it has been agreed by a majority to impose an administrative fine of TL10,669 to the Bank on the condition that the decision can be appealed against before Ankara Administrative Court. The penalty paid as TL8,002 on 22 July 2013 as three fourths of the main penalty as per Article 17 of the Misdemeanors Law, no 5326, was paid on 16 August 2013. The Bank filed the annulment action over the file no.2014/7E Ankara 2nd Administrative Court against the decision about the administrative fines imposed by Competition Board at Ankara Administrative Court on 19 September 2013 and the case has been dismissed and it has been lodged an appeal with the supreme court in time.

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XVI. Explanations on Liabilities Regarding Employee Benefits

Defined Benefit Plans

In accordance with existing social legislation in Turkey, the Bank is required to make lump-sum termination indemnities over a 30 day salary to each employee who has completed over one year of service, whose employment is terminated due to retirement or for reasons other than resignation or misconduct, and due to marriage, female employees terminating their employments within a year as of the date of marriage, or male employees terminating their employments due to their military service. The Bank is also required to make a payment for the period of notice calculated over each service year of the employee whose employment is terminated for reasons other than resignation or misconduct. Total benefit is calculated in accordance with TAS No:19 “Turkish Accounting Standard on Employee Benefits”.

Such benefit plans are unfunded since there is no funding requirement in Turkey. The cost of providing benefits to the employees for the services rendered by them under the defined benefit plan is determined by independent actuaries annually using the projected unit credit method.

In calculating the related liability to be recorded in the financial statements for these defined benefit plans, the Group uses independent actuaries and also makes assumptions and estimation relating to the discount rate to be used, turnover of employees, future change in salaries/limits, etc. These estimations are reviewed annually. The carrying value of provision for employee termination benefits as of 31 December 2015 is TL97,727 (31 December 2014: TL97,662).

	31 December 2015	31 December 2014
Discount Rate (%)	10.30	8.60
Expected Inflation Rate (%)	5.00	5.00
Salary Increase Rate above Inflation Rate (%)	1.00	1.00

Communiqué on “Turkish Accounting Standard (TAS19) about Benefits for Employee (No:9)” published in Official Gazette by Public Oversight Accounting and Auditing Standards Authority (POA) on 12 March 2013 numbered 28585, was entered into force for the account periods starting after 31 December 2012 on accounting treatment of actuarial profit and loss resulting from changes in actuarial assumptions or differences between actual and actuarial assumptions. For the period of 1 January – 31 December 2015, actuarial profit amounting to TL17,707 (1 January - 31 December 2014: TL11,396) was classified as “Other Comprehensive Income” and as of 31 December 2015, a total of TL37,953 (31 December 2014: TL20,246) actuarial profit was accounted under “Other Reserves”.

Employees transferred to the Bank following the business combination defined in “General Information” of the Bank and Fortis Bank A.Ş. are the members of “Türk Dış Ticaret Bankası Mensupları Pension Fund Foundation” (the “Pension Fund”) which was established in May 1964 under the Provisional Article 20 of Social Insurance Law No: 506. Technical financial statements of the Pension Fund are audited by a licensed actuary in accordance with Article 38 of the Insurance Supervisory Law and the “Actuary Regulations” issued based on the same article. As of 31 December 2015, the Pension Fund has 2,006 employees and 997 pensioners (31 December 2014: 2,166 employees and 959 pensioners).

Provisional Article 23 (1) of Banking Law No: 5411 (the “Banking Law”) published in the Official Gazette repeated no: 25983 on 1 November 2005 requires the transfer of bank funds to the Social Security Institution (the “SSI”) within 3 years after the effective date of the Banking Law and the related paragraph also sets out the basis for the related transfer. However, Article 23 (1) of Banking Law No: 5411 was annulled based on the Constitutional Court’s ruling issued on 22 March 2007 and ruled for the stay of execution as of 31 March 2007. The related Court ruling and its basis were published in the Official Gazette No: 26731 on 15 December 2007.

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XVI. Explanations on Liabilities Regarding Employee Benefits (continued)

Following the publication of the said decree of the Constitutional Court, the Turkish Grand National Assembly (the “TGNA”) initiated its studies on the development of new regulations in regards to the transfer of bank pension participations to the SSI and the related articles of the Social Security Law that are set out to determine the basis of fund transfers and new regulations became effective with its publication in the Official Gazette No: 26870 on 8 May 2008 and the completion of the transfer within 3 years starting from 1 January 2008. Upon the Council of Ministers’ resolution issued in the Official Gazette, the transfer period has been extended for 2 years as of 14 March 2011. According to amendment on the social security and general health insurance law published in the Official Gazette dated 8 March 2012 numbered 6283, mentioned 2-year transfer period has been increased to 4 years. Upon the Council of Ministers’ resolution dated 24 February 2014 issued in the Official Gazette No:28987 on 30 April 2014, mentioned transfer period has been extended for one more year while it has been extended for one year upon the Council of Ministers’ resolution dated 08 April 2013 issued in the Official Gazette No:28636 on 3 May 2013. The Council of Ministers has been lastly authorized to determine the transfer date in accordance with the last amendment in the first paragraph of the 20th provisional article of Law No.5510 implemented by the Law No. 6645 on Amendment of the Occupational Health and Safety Law and Other Laws and Decree Laws published in the Official Gazette dated 23 April 2015 numbered 29335.

The technical financial statements of the Pension Fund are prepared by an independent actuary company considering related regulation and the Fund is not required to provide any provisions for any technical or actual deficit in the financial statements based on the actuarial report prepared as of 31 December 2015. Since the Bank has no legal rights to carry the economic benefits arising from repayments of Pension Funds and/or decreases in future contributions at present value; no asset has been recognized in the balance sheet.

Since the Bank management anticipates that any potential liability that may be incurred during or after the transfer within the above-mentioned limits will be likely recoverable, they believe such liabilities will not bring any additional liability to the Bank.

Defined Contribution Plans

Based on the decision of the Foundation’s Extraordinary General Assembly and approval by the Board of Directors of the Bank, Güvenlik Vakfı a second foundation whose members joined the bank after the merger with Fortis Bank, transferred the retirement commitments to Individual Pension System after necessary legal procedures has been completed at 31 March 2014. From this date on, contributions by the bank to the Güvenlik Vakfı has been ended.

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XVII. Explanations on Taxation

Corporate tax

According to the Article 32 of the Corporate Tax Law No. 5520, announced in the Official Gazette dated 21 June 2006, the corporate tax rate is 20%.

The tax legislation requires advance tax of 20% to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset from the final tax liability for the year. On the other hand, corporate tax and any related taxes paid to foreign tax offices for the income obtained from foreign branches are offset against the corporate tax levied in Turkey.

75% of participation shares held at least for two years and 75% of sale proceeds of real estate, to the extent that they are included in capital as required in Corporate Tax Law or they are retained in a special fund liability account for 5 years, and 75% of sale proceeds of real estate received from bank receivables are exempt from corporate taxation.

Tax returns are required to be filed between the first and twenty-fifth day of the fourth month following the balance sheet date and paid in one installment until the end of the related month.

According to the Corporate Tax Law, tax losses can be carried forward for a maximum period of five years following the year in which the losses are incurred. Tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

Deferred Tax Liability / Asset

The Bank calculates and reflects deferred tax asset or liability on timing differences which will result in taxable or deductible amounts in determining taxable profit of future periods.

As of 31 December 2015 and 31 December 2014, in accordance with TAS No: 12 “Turkish Accounting Standard on Income Taxes” and the changes in the circular of BRSA numbered BDDK.DZM.2/13/1-a-3 dated 8 December 2004, the Bank calculated deferred tax asset on all deductible temporary differences except for general loan reserves, if sufficient taxable profit in future periods to recover such amounts is probable; as well as deferred tax liability on all taxable temporary differences. Deferred tax assets and liabilities are shown in the accompanying financial statements on a net basis.

After net off the net deferred tax asset is presented as deferred tax asset on the balance sheet and net deferred tax liability presented as deferred tax liability on balance sheet. Deferred tax benefit has been presented on statement of profit and loss amounting to TL27,074 (30 December 2014: TL60,999). Portion of deferred tax accounted for under equity related to valuation differences which is presented in the table below has been netted and presented within relevant accounts in statement of profit and loss accounted for under equity.

	Current Period	Prior Period
Available-for-sale financial assets	(4,344)	(18,722)
Cash flow hedge	(35,265)	23,076
Actuarial profit or loss	(4,427)	(2,849)
Total	(44,036)	1,505

Furthermore, as per the above circular of BRSA, deferred tax benefit balance resulting from netting of deferred tax assets and liabilities should not be used in dividend distribution and capital increase.

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XVIII. Additional Explanations on Borrowings

The borrowing costs related to purchase, production, or construction of qualifying assets that require significant time to be prepared for use and sale are included in the cost of assets until the relevant assets become ready to be used or to be sold. Financial investment income obtained by temporary placement of undisbursed investment loan in financial investments is offset against borrowing costs qualified for capitalization.

All other borrowing costs are recorded to the income statement in the period they are incurred.

Debt securities issued by the Bank are accounted at amortized cost using effective interest rate method.

The Bank has not issued convertible bonds.

XIX. Explanations on Issued Share Certificates

Following announcement of the Banking Regulation and Supervision Agency approval dated 10 February 2011 at the Official Gazette dated 12 February 2011 and numbered 27844, merger of two bank by means of transfer of all rights, receivables, liabilities and obligations to the Bank by dissolution of Fortis Bank A.Ş. has been effectuated with the relevant registration dated 14 February 2011 to İstanbul Trade Registry. Due to the merger, ceiling for the registered capital of the Bank is increased from TL1,400,000 to TL2,204,390 and the issued capital of the Bank is increased by TL1,104,390 from TL1,100,000 to TL2,204,390.

XX. Explanations on Acceptances

Acceptances are realized simultaneously with the payment dates of the customers and they are presented as probable commitments in off-balance sheet accounts.

XXI. Explanations on Government Incentives

There are no government incentives utilized by the Bank.

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XXII. Explanations on Reporting According to Segmentation

The Bank mainly operates in retail and corporate banking segments.

Current Period	Retail	Corporate	SME	Treasury/ Head Office	Total
Net interest income	460,987	251,280	1,077,191	1,284,703	3,074,161
Net fees and commissions income and other operating income	260,549	172,363	569,549	307,584	1,310,045
Trading profit / loss	1,695	(87)	(75)	(555,036)	(553,503)
Dividend income	-	-	-	20,671	20,671
Impairment provision for loans and other receivables (-)	174,242	124,593	492,639	132,046	923,520
Other operating expenses (-)	405,636	42,180	517,767	1,171,209	2,136,792
Profit before taxes from continued operations	143,353	256,783	636,259	(245,333)	791,062
Tax provision from continued operations (-)	-	-	-	179,847	179,847
Profit before taxes from discontinued operations	-	-	-	285,514	285,514
Tax provision from discontinued operations (-)	-	-	-	14,276	14,276
Net profit for the period	143,353	256,783	636,259	(153,942)	882,453

Current Period	Retail	Corporate	SME	Treasury/ Head Office	Total
Segment assets	12,237,860	12,014,856	24,743,720	22,847,915	71,844,351
Investments in associates, subsidiaries and jointly controlled entities	-	-	-	115,991	115,991
Total Assets	12,237,860	12,014,856	24,743,720	22,963,906	71,960,342
Segment liabilities	26,884,205	8,945,692	8,354,559	20,814,062	64,998,518
Shareholders' equity	-	-	-	6,961,824	6,961,824
Total Liabilities	26,884,205	8,945,692	8,354,559	27,775,886	71,960,342

Prior Period	Retail	Corporate	SME	Treasury/ Head Office	Total
Net interest income	377,536	208,975	893,452	1,084,542	2,564,505
Net fees and commissions income and other operating income	223,494	153,419	430,871	283,968	1,091,752
Trading profit / loss	269	594	(1,005)	(356,539)	(356,681)
Dividend income	-	-	-	19,278	19,278
Impairment provision for loans and other receivables (-)	145,306	31,650	283,474	105,173	565,603
Other operating expenses (-)	353,185	44,133	458,668	1,102,210	1,958,196
Profit before taxes	102,808	287,205	581,176	(176,134)	795,055
Tax provision (-)	-	-	-	172,495	172,495
Net profit for the period	102,808	287,205	581,176	(348,629)	622,560

Prior Period	Retail	Corporate	SME	Treasury/ Head Office	Total
Segment assets	11,193,768	9,764,889	20,839,272	21,016,715	62,814,644
Investments in associates, subsidiaries and jointly controlled entities	-	-	-	177,245	177,245
Total Assets	11,193,768	9,764,889	20,839,272	21,193,960	62,991,889
Segment liabilities	22,988,933	9,472,711	6,826,822	17,800,444	57,088,910
Shareholders' equity	-	-	-	5,902,979	5,902,979
Total Liabilities	22,988,933	9,472,711	6,826,822	23,703,423	62,991,889

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XXIII. Explanations on Other Matters

It has been resolved in the Ordinary General Assembly dated 30 March 2015 the Bank, TL622,560 that constitutes the 2014 net balance sheet profit shall be transferred to the extraordinary reserves after setting aside, in accordance with the proposal in the resolution of the Board of Directors, TL31,128 as legal reserves, TL0.50 (full TL) as profit distributed to the holders of the founder jouissance certificates, TL0.06 (full TL) as legal reserves and TL5,033 as tangible and intangible assets revaluation funds.

XXIV. Classification

None.

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SECTION FOUR

INFORMATION ON FINANCIAL STRUCTURE

I. Explanations Related to Capital Adequacy Standard Ratio

The method used for risk measurement in determining capital adequacy standard ratio; Capital Adequacy Standard Ratio is calculated in accordance with "Communiqué on Measurement and Assessment of Capital Adequacy of Banks ", "Communiqué on Credit Risk Mitigation Techniques", "Communiqué on Calculation of Risk Weighted Amounts for Securitizations" published on 6 September 2014 and Official Gazette numbered 29111 and "Communiqué on Equities of Banks" published on 5 September 2013 in the Official Gazette numbered 28756. The Bank's unconsolidated capital adequacy ratio is occurred 13.94% (31 December 2014: 13.96%) in accordance with the related Communiqué as of 31 December 2015.

In the computation of capital adequacy standard ratio, information prepared in accordance with statutory accounting data which is included in the calculation of credit and market risks classified as "Trading Accounts" and "Banking Accounts" according to the Regulation, is used.

Trading Accounts and the values deducted from the capital base in the shareholders' equity computation are excluded in calculation of risk-weighted assets, non-cash loans and contingent liabilities. Assets subject to depreciation and impairment among risk-weighted assets are included in the calculations over their net book values after deducting the relative depreciations and provisions.

Trading Accounts Counterparty receivables related to non-cash loans is multiplied with the loan conversion rates presented in article 5 of "Communiqué on Measurement and Assessment of Capital Adequacy of Banks" and risk mitigation is applied in accordance with "Communiqué on Credit Risk Mitigation Techniques", calculated by applying the risk weights presented in the article 6 of the Regulation and weighted as per Appendix-1 of the Regulation.

In calculation of the basis of the value at credit risk for the derivative financial instruments and the receivables from counterparties indicated on the bank accounting are multiplied by the rates presented in the Appendix-2 of the "Communiqué on Measurement and Assessment of Capital Adequacy of Banks", is subjected to risk reduction presented in "Communiqué on Credit Risk Mitigation Techniques " and then included in the relevant exposure category presented in the article 6 of the "Communiqué on Measurement and Assessment of Capital Adequacy of Banks" and weighted to risk weight classification indicated as per Appendix-1 of the Regulation.

According to the Clause 7 of the " Communiqué on Measurement and Assessment of Capital Adequacy of Banks" presented in the article 5 of the regulation, "counterparty credit risk" is calculated for repurchase transactions, marketable securities and commodity market transactions.

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I. Explanations Related to Capital Adequacy Standard Ratio (continued)

Information related to the capital adequacy ratio:

Current Period-31 December 2015	Risk Weight									
	0%	10%	20%	50%	75%	100%	150%	200%	250%	1250%
Value at Credit Risk Exposure Categories										
Conditional and unconditional receivables from central governments or central banks	16,078,484	-	-	-	-	150,855	-	-	79,784	-
Conditional and unconditional receivables from regional or local Governments	-	-	341,371	-	-	58	-	-	-	-
Conditional and unconditional receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from multilateral development Banks	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage Houses	-	-	2,472,095	1,271,895	-	630,672	2,128	-	-	-
Conditional and unconditional receivables from corporate	-	-	-	-	-	24,399,396	-	-	-	-
Conditional and unconditional retail Receivables	-	-	-	-	21,070,155	432,691	-	-	-	-
Conditional and unconditional receivables secured by mortgages	-	-	-	9,824,854	-	-	-	-	-	-
Past due receivables	-	-	-	45,586	-	272,105	75,605	-	-	-
Receivables defined in high risk category by BRSA	-	-	-	7,104	-	1,657	1,744,068	2,484,779	3,576	-
Securities collateralized by mortgages	-	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporate	-	-	-	-	-	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-
Other receivables	793,893	-	37,571	-	-	998,552	-	-	-	-
Total Value at Risk	16,872,377	-	2,851,037	11,149,439	21,070,155	26,885,986	1,821,801	2,484,779	83,360	-
Total Risk Weighted Assets	-	-	570,207	5,574,720	15,802,616	26,885,986	2,732,702	4,969,558	208,400	-

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I. Explanations Related to Capital Adequacy Standard Ratio (continued)

Information related to the capital adequacy ratio: (continued)

Prior Period-31 December 2014	Risk Weight									
	0%	10%	20%	50%	75%	100%	150%	200%	250%	1250%
Value at Credit Risk Exposure Categories										
Conditional and unconditional receivables from central governments or central banks	14,071,345	-	-	-	-	108,456	-	-	96,746	-
Conditional and unconditional receivables from regional or local Governments	-	-	346,119	-	-	-	-	-	-	-
Conditional and unconditional receivables from administrative units and non-commercial enterprises	-	-	-	-	-	2	-	-	-	-
Conditional and unconditional receivables from multilateral development Banks	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage Houses	-	-	1,313,765	1,060,726	-	459,380	4,621	-	-	-
Conditional and unconditional receivables from corporate	-	-	-	-	-	20,385,120	-	-	-	-
Conditional and unconditional retail Receivables	-	-	-	-	19,596,979	407,035	-	-	-	-
Conditional and unconditional receivables secured by mortgages	-	-	-	5,848,221	-	-	-	-	-	-
Past due receivables	-	-	-	20,149	-	254,414	125,331	-	-	-
Receivables defined in high risk category by BRSA	-	-	-	7,753	-	2,127	1,526,331	2,715,622	1,705	-
Securities collateralized by mortgages	-	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporate	-	-	-	-	-	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-
Other receivables	770,710	-	29,849	-	2	1,292,129	-	-	-	-
Total Value at Risk	14,842,055	-	1,689,733	6,936,849	19,596,981	22,908,663	1,656,283	2,715,622	98,451	-
Total Risk Weighted Assets	-	-	337,947	3,468,425	14,697,736	22,908,663	2,484,425	5,431,244	246,128	-

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I. Explanations Related to Capital Adequacy Standard Ratio (continued)

Summary information related to the capital adequacy ratio:

	Current Period	Prior Period
Capital Requirement for Credit Risk (Value at Credit Risk*0.08) (CRCR)	4,539,535	3,965,965
Capital Requirement for Market Risk (CRMR)	65,397	59,032
Capital Requirement for Operational Risk (CROR) (*)	411,557	337,591
Total Capital	8,740,676	7,614,824
Total Capital /(((CRCR+CRMR+CROR)*12.5)*100)	13.94	13.96
Tier 1 Capital/(((CRCR+CRMR+CROR)*12.5)*100)	10.42	10.26
Common Equity Tier 1 Capital/(((CRCR+CRMR+CROR)*12.5)*100)	10.42	10.26

(*) Operational risk has been calculated by using the Basic Indicator Approach.

Information related to the components of shareholders' equity:

	Current Period	Prior Period
	31.12.2015	31.12.2014
Common Equity Tier 1 Capital		
Paid-in Capital to be Entitled for Compensation after All Creditors	2,404,652	2,404,652
Share Premium	2,565	2,565
Share Cancellation Profits	-	-
Reserves	3,467,589	2,801,333
Income recognized under equity in accordance with TAS	97,024	91,991
Profit	891,950	632,057
Current Period's Profit	882,453	622,560
Prior Period's Profit	9,497	9,497
General Reserves for Possible Losses	-	-
Bonus Shares from Associates, Subsidiaries and Joint-Ventures not Accounted in Current Period's Profit	527	527
Common Equity Tier 1 Capital Before Deductions	6,864,307	5,933,125
Deductions from Common Equity Tier 1 Capital		
Net loss for the prior year losses and uncovered portion of the total reserves and losses that are recognized under equity in accordance with TAS (-)	1,435	18,811
Leasehold Improvements on Operational Leases (-)	75,489	79,750
Goodwill and intangible asset and the related deferred tax liability (-)	256,490	238,870
Net Deferred Tax Asset / Liability (-)	-	-
Excess amount expressed in the law (Article 56 4th paragraph) (-)	-	-
Bank's direct or indirect investments on its own Tier 1 Capital (-)	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions (amount above 10% threshold) of Tier 1 Capital	-	-
Mortgage servicing rights (amount above 10% threshold) of Tier 1 Capital	-	-
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-
Amounts exceeding 15% of Tier 1 Capital according to Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (2nd article temporary second paragraph (-)	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	-
Amounts related to mortgage servicing rights (-)	-	-
Excess amount of deferred tax assets from temporary differences (-)	-	-
Other Items Determined by BRSA (-)	-	-
The amount to be deducted from common equity tier 1 capital (-)	-	-
Total Deductions from common equity tier 1 Capital	333,414	337,431
Total Common Equity Tier 1 Capital	6,530,893	5,595,694

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I. Explanations Related to Capital Adequacy Standard Ratio (continued)

Information on components of shareholders’ equity: (continued)

	Current Period 31.12.2015	Prior Period 31.12.2014
Additional Tier 1 Capital		
Premiums that are not included in Common Equity Tier 1 capital	-	-
Bank’s borrowing instruments and related issuance premium (issued/procured after 1.1.2014)	-	-
Bank’s borrowing instruments and related issuance premium (issued/procured before 1.1.2014)	210,420	232,440
Additional Tier 1 Capital before deductions	210,420	232,440
Deductions from Additional Tier 1 Capital		
Bank’s a direct or indirect investment in Tier 1 Capital (-)	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of Common Equity Tier I Capital (-)	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital (-)	-	-
Other Items Determined by BRSA (-)	-	-
The amount to be deducted from Additional Tier 1 Capital (-)	-	-
Total Deductions from Additional Tier 1 Capital	-	-
Total Additional Tier 1 Capital	210,420	232,440
Deductions From Tier 1 Capital		
The amount related to goodwill or other intangible assets not deducted from Common Equity Tier 1 Capital (-)	210,420	232,440
The amount related to deferred tax assets not deducted from Common Equity Tier 1 Capital (-)	-	-
Tier 1 Capital	6,530,893	5,595,694
Tier 2 Capital		
Bank’s borrowing instruments and related issuance premium (issued after 1.1.2014)	-	-
Bank’s borrowing instruments and related issuance premium (issued before 1.1.2014)	1,526,571	1,419,147
Pledged assets of the shareholders to be used for the Bank’s capital increases	-	-
General Provisions	698,089	609,538
Tier 2 Capital Before Deductions	2,224,660	2,028,685
Deductions From Tier 2 Capital		
Bank’s direct or indirect investment in Tier 2 Capital (-)	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of Common Equity Tier I Capital (-)	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Core Capital and Tier II Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of Tier I Capital (-)	-	-
Other Items Determined by BRSA (-)	-	-
Total Deductions From Tier 2 Capital	-	-
Tier 2 Capital	2,224,660	2,028,685

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I. Explanations Related to Capital Adequacy Standard Ratio (continued)

Information on components of shareholders’ equity: (continued)

	Current Period 31.12.2015	Prior Period 31.12.2014
TOTAL CAPITAL BEFORE REGULATORY DEDUCTIONS	8,755,553	7,624,379
Loan granted to Customer against the Articles 50 and 51 of the Banking Law	11,651	6,347
Net Book Values of Immovables Exceeding 50% of the Equity and of Assets Acquired against Overdue Receivables and Held for Sale as per the Article 57 of the Banking Law but Retained More Than Five Years (-)	3,188	3,192
Loans extended to banks, financial institutions (domestic and abroad) and qualified shareholders, like secondary subordinated loan and debt instruments purchased from these institutions issued, like primary and secondary subordinated loan (-)	-	-
Securitization positions that is deducted -preferably- from the shareholders' equity (Article 20 paragraph 2) (-)	-	-
Other items to be defined by BRSA (-)	38	16
Portion of the total of net long positions of investments made in Common Equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank not to be deducted from the Common Equity, Additional Tier I Capital, Tier II Capital as per the 1st clause of the Provisional Article 2 of the Regulation on the Equity of Banks. (-)	-	-
Portion of the total of net long positions of direct or indirect investments made in Additional Tier I and Tier II Capital items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank not to be deducted from the Additional Tier I Capital and Tier II Capital as per the 1st clause of the Provisional Article 2 of the Regulation on the Equity of Banks. (-)	-	-
Portion of the total of net long positions of investments made in Common Equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital, deferred tax assets based on temporary differences and mortgage servicing rights not deducted from Common Equity as per the 1st and 2nd Paragraph of the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks (-)	-	-
TOTAL CAPITAL	8,740,676	7,614,824
Amounts below deduction thresholds		
Amounts arising from the net long positions of investments made in Total Capital items of banks and financial institutions where the Bank owns 10% or less of the issued common share capital	84,269	9,226
Amounts arising from the net long positions of investments made in Tier I Capital items of banks and financial institutions where the Bank owns 10% or more of the issued common share capital	-	-
Mortgage servicing rights	-	-
Deferred tax assets arising from temporary differences (net of related tax liability)	79,784	96,746

Information related to the components of shareholders’ equity:

	Amount To Be Considered In Equity Calculation In Current Period	Total
Minority shares in Common Equity Tier 1 Capital	-	-
Third parties in Additional Tier 1 Capital	-	-
Third parties in Tier 2 Capital	-	-
Bank's borrowing instruments and related premium (issued before 01.01.2015) (*)	483,966	667,483

(*) Borrowing instruments that are not compliant with the article 7&8 of the Communiqué on Equities of Banks will be deducted 10% for each year starting from 1 January 2015.

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I. Explanations Related to Capital Adequacy Standard Ratio (continued)

Information related to the components of shareholders' equity:

Investor	IFC	BNP Paribas	BNP Paribas	EBRD	BNP Paribas	EBRD
Unique identifier (e.g. CUSIP, ISIN)	-	XS0700889081	XS0808626013	XS0780562665	XS0947781315	XS0947781828
Governing law(s) of the instrument	Turkey	Turkey	Turkey	Turkey	Turkey	Turkey
Regulatory treatment						
Subject to 10% deduction as of 1/1/2015	Yes	No	No	Yes	No	Yes
Eligible at solo/ group/ group & solo	Available	Available	Available	Available	Available	Available
Instrument type	Credit	Borrowing	Borrowing	Borrowing	Borrowing	Borrowing
Amount recognised in regulatory capital (TL)						
Currency in mil, as of most recent reporting date)	210.4	542.7	315.7	136.8	394.7	136.8
Par value of instrument (TL Currency in mil)	290.2	552.5	315.7	188.6	394.7	188.6
Accounting classification	34700001	34701100	34701100	34701100	34701100	34701100
Original date of issuance	31.07.2007	04.11.2011	20.07.2012	14.05.2012	27.06.2013	28.06.2013
Perpetual or dated	Demand	Time	Time	Time	Time	Time
Original maturity date	Demand	04.11.2023	20.07.2024	14.05.2024	27.06.2023	28.06.2023
Issuer call subject to prior supervisory approval	Available	Available	Available	Available	Available	Available
Optional call date, contingent call dates and redemption amount	31.07.2017	04.11.2018	20.07.2019	14.05.2019	27.06.2018	28.06.2018
Subsequent call dates, if applicable	-	-	-	-	-	-
Coupons / dividends						
Fixed or floating dividend/coupon	Floating	Floating	Floating	Floating	Floating	Floating
Coupon rate and any related index	LIBOR + 3.5%	Euribor+4.75%	Euribor+4.75%	LIBOR + 5.75%	Euribor+2.10%	LIBOR + 3.40%
Existence of a dividend stopper	Nil	Nil	Nil	Nil	Nil	Nil
Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	Available	Nil	Nil	Nil	Nil	Nil
Noncumulative or cumulative	Nil	Nil	Nil	Nil	Nil	Nil
Convertible or non-convertible						
If convertible, conversion trigger(s)	Repayment option(*)	-	-	-	-	-
If convertible, fully or partially	Total	-	-	-	-	-
If convertible, conversion rate	(*)	-	-	-	-	-
If convertible, mandatory or optional conversion	Optional	-	-	-	-	-
If convertible, specify instrument type convertible into	Share	-	-	-	-	-
If convertible, specify issuer of instrument it converts into	TEB	-	-	-	-	-
Write-down feature						
If write-down, write-down trigger(s)	-	-	-	-	-	-
If write-down, full or partial	-	-	-	-	-	-
If write-down, permanent or temporary	-	-	-	-	-	-
If temporary write-down, description of write-up mechanism	-	-	-	-	-	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	tier 2 debt instruments	deposit and other receivables				
Whether conditions which stands in article of 7 and 8 of Banks' shareholder equity law are possessed or not (***)	Not Possess	Possess	Possess	Not Possess	Possess	Not Possess
According to article 7 and 8 of Banks' shareholders equity law that are not possessed (**)	Article 7/2 (ç), (f), (i), (j)	-	-	Article 8/2 (ğ)	-	Article 8/2 (ğ)

(*) The additional Tier 1 borrowing obtained from IFC on 31 July 2007 was structured in such a manner that entitle IFC to convert the borrowing to common shares in case of not paying back on 31 July 2017, at call option date. Conversion ratio will be calculated through valid market data if right is exercised.

(**) Under article 7/2; in subsection (ç), clauses on step-up and incentive to redeem; in subsection (f) delegating to the bank about cancellation of interest and dividend payment; in subsection i and j conditions of conversion to common shares and write-down are stated. Under article 8/2 in subsection (ğ) mechanism of write-down or conversion to common shares are stated.

(***) Debt instruments issued by BNP Paribas, have been amended in 2015 to comply with article 8/2 which includes clauses such as write-down or conversion to common shares. After the approval of the BRSA, debt instruments have complied with the regulation without changing their issue dates.

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I. Explanations Related to Capital Adequacy Standard Ratio (continued)

Information on applied approaches in order to evaluate internal capital adequacy within the scope of internal capital adequacy evaluation of internal capital requirement in terms of future and current activities:

According to definition and evaluation not to be exposed to risk at present or in the future , The Bank has created “Internal Capital Adequacy Evaluation Process” in order to provide development and implementation of proper risk management techniques aimed at auditing and managing risks at issue , and providing sufficient capitalization to compensate risks at issue. Planning and performing the Evaluation Process responsibilities belongs to Group Risk Management (GRM) in accordance with article 56 of "Communiqué on Banks’ Internal Control and Assessment of Internal Capital Adequacy Process". GRM includes contribution of Internal Audit, Internal Control and Department of Financial Affairs to demand and process to provide optimum comprehensive approach of Evaluation process. Evaluation process that is included countable and uncountable risks is risk-oriented and prudential, and constitutes a clearly connection between risk types and required capital level. Risk types considered on Evaluation Process is defined on the Evaluation Report and Risk Managemet Regulation.

Process and Evaluation Report is submitted to Board of Directors after being approved by Risk Policies Committe and Audit Committee.

II. Explanations Related to Credit Risk

Credit risk is the risk that the Bank is a party in a contract whereby the counterparty fails to meet its obligation and causes to incur a financial loss.

The credit allocation is performed on a debtor and a debtor group basis within the limits. In the credit allocation process, many financial and non-financial criteria are taken into account within the framework of the internal rating procedures of the Bank. These criteria include geographical and sector concentrations. The sector concentrations for loans are monitored closely. In accordance with the Bank’s loan policy, the rating of the companies, credit limits and guarantees are considered together, and credit risks incurred are monitored.

The credit risks and limits related to treasury activities, the limits of the correspondent banks that are determined by their ratings and the control of the maximum acceptable risk level in relation to the equity of the Bank are monitored daily. Risk limits are determined in connection with these daily transactions, and risk concentration is monitored systematically concerning off-balance sheet operations.

As prescribed in the Communiqué on “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves”, the credit worthiness of the debtors of the loans and other receivables is monitored regularly. Most of the statements of accounts for the loans are derived from audited financial statements. The unaudited documents result from the timing differences between the loan allocation and the audit dates of the financial statements of the companies and subsequently the audited financial statements are obtained from the companies. Credit limits are determined according to the audited statement of accounts, and guarantee factors are developed in accordance with the decision of the credit committee considering the characteristics of the transactions and the financial structures of the companies.

According to the “Communiqué on Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” published in the Official Gazette numbered 26333 dated 1 November 2006 which was amended with the communiqué published in the Official Gazette numbered 28906 dated 7 February 2014; Non-required delay time Loans that is not classified as Group III Loans, whose principal and interest payment collection delayed more than 30 days are considered as “Non-Performing Loan” in the Accounting Practice; group III, IV and V loans defined on the mentioned communiqué are considered as “impaired receivables” without considering refinancing or addition accrued interest and quasi-interest loading to principal.

The Bank provides specific reserves to Group III, IV and V loans in accordance with “Communiqué on Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves”

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II. Explanations Related to Credit Risk (continued)

Total amount of exposures after offsetting transactions but before applying credit risk mitigations and the average exposure amounts that are classified in different risk groups and types for the relevant period:

Exposure classifications	Current Period Risk Amount (*)	Average Risk Amount (*,**)
Conditional and unconditional receivables from central governments or central banks	15,979,608	15,434,492
Conditional and unconditional receivables from regional or local governments	378,578	385,007
Conditional and unconditional receivables from administrative units and non-commercial enterprises	-	615
Conditional and unconditional receivables from multilateral development banks	-	-
Conditional and unconditional receivables from international organizations	-	-
Conditional and unconditional receivables from banks and brokerage houses	4,362,645	4,114,372
Conditional and unconditional corporate receivables	25,642,347	24,687,601
Conditional and unconditional retail receivables	22,154,769	22,692,134
Conditional and unconditional secured mortgage receivables	9,824,854	7,356,120
Past due receivables	403,180	468,557
Receivables defined in high risk category by BRSA	4,241,184	4,247,743
Securities collateralised by mortgages	-	-
Securitisation positions	-	-
Short-term receivables from banks, stockbrokers and corporate	-	-
Investments of natured collective investment enterprise	-	-
Other receivables	1,830,016	1,702,036

(*) Risk amounts after conversion rate to credit are given before credit risk mitigation.

(**) Average risk amount is calculated by taking the average of balances prepared to the end of the month.

For the forward transactions and other similar positions of the Bank, operational limits are set by the Board of Directors and the transactions take place within these limits.

The fulfillment of the benefits and proceeds related to forward transactions is realized at maturity. However, in order to minimize the risk, counter positions of existing risks are entered into in the market due to necessity.

Indemnified non-cash loans are subject to the same risk weight as outstanding loans matured but not yet paid.

Since the volume of the restructured loans is not material to the financial statements, no additional follow up methodology is developed, except as stated in the regulations.

Financial institutions abroad and country risks of the Bank are generally taken for the financial institutions and countries that are rated at investment level by international rating agencies and which do not have the risk of failing to meet minimum obligations. Therefore, the probable risks are not material when the financial structure of the Bank is concerned.

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II. Explanations Related to Credit Risk (continued)

The Bank does not have a material credit risk concentration as an active participant in the international banking market when the financial operations of the other financial institutions are concerned.

As of 31 December 2015, the receivables of the Bank from its top 100 and top 200 cash loan customers amount is TL6,084,237 and TL8,522,711 and share in total cash loans are respectively 11.52% and 16.14%.

As of 31 December 2015, the receivables of the Bank from its top 100 ve top 200 non-cash loan customers amount to TL6,354,502 and TL7,855,435 with a share 43.83% and 54.18% respectively in the total non-cash loans.

As of 31 December 2015, the share of cash and non-cash receivables of the Bank from its top 100 ve top 200 loan customers in total balance sheet and off-balance sheet assets is 5.21% and 7.32% respectively.

As of 31 December 2015, the general loan loss provision related with the credit risk taken by the Bank is TL698,089 (31 December 2014: TL609,538).

The table below shows the maximum exposure to credit risk for the components of the financial statements:

	Current Period	Prior Period
Central Bank of Turkey	9,084,464	7,666,370
Due from banks	1,321,389	802,978
Other money markets	-	550,169
Trading financial assets	205,828	87,567
Derivative financial instruments held for trading	494,169	590,742
Derivative financial instruments for hedging purposes	58,309	60,800
Financial assets available-for-sale	4,128,551	4,312,769
Held-to-maturity investments	339,417	317,360
Loans	53,212,833	45,392,210
Total	68,844,960	59,780,965
Contingent liabilities	14,498,821	11,860,941
Commitments	13,230,256	12,633,845
Total	27,729,077	24,494,786
Total credit risk exposure	96,574,037	84,275,751

Credit quality per class of financial assets as of 31 December 2015 and 31 December 2014 is as follows:

Current Period	Neither past due nor impaired	Past due or individually impaired, net	Total
Loans and receivables			
Commercial loans	35,303,922	1,638,853	36,942,775
Consumer loans	12,516,249	869,462	13,385,711
Credit cards	2,685,186	199,161	2,884,347
Other	-	-	-
Total	50,505,357	2,707,476	53,212,833

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II. Explanations Related to Credit Risk (continued)

Prior Period	Neither past due nor impaired	Past due or individually impaired, net	Total
Loans and receivables			
Commercial loans	29,333,974	1,366,356	30,700,330
Consumer loans	11,451,287	710,433	12,161,720
Credit cards	2,386,647	143,513	2,530,160
Other	-	-	-
Total	43,171,908	2,220,302	45,392,210

Carrying amount per class of financial assets whose terms have been renegotiated:

	Current Period	Prior Period
Loans and receivables		
Commercial loans	897,747	740,105
Consumer loans	79,201	233,525
Credit cards	44,203	2,295
Total	1,021,151	975,925

Credit Rating System

The credit risk is assessed through the internal rating system of the TEBCORE, by classifying loans from highest grade to lowest grade according to the probability of default. As of 31 December 2015, consumer loans and business loans are excluded from the internal rating system of the Bank and those loans are about 37.50% of total loan portfolio.

The risks that are subject to rating models can be allocated as follows.

Category	Description of Category	Share in the Total % 31.12.2015	Share in the Total % 31.12.2014
1st Category	The borrower has a very strong financial structure	35.82	35.54
2nd Category	The borrower has a good financial structure	28.23	27.68
3rd Category	The borrower has an intermediate level of financial structure	29.86	31.96
4th Category	The financial structure of the borrower has to be closely monitored in the medium term	6.09	4.82
Total		100.00	100.00

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II. Explanations Related to Credit Risk (continued)

Profile of significant exposures in major regions:

	Exposure Categories (***)																
	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional receivables from administrative units and non-commercial enterprises	Conditional and unconditional exposures to multilateral development banks	Conditional and unconditional exposures to international organisations	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional retail exposures	Conditional and unconditional exposures secured by real estate property	Past due receivables	Receivables defined in high risk category by BRSA	Exposures in the form of bonds secured by mortgages	Securitization Positions	Short term exposures to banks, brokerage houses and corporates	Exposures in the form of collective investment undertakings	Other receivables	Total
Current Period																	
Domestic	213,690	75,147	-	-	-	1,187,923	17,935,678	14,382,727	4,789,439	447,237	7,450,552	-	-	-	-	614,257	47,096,650
European Union (EU) Countries	-	-	-	-	-	208,136	11,605	3,573	3,637	890	6,253	-	-	-	-	-	234,094
OECD Countries (*)	-	-	-	-	-	27,468	11,246	1,616	1,652	3	2,918	-	-	-	-	-	44,903
Off-Shore Banking Regions(****)	136,626	-	-	-	-	7	195,360	21,298	53,992	1,517	117,124	-	-	-	-	13	525,937
USD, Canada	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Countries Associates, Subsidiaries and Joint –Ventures	-	-	-	-	-	9,252	45,499	758	998	8	1,273	-	-	-	-	-	57,788
Unallocated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	115,986
Assets/Liabilities (**)	-	615	-	-	-	327,926	7,442,958	2,316,147	62,711	-	21,688	-	-	-	-	275,811	10,447,856
Total	350,316	75,762	-	-	-	1,760,712	25,642,346	16,726,119	4,912,429	449,655	7,599,808	-	-	-	-	1,006,067	58,523,214

(*) Includes OECD countries other than EU countries, USA and Canada.

(**) Includes assets and liability items that cannot be allocated on a consistent basis.

(***) Risk amounts after conversion rate to credit are given before credit risk mitigation.

(****) Northern Cyprus Turkish Republic balances are included in Off-Shore Banking Regions.

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II. Explanations Related to Credit Risk (continued)

Profile of significant exposures in major regions:

	Exposure Categories (***)																Total
	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional receivables from administrative units and non-commercial enterprises	Conditional and unconditional exposures to multilateral development banks	Conditional and unconditional exposures to international organisations	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional exposures to retail exposures	Conditional and unconditional exposures secured by real estate property	Past due receivables	Receivables defined in high risk category by BRSA	Exposures in the form of bonds secured by mortgages	Securitization Positions	Short term exposures to banks, brokerage houses and corporates	Exposures in the form of collective investment undertakings	Other receivables	
Prior Period																	
Domestic	242,252	75,622	-	-	-	790,846	15,689,494	13,365,478	2,854,301	468,752	7,615,519	-	-	-	-	1,050,906	42,153,170
European Union (EU) Countries	-	-	-	-	-	174,765	25,024	3,623	1,708	9	6,659	-	-	-	-	-	211,788
OECD Countries (*)	-	-	-	-	-	62,336	11	2,007	460	-	1,248	-	-	-	-	-	66,062
Off-Shore Banking Regions (****)	108,069	-	-	-	-	173	179,707	30,948	26,710	2,245	76,211	-	-	-	-	326	424,389
USD, Canada	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Countries	-	-	-	-	-	15,533	25,954	933	1,137	-	1,797	-	-	-	-	-	45,354
Associates, Subsidiaries and Joint –Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	177,240
Unallocated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets/Liabilities (**)	-	636	2	-	-	235,767	5,496,540	2,037,006	39,794	-	29,573	-	-	-	-	69,687	7,909,005
Total	350,321	76,258	2	-	-	1,279,420	21,416,730	15,439,995	2,924,110	471,006	7,731,007	-	-	-	-	1,298,159	50,987,008

(*) Includes OECD countries other than EU countries, USA and Canada.

(**) Includes assets and liability items that cannot be allocated on a consistent basis.

(***) Risk amounts after conversion rate to credit are given before credit risk mitigation.

(****) Northern Cyprus Turkish Republic balances are included in Off-Shore Banking Regions

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II. Explanations Related to Credit Risk (continued)

Risk profile by Sectors or Counterparties:

Current Period	Exposure Categories (**)																	TL (*)	FC	Total
	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional receivables from administrative units and non-commercial enterprises	Conditional and unconditional exposures to multilateral development banks	Conditional and unconditional exposures to international organisations	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional retail exposures	Conditional and unconditional exposures secured by real estate property	Past due receivables	Receivables defined in high risk category by BRSA	Exposures in the form of bonds secured by mortgages	Securitization Positions	Short term exposures to banks, brokerage houses and corporates	Exposures in the form of collective investment undertakings	Other receivables				
Agriculture	-	-	-	-	-	-	946,588	1,105,809	296,598	30,226	1,127	-	-	-	-	-	2,216,401	163,947	2,380,348	
Farming and Husbandry	-	-	-	-	-	-	930,981	1,091,257	292,725	30,176	1,095	-	-	-	-	-	2,182,584	163,650	2,346,234	
Forestry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fishery	-	-	-	-	-	-	15,607	14,552	3,873	50	32	-	-	-	-	-	33,817	297	34,114	
Manufacturing	-	1	-	-	-	-	10,312,341	3,478,443	489,074	85,811	11,740	-	-	-	-	608	8,100,370	6,277,648	14,378,018	
Mining and Quarrying	-	-	-	-	-	-	712,865	268,767	37,117	5,663	556	-	-	-	-	-	577,120	447,848	1,024,968	
Production	-	1	-	-	-	-	9,412,815	3,193,756	450,531	79,693	11,141	-	-	-	-	608	7,402,914	5,745,631	13,148,545	
Electricity, Gas and Water	-	-	-	-	-	-	186,661	15,920	1,426	455	43	-	-	-	-	-	120,336	84,169	204,505	
Construction	-	-	-	-	-	-	2,918,602	1,079,114	368,552	43,390	5,176	-	-	-	-	-	2,908,983	1,505,851	4,414,834	
Services	350,316	75,761	-	-	-	-	11,209,453	6,057,227	1,186,141	117,027	18,170	-	-	-	-	1,005,294	14,981,891	6,778,210	21,760,101	
Wholesale and Retail Trade	-	10,498	-	-	-	-	5,772,694	3,380,089	519,226	57,591	11,496	-	-	-	-	594	7,646,749	2,105,439	9,752,188	
Accommodation and Dining	-	-	-	-	-	-	861,191	311,188	198,029	7,530	991	-	-	-	-	-	667,322	711,607	1,378,929	
Transportation and Telecom.	-	-	-	-	-	-	1,731,824	1,166,236	167,562	28,995	2,222	-	-	-	-	5	2,309,656	787,188	3,096,844	
Financial Institutions	350,316	-	-	-	-	-	566,094	40,520	4,102	316	760	-	-	-	-	1,004,676	2,289,965	1,437,531	3,727,496	
Real Estate and Rental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services	-	1	-	-	-	-	1,583,189	776,926	233,774	15,226	1,626	-	-	-	-	-	1,053,855	1,556,887	2,610,742	
Professional Services	-	500	-	-	-	-	580,586	255,059	40,449	5,973	732	-	-	-	19	711,597	171,721	883,318		
Educational Services	-	1	-	-	-	-	13,722	44,115	9,942	482	118	-	-	-	-	-	64,929	3,451	68,380	
Health and Social Services	-	64,761	-	-	-	-	100,153	63,094	13,057	914	225	-	-	-	-	-	237,818	4,386	242,204	
Other	-	-	-	-	-	-	255,362	5,025,526	2,572,064	173,201	7,563,595	-	-	-	-	165	15,291,186	298,727	15,589,913	
Total	350,316	75,762	-	-	-	-	1,760,712	25,642,346	16,726,119	4,912,429	449,655	7,599,808	-	-	-	1,006,067	43,498,831	15,024,383	58,523,214	

(*) Foreign Currency oriented credits are shown in TL column.

(**) Risk amounts after conversion rate to credit are given before credit risk mitigation.

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II. Explanations Related to Credit Risk (continued)

Risk profile by Sectors or Counterparties:

Prior Period	Exposure Categories (**)																TL (*)	FC	Total
	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional receivables from administrative units and non-commercial enterprises	Conditional and unconditional exposures to multilateral development banks	Conditional and unconditional exposures to international organisations	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional retail exposures	Conditional and unconditional exposures secured by real estate property	Past due receivables	Receivables defined in high risk category by BRSA	Exposures in the form of bonds secured by mortgages	Securitization Positions	Short term exposures to banks, brokerage houses and corporates	Exposures in the form of collective investment undertakings	Other receivables			
Agriculture	-	-	-	-	-	1,070,930	1,048,089	219,959	27,094	1,953	-	-	-	-	-	-	2,178,137	189,888	2,368,025
Farming and Husbandry	-	-	-	-	-	1,048,706	1,035,227	216,788	27,025	1,612	-	-	-	-	-	-	2,147,437	181,921	2,329,358
Forestry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fishery	-	-	-	-	-	22,224	12,862	3,171	69	341	-	-	-	-	-	-	30,700	7,967	38,667
Manufacturing	-	1	-	-	-	12,187,799	4,957,685	472,910	137,744	70,506	-	-	-	-	-	-	11,489,331	6,337,314	17,826,645
Mining and Quarrying	-	-	-	-	-	443,856	289,702	28,197	9,077	4,395	-	-	-	-	-	-	543,846	231,381	775,227
Production	-	1	-	-	-	11,608,085	4,641,952	441,108	128,568	65,411	-	-	-	-	-	-	10,846,385	6,038,740	16,885,125
Electricity, Gas and Water	-	-	-	-	-	135,858	26,031	3,605	99	700	-	-	-	-	-	-	99,100	67,193	166,293
Construction	-	-	-	-	-	2,539,689	938,834	193,648	36,419	13,486	-	-	-	-	-	-	2,408,850	1,313,226	3,722,076
Services	350,321	76,257	2	-	-	1,279,420	5,058,379	3,283,411	466,391	119,826	-	-	-	-	-	977,806	9,225,280	2,569,828	11,795,108
Wholesale and Retail Trade	-	10,510	-	-	-	1,961,209	1,175,922	136,897	35,637	9,595	-	-	-	-	-	838	2,747,693	582,915	3,330,608
Accommodation and Dining	-	-	-	-	-	556,566	225,254	87,488	4,302	15,304	-	-	-	-	-	-	533,113	355,801	888,914
Transportation and Telecom.	-	-	-	-	-	1,089,504	719,171	68,246	47,428	10,781	-	-	-	-	-	5	1,459,260	475,875	1,935,135
Financial Institutions	350,321	-	-	-	-	139,038	39,715	7,245	444	10,519	-	-	-	-	-	976,589	2,452,958	350,333	2,803,291
Real Estate and Rental Services	-	2,906	-	-	-	758,792	606,889	110,127	19,474	3,986	-	-	-	-	-	-	826,744	675,430	1,502,174
Professional Services	-	1,937	2	-	-	268,667	330,567	33,303	9,148	109,377	-	-	-	-	-	19	678,943	74,077	753,020
Educational Services	-	1	-	-	-	33,946	52,741	8,809	408	9,544	-	-	-	-	-	180	91,938	13,691	105,629
Health and Social Services	-	60,903	-	-	-	250,657	133,152	14,276	2,985	14,189	-	-	-	-	-	175	434,631	41,706	476,337
Other	-	-	-	-	-	559,933	5,211,976	1,571,202	149,923	7,461,767	-	-	-	-	-	320,353	14,450,993	824,161	15,275,154
Total	350,321	76,258	2	-	-	1,279,420	21,416,730	15,439,995	2,924,110	471,006	7,731,007	-	-	-	-	1,298,159	39,752,591	11,234,417	50,987,008

(*) Foreign Currency oriented credits are shown in TP column.

(**) Risk amounts after conversion rate to credit are given before credit risk mitigation.

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II. Explanations Related to Credit Risk (continued)

Analysis of maturity-bearing exposures according to remaining maturities:

Current Period	Term To Maturity				
	Up to 1 Month	1-3 Month	3-6 Month	6-12 Month	Over 1 year
Exposure classifications					
Conditional and unconditional exposures to central governments or central banks	136,626	-	-	-	14,228
Conditional and unconditional exposures to regional governments or local authorities	102	119	732	3,035	71,158
Conditional and unconditional receivables from administrative units and non-commercial enterprises	-	-	-	-	-
Conditional and unconditional exposures to multilateral development banks	-	-	-	-	-
Conditional and unconditional exposures to international organisations	-	-	-	-	-
Conditional and unconditional exposures to banks and brokerage houses	779,386	81,230	67,995	68,398	151,140
Conditional and unconditional exposures to corporates	5,720,245	1,128,342	1,472,793	3,305,521	6,567,740
Conditional and unconditional retail exposures	5,842,187	1,102,634	835,884	1,528,681	5,094,783
Conditional and unconditional exposures secured by real estate property	724,526	85,415	112,591	236,030	3,690,822
Past due receivables	-	-	-	-	-
Receivables defined in high risk category by BRSA	-	-	-	76,929	7,501,192
Exposures in the form of bonds secured by mortgages	-	-	-	-	-
Securitization Positions	-	-	-	-	-
Short term exposures to banks, brokerage houses and corporates	-	-	-	-	-
Exposures in the form of collective investment undertakings	-	-	-	-	-
Other receivables	86,575	-	-	-	15,654
Total	13,289,647	2,397,740	2,489,995	5,218,594	23,106,717

Prior Period	Term To Maturity				
	Up to 1 Month	1-3 Month	3-6 Month	6-12 Month	Over 1 year
Exposure classifications					
Conditional and unconditional exposures to central governments or central banks	126,656	-	-	-	387
Conditional and unconditional exposures to regional governments or local authorities	47	252	591	669	74,062
Conditional and unconditional receivables from administrative units and non-commercial enterprises	-	-	-	-	-
Conditional and unconditional exposures to multilateral development banks	-	-	-	-	-
Conditional and unconditional exposures to international organisations	-	-	-	-	-
Conditional and unconditional exposures to banks and brokerage houses	493,954	106,911	70,949	121,921	76,834
Conditional and unconditional exposures to corporates	5,151,061	1,056,480	1,151,736	2,873,019	5,684,481
Conditional and unconditional retail exposures	5,009,067	922,867	694,118	1,313,515	5,458,896
Conditional and unconditional exposures secured by real estate property	430,679	44,912	61,265	127,019	2,220,311
Past due receivables	-	-	-	-	-
Receivables defined in high risk category by BRSA	-	-	-	85,483	7,615,951
Exposures in the form of bonds secured by mortgages	-	-	-	-	-
Securitization Positions	-	-	-	-	-
Short term exposures to banks, brokerage houses and corporates	-	-	-	-	-
Exposures in the form of collective investment undertakings	-	-	-	-	-
Other receivables	37,389	-	-	-	-
Total	11,248,853	2,131,422	1,978,659	4,521,626	21,130,922

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II. Explanations Related to Credit Risk (continued)

Information about the risk exposure categories:

As explained on the 6. Article of the "Communiqué on Measurement and Assessment of Capital Adequacy of Banks ", receivables from central governments or central banks are calculated according to the OECD’s published country risks.

Receivables from unrated nonresident banks and brokerage houses may receive a risk weight lower than that applied to claims on its sovereign of incorporation. Unrated bank with a days to maturity less than 3 months subject to a floor of 20%, days to maturity more than 3 months subject to a floor of 50%. Receivables from corporate is subject to a floor of 100% or a higher country risk applied to sovereign of incorporation.

Credit quality step and risk weight matching table is shown below which is based on the OECD’s published country risk classifications;

OECD Credit Quality Level	Receivables from Central Governments or Central Banks	Receivables from Banks and Brokerage Houses		Corporate Receivables
		DTM less than 3 months	DTM higher than 3 months	
0	0%	20%	50%	100%
1	0%	20%	50%	100%
2	20%	20%	50%	100%
3	50%	50%	50%	100%
4	100%	100%	100%	100%
5	100%	100%	100%	100%
6	100%	100%	100%	100%
7	150%	150%	150%	150%

Exposures by risk weights:

Current Period

Risk Weights	0%	10%	20%	50%	75%	100%	150%	200%	250%	1250%	Deductions from Equity
Exposures before											
Credit Risk Mitigation	16,542,863	-	2,888,189	11,083,234	21,714,608	28,180,359	1,839,789	2,484,779	83,360	-	557,276
Exposures after											
Credit Risk Mitigation	16,872,377	-	2,851,037	11,149,439	21,070,155	26,885,986	1,821,801	2,484,779	83,360	-	557,276

Prior Period

Risk Weights	0%	10%	20%	50%	75%	100%	150%	200%	250%	1250%	Deductions from Equity
Exposures before											
Credit Risk Mitigation	14,750,893	-	1,704,429	6,942,269	20,037,713	23,962,526	1,671,202	2,715,622	98,451	-	560,615
Exposures after											
Credit Risk Mitigation	14,842,055	-	1,689,733	6,936,849	19,596,981	22,908,663	1,656,283	2,715,622	98,451	-	560,615

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II. Explanations Related to Credit Risk (continued)

Informations in terms of major sectors and type of counterparties:

Current Period Major Sectors / Counterparties	Credits		Value Adjustments	Provisions
	Impaired Credits	Past Due Credits		
Agriculture	63,650	118,218	581	37,199
Farming and Stockbreeding	54,831	110,074	541	32,392
Forestry	8,370	5,591	27	4,407
Fishery	449	2,553	13	400
Manufacturing	379,610	499,995	2,455	282,956
Mining and Quarrying	16,258	24,158	119	10,652
Production	362,642	475,768	2,336	271,932
Electricity, Gas and Water	710	69	-	372
Construction	118,695	110,997	545	78,586
Services	293,091	425,427	2,089	204,827
Wholesale and Retail Trade	118,736	135,909	667	83,865
Accommodation and Dining	15,795	43,542	214	8,867
Transportation and Telecom.	100,537	119,396	586	73,984
Financial Institutions	965	2,105	10	676
Real Estate and Rental Services	35,085	89,413	439	21,916
Professional Services	15,454	24,801	122	10,753
Educational Services	1,279	2,416	12	885
Health and Social Services	5,240	7,845	39	3,881
Other	377,481	1,149,659	5,646	225,779
Total	1,232,527	2,304,296	11,316	829,347

Prior Period Major Sectors / Counterparties	Credits		Value Adjustments	Provisions
	Impaired Credits	Past Due Credits		
Agriculture	59,304	184,683	1,947	37,178
Farming and Stockbreeding	58,944	178,991	1,887	36,868
Forestry	-	4,912	52	-
Fishery	360	780	8	310
Manufacturing	332,135	497,667	5,247	224,756
Mining and Quarrying	23,526	24,544	259	16,594
Production	308,325	470,806	4,964	207,999
Electricity, Gas and Water	284	2,317	24	163
Construction	70,669	106,228	1,120	42,585
Services	233,176	387,906	4,090	141,923
Wholesale and Retail Trade	81,914	124,056	1,308	55,257
Accommodation and Dining	9,632	44,256	467	5,954
Transportation and Telecom.	89,051	93,867	990	53,342
Financial Institutions	960	2,581	27	592
Real Estate and Rental Services	25,904	62,907	663	10,663
Professional Services	16,915	33,447	353	10,132
Educational Services	948	4,839	51	599
Health and Social Services	7,852	21,953	231	5,384
Other	425,127	642,937	6,781	273,088
Total	1,120,411	1,819,421	19,185	719,530

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II. Explanations Related to Credit Risk (continued)

Information about Value Adjustment and Change in Provisions

	31.12.2014 Balance	Provision for Period	Provision Reversals	Write off from Asset	Other Adjustments (*)	31.12.2015 Balance
Specific Provisions	719,530	802,489	(171,439)	(521,233)	-	829,347
General Provisions	609,538	98,373	(9,822)	-	-	698,089

(*) Determined according to currency differences, business merger, acquisition and disposition of affiliate company.

	31.12.2013 Balance	Provision for Period	Provision Reversals	Write off from Asset	Other Adjustments (*)	31.12.2014 Balance
Specific Provisions	528,076	511,908	(145,977)	(174,477)	-	719,530
General Provisions	537,702	80,131	(8,295)	-	-	609,538

(*) Determined according to currency differences, business merger, acquisition and disposition of affiliate company

III. Explanations Related to Market Risk

The Bank’s risk management operations, applied in accordance with Communiqué on “Measurement and Assessment of Capital Adequacy of Banks” and “Regulations about Bank’s Internal Systems” are conducted by The Board of Directors.

The Board of Directors determines the limits for the basic risk that the Bank is exposed to. Those limits are revised periodically in line with the market forces and strategies of the Bank. Additionally, the Board of Directors has ensured that the risk management division and senior management has taken necessary precautions to describe, evaluate, control and manage risks faced by the Bank.

Interest rate and exchange rate risks, arising from the volatility in the financial markets, of the financial positions taken by the Bank related to balance sheet and off-balance sheet accounts are measured and while calculating the capital adequacy and the amount subject to Value at Risk (VAR), as summarized below, is taken into consideration by the standard method. Beside the standard method, VAR is calculated by using internal model as supported by scenario analysis and stress tests. VAR is calculated daily by historic simulation. These results are also reported daily to the management.

a) i) Information Related to Market Risk:

	Amount
(I) Capital Requirement against General Market Risk - Standard Method	14,602
(II) Capital Requirement against Specific Risks - Standard Method	900
Capital requirement against Specific Risks of Securitization Positions– Standard Method	-
(III) Capital Requirement against Currency Exchange Risk - Standard Method	10,799
(IV) Capital Requirement against Commodity Risks - Standard Method	-
(V) Capital Requirement against Exchange Risks - Standard Method	-
(VI) Capital Requirement against Market Risks of Options - Standard Method	918
(VII) Capital requirement against Counterparty Credit Risks - Standard Method	38,178
(VIII) Capital Requirement against Market Risks of Banks applying Risk Measurement Model	-
(IX) Total Capital Requirement against Market Risk (I+II+III+IV+V+VI+VII)	65,397
(X) Amount Subject to Market Risk (12.5 x VIII) or (12.5 x IX)	817,463

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III. Explanations Related to Market Risk (continued)

ii) Average market risk table calculated at month ends during the period:

	Current Period			Prior Period		
	Average	Maximum	Minimum	Average	Maximum	Minimum
Interest Rate Risk	22,196	28,621	15,502	20,310	24,856	16,612
Common Stock Risk	-	-	-	-	-	-
Currency Risk	8,781	21,291	2,202	7,284	13,219	4,265
Commodity Risk	-	-	-	-	-	-
Exchange Risk	-	-	-	-	-	-
Option Risk	1,157	1,472	800	851	1,131	525
Counterparty Credit Risk	48,551	63,359	38,178	35,101	56,384	27,985
Total Value Subject to Risk (*)	1,008,571	1,281,963	817,463	794,310	1,088,155	658,613

(*) “Total Value Subject to Risk” is calculated as the total amount of capital requirements for the market risk multiplied by 12.5.

b) Information on Counterparty Credit Risk:

Limit requests of clients demanding derivative transaction are evaluated based on the related line of business in different credit committees. Limit amounts approved by credit committee are risk weighted limits. In calculation of risk amount traced to risk weighted limits is multiplied by ratios based on each factor’s historical movement and that change according to transaction’s nominal amount, transaction’s maturity, type, currency and purpose. Updates are generally conducted on a yearly basis except for the times of strict market fluctuations. In other words, if current tables do not cover risk calculations efficiently in case of strict market fluctuations, all tables are audited without waiting for annual period.

In table calculations, different time periods are considered while making analyses. If there is a period in data set with strictly fluctuating period, historical period after this period might be crucial. Also, in historical fluctuations, similar work meant for a data is organized separately. References provided by BNPP are also considered in the process. Eventually, all results are discussed firstly among line of business and then in the Market Risk Committee. Final decision is made by Risk Policy Committee and one of the alternatives is chosen.

Customers demanding derivative transactions are separated into two based on the purpose of the transaction. Decision of allocating the client to a group is given with taking into consideration client’s all transactions. Related Credit Department decides on the evaluation of client either in trading derivative transaction limit or in hedging derivative transaction limit.

In principle, all individual customers are evaluated as in trading portfolio, and The Bank works with 100% cash and cash equivalent collaterals. Commercial and corporate customers are evaluated different for each firm and based on the decision given, are subject to different collateral conditions. Risks are monitored daily based on the collateral conditions set with the client, and additional collaterals are demanded when a necessity arises according to internally set principles.

For derivative transactions made with banks, ISDA, CSA and GMRA agreements are requested from counterparties. In principle, derivative transactions are not made with banks that do not sign these agreements. Collateral management is made on a daily basis with banks considering agreement conditions so that counterparty risk is minimized.

All open derivative transactions are evaluated daily by using market data, and resulting evaluation amount is installed to system. As a new transaction is made, risk amount calculated with risk weights is reflected automatically to the system. In other words, counterparty risk regarding all derivative transactions is monitored on banking system. Collateral amount required for customer transactions, transaction evaluation amount and risk weighted nominal amount is monitored daily by considering collateral condition and limit monitoring principles set up by the Bank.

Simulations of transactions are conducted in order to be able to see the level of capital consumption on transaction basis. Ratings and Basel II portfolios of derivative customers and banks are reviewed and updated monthly. These are considered in the calculation of capital requirement and evaluation of collateral conditions.

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III. Explanations Related to Market Risk (continued)

Quantitative Information on Counterparty Risk:

	Purchase/Sell Accounts	Banking Accounts	Total
Agreements Based on Interest Rate	6,961	11,794	18,755
Agreement Based on Foreign Exchange Currency	329,177	121,029	450,206
Agreement Based on Commodity	-	-	-
Agreement Based on Shares	-	-	-
Other	-	-	-
Gross Positive Fair Values	407,276	145,019	552,295
Benefits of Netting	-	-	-
Current Net Risk Amount	-	-	-
Reserved Guarantee	-	-	-
Net Position of Derivatives	743,413	277,842	1,021,255

- c) Capital Requirement is not calculated with a measurement model permitted by Banking Regulation and Supervision Agency.

IV. Explanations Related to Operational Risk

- a) Operational risk has been calculated using the Basic Indicator Approach. Market risk measurements are performed monthly.
- b) In case of application of the Standard Method:

	31.12.2012	31.12.2013	31.12.2014	Total/Positive Year	Rate (%)	Total
Gross Income	2,373,162	2,700,938	3,157,045	2,743,715	15	411,557
Amount subject to Operational Risk (Total*12.5)						5,144,466

	31.12.2011	31.12.2012	31.12.2013	Total/Positive Year	Rate (%)	Total
Gross Income	1,677,723	2,373,162	2,700,938	2,250,607	15	337,591
Amount subject to Operational Risk (Total*12.5)						4,219,889

- c) The Bank does not use the standard method.
- d) The Bank does not use any alternative approach in standard method.

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V. Explanations Related to Currency Risk

Foreign currency risk indicates the probability of loss that banks are subject to due to the exchange rate changes in the market. While calculating the share capital requirement, all foreign currency assets, liabilities and forward transactions of the Bank are taken into consideration and value at risk is calculated by using the standard method.

The Board of Directors sets limits for the positions, which are followed up daily. Any possible value changes in the foreign currency transactions in the Bank’s positions are also monitored.

As an element of the Bank’s risk management strategies, foreign currency liabilities are hedged against exchange rate risk by derivative instruments.

The Treasury Department of the Bank is responsible for the management of Turkish Lira or foreign currency price, liquidity and affordability risks that could occur in the domestic and international markets within the limits set by the Board of Directors. The monitoring of risk and risk related transactions occurring in the money markets is performed daily and reported to the Bank’s Asset-Liability Committee on a weekly basis.

As of 31 December 2015, the Bank's balance sheet short position is TL6,279,338 (31 December 2014: TL4,538,896 short position), off-balance sheet long position is TL6,836,398 (31 December 2014: TL3,767,370 long position) and as a result net foreign currency net long position is TL557,060 (31 December 2014: net TL771,526 short position).

The announced current foreign exchange buying rates of the Bank at 31 December 2015 and the previous five working days in full TL are as follows:

	24.12.2015	25.12.2015	28.12.2015	29.12.2015	30.12.2015	31.12.2015
USD	2.9098	2.9079	2.9043	2.9019	2.9132	2.9021
JPY	0.0242	0.0240	0.0241	0.0241	0.0242	0.0241
EURO	3.1874	3.1783	3.1872	3.1744	3.1821	3.1572

The simple arithmetic averages of the major current foreign exchange buying rates of the Bank for the thirty days before 31 December 2015 are as follows:

	Monthly Average Foreign Exchange Rate
USD	2.9122
JPY	0.0239
EURO	3.1746

Foreign currency sensitivity:

The Bank is mainly exposed to EUR and USD currency risks.

The following table details the Bank’s sensitivity to a 10% change in the TL against USD and EUR. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the possible change in foreign exchange rates. A positive number indicates an increase in profit or loss and other equity in the case of short position and a decrease in the case of long position where the TL strengthens against USD and EUR.

Change in currency rate in %	Effect on profit or loss		Effect on equity (*)	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
USD 10 increase	3,722	11,166	(52)	2
USD 10 decrease	(3,722)	(11,166)	52	(2)
EURO 10 increase	2,679	(995)	6,005	1
EURO 10 decrease	(2,679)	995	(6,005)	(1)

(*) The effect on equity does not include the effect of changes in foreign exchange rate on the income statement.

The Bank’s sensitivity to foreign currency rates have not changed significantly during the current period. The positions taken in line with market expectations can increase the foreign currency sensitivity from period to period.

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V. Explanations Related to Currency Risk (continued)

Information on the foreign currency risk of the Bank:

The table below shows the Bank’s distribution of balance sheet and derivative foreign exchange transactions taking into account the options transactions with nominal values as indicated in the BRSA regulation on foreign currency position. Besides taking into account this position by monitoring legal limits, the Bank also monitors the delta-adjusted position of the option transactions. As of 31 December 2015, the Bank has net USD long position TL15,872 and net EURO long position TL39,394.

Current Period	EUR	USD	OTHER	TOTAL
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	2,038,069	5,509,886	1,165,666	8,713,621
Banks	133,223	378,280	193,256	704,759
Financial Assets at Fair Value through Profit and Loss (*****)	13,344	9,147	-	22,491
Money Market Placements	-	-	-	-
Available-For-Sale Financial Assets	75,331	16,093	7,449	98,873
Loans (**)	6,325,306	4,895,712	1,248,177	12,469,195
Subsidiaries, Associates and Entities Under Common Control (Joint Vent.)	-	-	-	-
Held-To-Maturity Investments	-	-	-	-
Derivative Financial Assets for Hedging Purposes	-	-	-	-
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets	230,521	39,890	581	270,992
Total Assets	8,815,794	10,849,008	2,615,129	22,279,931
Liabilities				
Bank Deposits	166	94	6,773	7,033
Foreign Currency Deposits (*)	4,582,048	10,142,563	1,036,732	15,761,343
Money Market Borrowings	-	-	-	-
Funds Provided From Other Financial Institutions	5,927,817	4,463,073	1,900,817	12,291,707
Marketable Securities Issued	-	86,553	-	86,553
Miscellaneous Payables	163,927	79,604	43,261	286,792
Derivative Financial Liabilities for Hedging Purposes	-	677	-	677
Other Liabilities (***)	12,684	112,354	126	125,164
Total Liabilities	10,686,642	14,884,918	2,987,709	28,559,269
Net Balance Sheet Position	(1,870,848)	(4,035,910)	(372,580)	(6,279,338)
Net Off-Balance Sheet Position	2,394,962	4,012,959	428,477	6,836,398
Financial Derivative Assets (****)	7,653,037	17,223,728	844,456	25,721,221
Financial Derivative Liabilities (****)	5,258,075	13,210,769	415,979	18,884,823
Non-Cash Loans (*****)	3,345,601	4,663,116	214,521	8,223,238
Prior Period				
Total Assets	6,304,376	10,495,716	1,882,041	18,682,133
Total Liabilities	9,515,341	11,517,868	2,187,820	23,221,029
Net Balance Sheet Position	(3,210,965)	(1,022,152)	(305,779)	(4,538,896)
Net Off-Balance Sheet Position	3,007,255	554,715	205,400	3,767,370
Financial Derivative Assets (****)	7,723,873	13,958,277	1,009,202	22,691,352
Financial Derivative Liabilities (****)	4,716,618	13,403,562	803,802	18,923,982
Non-Cash Loans (*****)	2,598,729	3,713,397	140,413	6,452,539

(*) Precious metal accounts amounting to TL445,509 (31 December 2014: TL477,622) are included in the foreign currency deposits.

(**) Foreign currency indexed loans amounting to TL2,769,548 (31 December 2014: TL2,641,281) are included in the loan portfolio.

(***) TL45,264 (31 December 2014: TL107,973) expense accruals from derivative financial instruments are deducted from other liabilities.

(****) Forward asset and marketable securities purchase-sale commitments of TL654,815 (31 December 2014: TL472,776) are added to derivative financial assets and TL564,464 (31 December 2014: TL432,243) has been added to derivative financial liabilities.

(*****) TL78,194 (31 December 2014: TL66,674) income accruals from derivative financial instruments is deducted from Financial Assets at Fair Value through Profit and Loss.

(*****) There are no effects on the net off-balance sheet position.

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VI. Explanations Related to Interest Rate Risk

Interest rate risk shows the probability of loss related to the changes in interest rates depending on the Bank’s position, and it is managed by the Asset-Liability Committee. The interest rate sensitivity of assets, liabilities and off-balance sheet items related to this risk are measured by using the standard method and included in the market risk for capital adequacy.

The priority of the risk management department is to protect from interest rate volatility. Duration, maturity and sensitivity analysis performed within this context are calculated by the risk management department and reported to the Asset-Liability Committee.

Simulations on interest income are performed in connection with the forecasted economic indicators used in the budget of the Bank.

The Bank management monitors the market interest rates on a daily basis and revises the interest rates of the Bank when necessary.

Since the Bank does not allow maturity mismatches or imposes limits on mismatch, no significant interest rate risk exposure is expected.

Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates):

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non-interest Bearing	Total
Current Period							
Assets							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	8,254,065	-	-	-	-	1,661,862	9,915,927
Banks	944,526	-	-	-	-	376,863	1,321,389
Financial Assets at Fair Value Through Profit and Loss	1,883	19,679	91,395	150,949	23,029	413,062	699,997
Money Market Placements	-	-	-	-	-	-	-
Available-For-Sale Financial Assets	413,640	780,034	1,789,707	977,744	70,892	96,534	4,128,551
Loans (*)	15,758,127	3,051,500	8,798,330	18,635,638	6,555,149	414,089	53,212,833
Held-To-Maturity Investments	33,980	93,973	211,464	-	-	-	339,417
Other Assets	-	-	39,748	18,560	-	2,283,920	2,342,228
Total Assets	25,406,221	3,945,186	10,930,644	19,782,891	6,649,070	5,246,330	71,960,342
Liabilities							
Bank Deposits	107,735	5,744	-	-	-	1,078	114,557
Other Deposits	27,972,208	8,752,578	565,888	10,215	14	6,980,400	44,281,303
Money Market Borrowings	2,384,787	-	-	-	-	-	2,384,787
Sundry Creditors	-	-	-	-	-	1,286,557	1,286,557
Marketable Securities Issued	193,517	77,146	-	-	-	-	270,663
Funds Provided From Other Financial Institutions	2,550,498	2,888,895	7,614,066	47,717	433,597	-	13,534,773
Other Liabilities	6,917	46,392	43,537	69,180	3,029	9,918,647	10,087,702
Total Liabilities	33,215,662	11,770,755	8,223,491	127,112	436,640	18,186,682	71,960,342
Balance Sheet Long Position	-	-	2,707,153	19,655,779	6,212,430	-	28,575,362
Balance Sheet Short Position	(7,809,441)	(7,825,569)	-	-	-	(12,940,352)	(28,575,362)
Off-Balance Sheet Long Position	6,910,210	-	-	-	-	-	6,910,210
Off-Balance Sheet Short Position	-	(137,238)	(4,204,032)	(2,464,456)	-	-	(6,805,726)
Total Position	(899,231)	(7,962,807)	(1,496,879)	17,191,323	6,212,430	(12,940,352)	104,484

(*) Rotary loans amounting to TL8,779,628 are included in “Up to 1 Month” while mark to market differences from terminated hedged loans amounting to TL282, TL846 and TL785 are included in “Up to 1 Month”, “1-3 Months” and “3-12 Months” respectively.

The other assets line in the non-interest bearing column consists of tangible assets amounting to TL283,005, intangible assets amounting to TL471,406, subsidiaries amounting to TL115,986 and entities under common control (joint vent.) amounting to TL5, assets held for sale amounting to TL71,874 while other liabilities line includes the shareholders’ equity of TL6,961,824

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VI. Explanations Related to Interest Rate Risk (continued)

Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates):

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non-interest Bearing	Total
Prior Period							
Assets							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	-	532,270	-	-	-	7,934,658	8,466,928
Banks	590,581	8,540	8,317	-	-	195,540	802,978
Financial Assets at Fair Value Through Profit and Loss	42,633	22,095	56,666	63,066	65,471	428,378	678,309
Money Market Placements	550,169	-	-	-	-	-	550,169
Available-For-Sale Financial Assets	580,530	1,006,119	1,731,083	957,176	16,890	20,971	4,312,769
Loans (*)	13,219,948	2,826,095	7,313,662	16,548,223	5,049,464	434,818	45,392,210
Held-To-Maturity Investments	31,583	87,344	198,433	-	-	-	317,360
Other Assets	-	-	10,370	50,383	48	2,410,365	2,471,166
Total Assets	15,015,444	4,482,463	9,318,531	17,618,848	5,131,873	11,424,730	62,991,889
Liabilities							
Bank Deposits	617,459	580,665	2,122	-	-	40,299	1,240,545
Other Deposits	27,701,781	4,769,977	186,681	82,902	206	5,456,469	38,198,016
Money Market Borrowings	1,756,987	-	-	-	-	-	1,756,987
Sundry Creditors	-	-	-	-	-	1,122,666	1,122,666
Marketable Securities Issued	165,887	262,196	563,500	-	-	-	991,583
Funds Provided From Other Financial Institutions	2,504,430	4,835,946	3,283,830	110,604	112,671	-	10,847,481
Other Liabilities	6,776	1,770	41,477	326,838	9,294	8,448,456	8,834,611
Total Liabilities	32,753,320	10,450,554	4,077,610	520,344	122,171	15,067,890	62,991,889
Balance Sheet Long Position	-	-	5,240,921	17,098,504	5,009,702	-	27,349,127
Balance Sheet Short Position	(17,737,876)	(5,968,091)	-	-	-	(3,643,160)	(27,349,127)
Off-Balance Sheet Long Position	5,328,783	1,100,000	-	-	-	-	6,428,783
Off-Balance Sheet Short Position	-	-	(1,267,485)	(5,035,764)	(26,250)	-	(6,329,499)
Total Position	(12,409,093)	(4,868,091)	3,973,436	12,062,740	4,983,452	(3,643,160)	99,284

(*) Rotary loans amounting to TL7,098,120 are included in “Up to 1 Month” while mark to market differences from hedged loans amounting to TL6,077 are included in “1-5 Years”.

The other assets line in the non-interest bearing column consists of tangible assets amounting to TL315,128, intangible assets amounting to TL475,472, subsidiaries amounting to TL177,240 and entities under common control (joint vent.) amounting to TL5, assets held for sale amounting to TL79,466 while other liabilities line includes the shareholders’ equity of TL5,902,979.

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VI. Explanations Related to Interest Rate Risk (continued)

Average interest rates applied to monetary financial instruments:

	EURO	USD	YEN	TL
	%	%	%	%
Current Period				
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	-	0.49	-	1.81
Banks	-	0.13	-	10.86
Financial Assets at Fair Value Through Profit and Loss	1.84	4.69	-	10.56
Money Market Placements	-	-	-	-
Available-For-Sale Financial Assets	2.44	4.97	-	10.60
Loans	3.26	3.66	2.57	14.08
Held-To-Maturity Investments	-	-	-	11.22
Liabilities				
Bank Deposits	0.10	-	-	4.32
Other Deposits	1.28	1.86	1.30	11.73
Money Market Borrowings	-	-	-	7.62
Sundry Creditors	-	-	-	-
Marketable Securities Issued	-	1.50	-	10.68
Funds Provided From Other Financial Institutions	1.28	1.90	1.00	10.90
	EURO	USD	YEN	TL
	%	%	%	%
Prior Period				
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	-	-	-	1.51
Banks	0.20	0.09	-	10.93
Financial Assets at Fair Value Through Profit and Loss	1.58	4.03	-	8.41
Money Market Placements	-	-	-	11.24
Available-For-Sale Financial Assets	2.43	3.59	-	9.44
Loans	3.44	3.74	2.94	12.87
Held-To-Maturity Investments	-	-	-	12.58
Liabilities				
Bank Deposits	0.30	-	-	4.67
Other Deposits	1.20	1.99	1.75	9.91
Money Market Borrowings	-	-	-	8.32
Sundry Creditors	-	-	-	-
Marketable Securities Issued	-	1.16	-	9.10
Funds Provided From Other Financial Institutions	1.17	1.77	2.23	8.09

Interest rate risk on banking accounts:

- a) Nature of interest rate risk caused by the banking accounts, significant assumptions on the deposit movement excepting early repayment of the loans and time deposits and measurement frequency of the interest rate risk:

Interest rate risk resulting from the banking accounts whose imposed interest risk that is traced by the bank, as well as been assessing by the related committee in different angle. There is a limit to risk amount defined by the Board of Directors. According to view of market expectation of the bank in terms of currency, is taken care in order to supply balancing between assets and liabilities.

Early repayment rate of loans is determined upon auditing to feedback of previous mortgage rate movements. Repricing days of demand deposit at bank account is settled on basing of demand deposit movements in view of branches and accounts. Accepted assumptions in parallel of result are reflected to issue products in calculation of interest rate sensitivity.

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VI. Explanations Related to Interest Rate Risk (continued)

Interest rate risk on banking accounts: (continued)

- b) Economic value differences resulted from interest rate instabilities calculated according to “Regulation on measurement and evaluation of interest rate risk resulting from the banking accounts as per standard shock method”:

Type of Currency	Shock Applied (+/- x basis point)	Gains/ (Losses)	Gains/Equity- (Losses)/Equity
TL	(400)	1,024,759	11.72%
TL	500	(1,093,467)	(12.51)%
EURO	(200)	223,439	2.56%
EURO	200	(193,087)	(2.21)%
USD	(200)	57,422	0.66%
USD	200	(49,006)	(0.56)%
Total (of negative shocks)	(800)	1,305,620	14.94%
Total (of positive shocks)	900	(1,335,560)	(15.28)%

Equity share position risk in banking accounts

Equity securities which are not publicly traded are booked as their fair value, or otherwise booked as their cost value if calculation of fair value is not determined properly.

VII. Explanations on Liquidity Risk

- a) Information on liquidity risk management, such as the bank's risk capacity, responsibilities and the structure of liquidity risk management, Bank's internal reporting of the liquidity risk and communication of liquidity risk strategy, policy, and practises to the Board of Directors and business lines:

The Asset-Liability Management and Treasury Group is responsible for monitoring the bank's current liquidity position and for complying with liquidity limits approved by the Board of Directors. After evaluating the liquidity position, the Asset-Liability Management and Treasury Group uses authorised products to provide sufficient liquidity based on liquidity position:

Responsibilities for liquidity management are described in the *Liquidity Risk Policy* which is reviewed and approved by the Board of Directors annually. The various responsibilities have been shared among the appropriate departments and committees as outlined in duty descriptions. While the Asset-Liability Management and Treasury Group alone is responsible for managing liquidity and for developing short-term liquidity estimates, the Asset-Liability Management and Treasury Group works with the Asset-Liability Management Committee to jointly developing/setting short-term liquidity strategies and middle and long term liquidity estimates. The Asset-Liability Management Committee is responsible for developing/setting middle and long term liquidity strategies.

The Risk Management Group monitors daily all set liquidity risk limits, and periodically reports internal and legal liquidity rates and changes to the Audit Committee and Board of Directors, in addition to providing daily reports to senior management. Information about the bank's liquidity structure and policies is provided to the relevant business lines at an Assets-Liabilities Committee meeting which is held every couple of weeks, and at a Liquidity Risk Committee meeting which is held monthly.

- b) Informations on the centralisation degree of liquidity management and funding strategy and on operations between the bank and its partnerships:

The Assets-Liabilities Committee and the Treasury Group manage the bank's liquidity risk and performs this role only for the bank. Liquidity gap values are monitored within the limits set by the Board of Directors, and for compliance with these limits, the necessary debt instruments are used, while considering price and maturity structure. Our subsidiaries manage their own liquidity, and we provide them borrowing facilities within market conditions and legal limits.

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VII. Explanations Related to Liquidity Risk (continued)

- c) Informations about the Bank's funding strategy including policies on diversification of its sources and tenor of funding:

While the bank tries to diversify its funding resources, it also tries to extend its payment terms. Customer deposits are the bank's main funding resource. Our main strategy for deposit management is to be inclusive while extending the average maturity. In addition to borrowings from money markets and collecting deposit, Bank uses instruments such as long-term syndicated loans, securities issued in TL, and foreign currency to diversify funding resources.

- d) Informations on liquidity management based on currency which consists of a minimum of 5% of the Bank's total liabilities:

Excluding TL, USD, and EUR, there is no foreign currency which exceeds 5% of total liabilities. For these currencies, liquidity gaps are reported on a monthly basis and the liquidity coverage ratio is calculated daily for TL and foreign currency. The Asset-Liability Management and Treasury Group is responsible for taking the necessary steps to keep ratios within the limits determined by the Board of Directors. Trend of these ratios are monitored on a monthly basis by the Liquidity Risk Committee which includes the general manager, assistant general manager in charge of Financial Control Group, Group Risk Chief Officer, and the assistant general manager in charge of the Assets-Liabilities Management and Treasury Group. Furthermore, senior management is periodically informed about the relevant ratios.

- e) Informations on liquidity risk mitigation techniques:

The bank's main liquidity management strategy is to diversify funding resources and extend the maturity structure. The bank's balance sheet liquidity risk is periodically measured by Assets-Liabilities management and closely monitored with the Treasury. In accordance with market expectations, the Assets-Liabilities Management and Treasury Group carries out the actions necessary to minimise risk.

Within this framework, the bank's liquidity risk is attempted to manage efficiently by long-term structural changes (such as diversifying funding sources, extending maturity structure etc.) and short and mid-term money market and derivative transactions.

In the short term, liquidity risk is minimised with FX swaps, interbank borrowings and repurchase agreements, while cross currency swap and interest rate swap transactions are used to minimise these risks in the long term.

- f) Explanations on the usage of the stress test:

The aim of the liquidity stress test is to analyse how liquidity squeeze affects bank liquidity. Cash inflows and outflows which may arise in cases of stress event are analysed based on products with different maturities. Stress events which may arise as a result of the liquidity squeeze, both in the Bank and in the whole banking system, in cases of stress event are analysed. Also, situations where the two scenarios might coincide are considered. The analysis addresses how much of the net cash outflows of different maturities would be covered by the current liquid stock during all relevant stress events.

- g) General informations on liquidity emergency and contingency plans:

The extraordinary liquidity situation is evaluated to by determining:

- Whether the liquidity problem is specific to the bank or applies to the whole banking system and
- Whether there is a permanent or temporary problem.

Profitability has second degree importance in extraordinary liquidity conditions. In cases of cash shortage or cash withdrawal, the branches are responsible for informing the Asset-Liability Management and Treasury Group about withdrawn liabilities. The Asset-Liability Management and Treasury Group takes the necessary actions to cover the cash outflow which may occur in the accounts and informs the Asset-Liability Committee of any related delays.

In a liquidity crisis, the Assets-Liabilities Management and Treasury Group, the Assets-Liabilities Committee, the Liquidity Risk Committee, senior management, and the Board of Directors are responsible for solving the liquidity problem. It is predicted that, in a liquidity crisis, in order to create additional liquidity, written actions (considering the cost) must be taken within current market conditions.

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VII. Explanations Related to Liquidity Risk (continued)

Liquidity Coverage Ratio

Current Period	Total value to which the consideration ratio is not applied (*)		Total value to which the consideration ratio is applied (*)	
	TL+FC	FC	TL+FC	FC
High Quality Liquid Assets				
High Quality Liquid Assets			10,033,321	6,624,151
Cash Outflows				
Real person and retail deposits	27,197,790	11,105,350	2,235,163	1,010,002
Stable deposits	9,692,320	2,010,660	484,616	100,533
Less stable deposits	17,505,470	9,094,690	1,750,547	909,469
Unsecured debts other than real person and retail deposits	21,173,520	7,879,881	10,149,146	4,243,584
Operational deposits	2,903,336	1,699,544	725,834	424,886
Non-operational deposits	16,813,883	6,157,689	7,967,010	3,796,050
Other unsecured debts	1,456,302	22,648	1,456,302	22,648
Secured debts			-	-
Other cash outflows	12,163,669	7,005,313	12,163,669	7,005,313
Derivative liabilities and collateral completion liabilities	12,163,669	7,005,313	12,163,669	7,005,313
Debts related to the structured financial products	-	-	-	-
Payment commitments for debts to financial markets and other off-the-balance sheet liabilities	-	-	-	-
Other off-the-balance sheet and revocable (without contingency) liabilities and other contractual liabilities	-	-	-	-
Other irrevocable or revocable (based on conditions) off-the-balance sheet debts	26,219,063	8,230,920	1,933,007	713,029
Total Cash Outflows			26,480,985	12,971,928
Cash Inflows				
Secured liabilities	-	-	-	-
Unsecured liabilities	5,636,365	2,568,989	3,576,362	1,948,929
Other cash inflows	11,686,474	9,269,157	11,686,474	9,269,157
Total Cash Inflows	17,322,839	11,838,146	15,262,836	11,218,086
			Values to which the upper limit is applied	
Total High Quality Liquid Assets Inventory			10,033,321	6,624,151
Total Net Cash Outflows			11,218,149	3,242,982
Liquidity Coverage Ratio (%)			89.44	204.26

(*) Simple arithmetic average of the last 3 months data calculated by using monthly simple arithmetic averages.

In accordance with the new regulation effective from 28 September 2015, all of the corporate deposits are included in the “Liquidity Coverage Ratio” calculation. Only the corporate deposits with a maturity up to 30 days or less were considered on previous calculations. Related changes effected the ratio negatively, but if the prior calculation methodology has been applied average rates in the last 3 months would be reported as 106.29% and 208.98% with an increase of 16.85% and 4.72% respectively for total and foreign currency.

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VII. Explanations Related to Liquidity Risk (continued)

Liquidity Coverage Ratio (continued)

Prior Period	Total value to which the consideration ratio is not applied (*)		Total value to which the consideration ratio is applied (*)	
	TL+FC	FC	TL+FC	FC
High Quality Liquid Assets				
High Quality Liquid Assets			11,233,433	6,134,369
Cash Outflows				
Real person and retail deposits	25,421,640	9,444,200	2,238,344	886,700
Stable deposits	6,076,400	1,154,400	303,820	57,720
Less stable deposits	19,345,240	8,289,800	1,934,524	828,980
Unsecured debts other than real person and retail deposits	14,538,406	5,848,091	8,246,939	3,565,833
Operational deposits	2,189,288	1,191,232	547,322	297,808
Non-operational deposits	10,291,615	4,566,722	5,642,114	3,177,888
Other unsecured debts	2,057,503	90,137	2,057,503	90,137
Secured debts			-	-
Other cash outflows	14,943,408	8,897,698	14,943,408	8,897,698
Derivative liabilities and warranty completion liabilities	14,943,408	8,897,698	14,943,408	8,897,698
Debts related to the structured financial products	-	-	-	-
Payment commitments for debts to financial markets and other off-the-balance sheet liabilities	-	-	-	-
Other off-the-balance sheet and revocable (without contingency) liabilities and other contractual liabilities	-	-	-	-
Other irrevocable or revocable (based on conditions) off-the-balance sheet debts	22,746,045	6,558,178	1,689,411	611,391
Total Cash Outflows			27,118,102	13,961,622
Cash Inflows				
Secured liabilities	-	-	-	-
Unsecured liabilities	4,405,949	1,252,810	2,707,280	858,980
Other cash inflows	14,965,032	12,819,334	14,965,032	12,819,334
Total Cash Inflows	19,370,981	14,072,144	17,672,312	13,678,314
			Values to which the upper limit is applied	
Total High Quality Liquid Assets Inventory			11,233,433	6,134,369
Total Net Cash Outflows			9,445,790	3,490,406
Liquidity Coverage Ratio (%)			118.93	175.75

(*) Simple arithmetic average of the last 3 months data calculated by using monthly simple arithmetic averages.

Information on liquidity coverage ratio:

The amount of high quality liquid assets, distribution of deposits based on segment, maturity types of borrowings and the share of revolving loans in loan portfolio can be considered as the most important factors affecting liquidity coverage ratio.

High quality liquid assets in order of their priority consist of the time accounts, bond portfolio, reserve deposit and cash. Funding sources consists of corporate customer deposits, real person deposits, borrowings and SME deposit accounts which are weighted by ratios used in Liquidity Coverage Ratio reporting considering their maturity types. Due to amount differences between buy and sell transactions, derivative products effects more FC Liquidity Coverage Ratio rather than the total. Besides, cash outflows due to withdrawal of the collaterals securing derivatives and market valuation changes on derivative transactions are considered in calculations.

There are concentration limits on funding sources approved by Board of Directors. Diversification of funding base of deposits, funding from Group, borrowing, repo and other long term liabilities; and funding limits by product type are monitored and reported.

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VII. Explanations Related to Liquidity Risk (continued)

Liquidity Coverage Ratio (continued)

Liquidity management of consolidated subsidiaries are managed by individual legal entities. Although liquidity coverage ratio is reported on a consolidated basis, there is no centralized liquidity management system. Finally, there is no other significant cash inflow or outflow item which are not required by section 2 of communiqué.

Consolidated Liquidity Coverage Ratio for the last three months are presented below:

	Current Period	
	TL+FC	FC
Lowest	85.69%	184.35%
Week	06.11.2015	23.10.2015
Highest	92.32%	220.05%
Week	09.10.2015	27.11.2015

Presentation of assets and liabilities according to their remaining maturities:

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Undistributed (*)	Total
Assets								
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	1,661,862	8,254,065	-	-	-	-	-	9,915,927
Banks	376,863	944,526	-	-	-	-	-	1,321,389
Financial Assets at Fair Value Through Profit and Loss	-	78,162	83,157	242,297	252,450	43,931	-	699,997
Money Market Placements Available-For-Sale Financial Assets	96,534	82,900	181,434	1,278,002	1,957,868	531,813	-	4,128,551
Loans (**)	-	15,737,335	2,918,770	8,756,184	18,830,796	6,566,568	403,180	53,212,833
Held-To-Maturity Investments	-	-	-	-	211,464	127,953	-	339,417
Other Assets	-	-	-	39,748	18,560	-	2,283,920	2,342,228
Total Assets	2,135,259	25,096,988	3,183,361	10,316,231	21,271,138	7,270,265	2,687,100	71,960,342
Liabilities								
Bank Deposits	1,078	107,735	5,744	-	-	-	-	114,557
Other Deposits	6,980,400	27,972,208	8,752,578	565,888	10,215	14	-	44,281,303
Funds Provided From Other Financial Institutions	-	2,228,099	2,647,613	6,327,604	575,616	1,755,841	-	13,534,773
Money Market Borrowings	-	2,384,787	-	-	-	-	-	2,384,787
Marketable Securities Issued	-	193,517	77,146	-	-	-	-	270,663
Sundry Creditors	-	1,286,557	-	-	-	-	-	1,286,557
Other Liabilities	-	1,439,274	197,956	203,374	129,357	4,106	8,113,635	10,087,702
Total Liabilities	6,981,478	35,612,177	11,681,037	7,096,866	715,188	1,759,961	8,113,635	71,960,342
Liquidity Gap	(4,846,219)	(10,515,189)	(8,497,676)	3,219,365	20,555,950	5,510,304	(5,426,535)	-
Net Off-Balance Sheet Position	-	(64,126)	(65,648)	76,034	57,294	3,941	-	7,495
Financial Derivative Assets	-	10,299,756	8,555,646	13,722,793	6,845,046	603,145	-	40,026,386
Financial Derivative Liabilities	-	10,363,882	8,621,294	13,646,759	6,787,752	599,204	-	40,018,891
Non-Cash Loans	4,663,871	769,946	1,278,432	4,287,456	3,499,116	-	-	14,498,821
Prior Period								
Total Assets	2,210,828	21,100,959	3,336,103	8,737,388	18,514,897	6,280,468	2,811,246	62,991,889
Total Liabilities	5,496,768	34,346,912	9,532,981	4,300,421	887,165	1,555,533	6,872,109	62,991,889
Liquidity Gap	(3,285,940)	(13,245,953)	(6,196,878)	4,436,967	17,627,732	4,724,935	(4,060,863)	-
Net Off-Balance Sheet Position	-	7,128	49,988	110,169	17,352	170	-	184,807
Financial Derivative Assets	-	10,876,033	6,206,801	10,234,070	8,988,855	290,978	-	36,596,737
Financial Derivative Liabilities	-	10,868,905	6,156,813	10,123,901	8,971,503	290,808	-	36,411,930
Non-Cash Loans	4,292,032	516,721	1,058,567	3,547,412	2,446,209	-	-	11,860,941

(*) The assets which are necessary to provide banking services and could not be liquidated in a short term, such as tangible assets, investments in subsidiaries and associates, office supply inventory, prepaid expenses and non-performing loans, are classified as under undistributed.

(**) Rotary loans amounting to TL8,779,628 (31 December 2014: TL7,098,120) are included in “up to 1 month” while mark to market differences from terminated hedged loans amounting to TL282, TL846 and TL785 are included in “up to 1 month”, “1-3 month” and “3-12 month” respectively (31 December 2014: TL6,077 are included in “1-5 Years”).

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VII. Explanations Related to Liquidity Risk (continued)

Analysis of financial liabilities by remaining contractual maturities:

	Demand	Up to 1 Month	1-3 Month	3-12 Month	1-5 Year	5 Year and Over	Adjustments	Total
31 December 2015								
Money Market Borrowings	-	2,387,614	-	-	-	-	(2,827)	2,384,787
Deposit	6,980,400	28,052,930	8,866,609	581,856	10,721	16	(211,229)	44,281,303
Bank Deposit	1,078	107,788	5,765	-	-	-	(74)	114,557
Funds Borrowed From Other Financial Institutions	-	2,298,624	2,673,080	6,632,198	895,314	2,018,428	(982,871)	13,534,773
Total	6,981,478	32,846,956	11,545,454	7,214,054	906,035	2,018,444	(1,197,001)	60,315,420
31 December 2014								
Money Market Borrowings	-	1,758,172	-	-	-	-	(1,185)	1,756,987
Deposit	5,456,469	27,779,832	4,818,246	190,530	87,647	425	(135,133)	38,198,016
Bank Deposit	40,299	617,654	580,992	2,202	-	-	(602)	1,240,545
Funds Borrowed From Other Financial Institutions	-	1,852,160	3,852,189	3,298,751	701,379	1,797,708	(654,706)	10,847,481
Total	5,496,768	32,007,818	9,251,427	3,491,483	789,026	1,798,133	(791,626)	52,043,029

Analysis of contractual expiry by maturity of the Bank’s derivative financial instruments:

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
31 December 2015						
Derivative financial instruments for hedging purposes						
Fair value hedge	-	-	-	-	-	-
Cash flow hedge	87,433	2,329,741	972,135	1,419,073	-	4,808,382
Held for trading transactions						
Foreign exchange forward contracts-sell	996,674	1,314,266	1,735,437	867,762	22,292	4,936,431
Currency swaps-sell	7,590,856	4,399,819	4,486,456	2,322,577	369,507	19,169,215
Interest rate swaps-sell	3,266	6,583	22,581	12,910	1,801	47,141
Foreign currency futures-sell	-	-	-	-	-	-
Foreign currency options-sell	1,693,752	1,832,303	2,975,503	66,555	-	6,568,113
Total	10,371,981	9,882,712	10,192,112	4,688,877	393,600	35,529,282
31 December 2014						
Derivative financial instruments for hedging purposes						
Fair value hedge	-	14,542	452,124	225,274	-	691,940
Cash flow hedge	23,264	99,107	365,013	543,056	68	1,030,508
Held for trading transactions						
Foreign exchange forward contracts-sell	936,087	930,247	1,238,720	761,673	34,250	3,900,977
Currency swaps-sell	7,303,718	2,873,581	3,504,691	2,240,117	117,201	16,039,308
Interest rate swaps-sell	1,226	7,676	17,068	26,423	669	53,062
Foreign currency futures-sell	-	-	-	-	-	-
Foreign currency options-sell	2,602,410	1,993,020	4,179,510	12,714	-	8,787,654
Total	10,866,705	5,918,173	9,757,126	3,809,257	152,188	30,503,449

Cash disposal of derivative financial instruments is shown above table.

Securitization positions:

The Bank does not apply securitization as of 31 December 2015 (31 December 2014: None).

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VII. Explanations Related to Liquidity Risk (continued)

Credit Risk Mitigation Techniques:

- a) Process of net-offs of balance sheet and off-balance sheet items and net-offs made through policies and bank’s net-off usage level:

Bank does not perform net-off of balance sheet and off-balance sheet items in credit risk mitigation.

- b) Applications regarding valuation and management of collaterals:

Monetary collaterals are valued at fair value as of reporting date and are included in the risk mitigation process. Mortgages’ legal validity is sustained by mortgage’s timely and fair approval. Changes considerably important in market conditions are monitored.

- c) Types of collaterals received:

In terms of credit risk mitigation bank uses cash, government and treasury bonds, fund, gold, bank guarantee, stock and derivatives as main collateral type. Mortgages on dwelling and commercial real estate reported under different risk class are other main types of collaterals.

- d) Main Guarantor and credit derivatives’ counter party and their credit valuableness:

Guarantor entity’s credit risk value is to be considered in credit risk mitigation process in cases where bank credit customers obtained guarantee from other entities.

- e) Information on Credit mitigation in market or credit risk concentration:

Bank mostly prefers cash, securities such as government and Treasury bond for collateral which have low market and credit risk mitigation risk.

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VII. Explanations Related to Liquidity Risk (continued)

Credit Risk Mitigation Techniques (continued):

f) Collaterals in terms of Risk Categories:

Current Period

Exposure classifications	Amount	Financial Collaterals	Other/Physical Collaterals	Guarantees and Credit Derivatives
Conditional and unconditional receivables from central governments or central banks	350,315	-	-	-
Conditional and unconditional receivables from regional or local governments	68,332	37,336	-	-
Conditional and unconditional receivables from administrative units and non-commercial enterprises	-	-	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-
Conditional and unconditional receivables and brokerage Houses	1,764,231	86,072	-	-
Conditional and unconditional corporate receivables	24,399,396	1,224,233	-	-
Conditional and unconditional retail receivables	16,235,307	466,671	-	-
Conditional and unconditional secured mortgage Receivables	4,912,427	-	-	-
Past due receivables	408,306	382	-	-
Receivables in high risk category defined by BRSA	7,599,809	-	-	-
Securities collateralized by mortgages	-	-	-	-
Securitization positions	-	-	-	-
Short-term receivables from banks, stockbrokers and corporate	-	-	-	-
Investments of natured collective investment enterprise	-	-	-	-
Other receivables	1,006,066	-	-	-
Total	56,744,189	1,814,694	-	-

Prior Period

Exposure classifications	Amount	Financial Collaterals	Other/Physical Collaterals	Guarantees and Credit Derivatives
Conditional and unconditional receivables from central governments or central banks	350,321	-	-	-
Conditional and unconditional receivables from regional or local governments	69,224	35,494	-	-
Conditional and unconditional receivables from administrative units and non-commercial enterprises	2	-	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	1,259,428	93,937	-	-
Conditional and unconditional corporate receivables	20,385,119	1,127,897	-	-
Conditional and unconditional retail receivables	15,104,769	461,735	-	-
Conditional and unconditional secured mortgage Receivables	2,924,110	-	-	-
Past due receivables	452,485	364	-	-
Receivables in high risk category defined by BRSA	7,731,007	-	-	-
Securities collateralized by mortgages	-	-	-	-
Securitization positions	-	-	-	-
Short-term receivables from banks, stockbrokers and corporate	-	-	-	-
Investments of natured collective investment enterprise	-	-	-	-
Other receivables	1,298,103	58	-	-
Total	49,574,568	1,719,485	-	-

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VII. Explanations Related to Liquidity Risk (continued)

Risk management objectives and policies:

a) Strategies and practices on risk management:

The objective of the Risk Management system is to provide that the risks derived from the bank’s activities are defined, measured, monitored and controlled through policies, procedures and limits established.

Risk Management functions of the Bank and all of its subsidiaries have been gathered under the Risk Management Group. Group Risk Management reports to the Boards of Directors of TEB through the Audit Committee within the Bank and is responsible for fulfilling its duties of general supervision, notification and recommendation on behalf of the Boards of Directors in line with the principles laid down in this Regulation.

Risk policies and the procedures related there to contain written standards set by the Board of Directors and the “Senior Management” consisting of General Manager, Assistant General Managers and Chief Risk Officer.

Risk policies and related procedures are prepared in compliance with the Banking Law, external legislation and general banking practices and presented to the Senior Management / Board of Directors for approval.

It is the principal duty of all managers to provide compliance with risk policies containing the criteria required for each unit and to provide that TEB Group risk culture is adopted by all employees.

b) Structure and organization of Risk management system:

Risk Management activities consist of; risk measurement, risk monitoring, risk control and reporting. Risk Management activities are performed by Group Risk Management and its staff.

Head of Group Risk Management reports to the Board of Directors via Audit Committee.

c) Risk reporting and measurement systems’ scope and qualification:

In order to ensure that the results of risk measurement and monitoring are regularly and timely reported to the Board of Directors and to the Senior Management, realization of the following shall be monitored:

- The risks of the Bank are reported in a detailed and reliable manner to the Board of Directors, to the Audit Committee, to the Senior Management, to the auditors, to the banking authorities, to the rating organizations and finally to the public; and more generally, to keep relations with legal authorities, supervisory and rating organizations in matters related to risk management.
- The quantifiable risks are kept within prescribed limits; excesses are identified, stress tests and scenario analyses are performed to evaluate the effect of unexpected market conditions on basic activities and the results are reported to the Board of Directors or to the Senior Management timely and regularly.
- Data on positions and prices is monitored, risk balances are monitored, excesses are identified and monitored, various scenario analyses are performed, value at risk amounts are determined and reported, coordination with other activity fields and units is ensured,
- Daily reports from risk measurement models used by the Bank are generated, these reports are analyzed, it’s ensured that quantifiable risks comply with prescribed limits and the conformity with the limits is monitored,
- Limits defined for each risk on unit/organization basis are aggregated and monitored on a consolidated basis.

The Group Risk Management follows the consequences of the results of risk measurement and monitoring and submits them to the Board of Directors either directly or through the Audit Committee.

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VII. Explanations Related to Liquidity Risk (continued)

Risk management objectives and policies: (continued)

i) Credit Risk

Bank has internal rating models for corporate and SME segments. Application and behavioral score cards are used for entity and individual segments.

ii) Market Risk

For FX position, limits in different breakdowns are determined by Board of Directors and option operations are considered with delta conjugates.

In regular analysis, net interest income effects originating from interest rates changes are calculated for all interest rates sensitive products and the results are monitored in limits determined by Board of Directors. The shocks which are given to interest rates are changes by each currencies and in linear scenario analysis, not only linear but also sudden shocks are evaluated. These analyses may be performed for both current and targeted balance sheet figures.

According to economic value approach, changes in market interest rates may affect Bank’s assets, liabilities and off balance sheet items values. Bank’s economic value’s sensitivity to interest rate is an important issue for stockholders, management and auditors.

Economic value of a product is net present value that is calculating by discounting expected cash flow.

Economic value of the bank is the net present value of the cash flows that is subtracting expected cash flows of liabilities from net present value of assets and adding off balance sheet items expected cash flows. Economic value approach represents Bank’s value’s sensitivity to interest rate fluctuations.

Market value of equity is defined as the difference between the market value of assets and liabilities. The Board of Directors predefines a limit for market value of equity; shock method is applied to all items to be able to see equity’s influence on market value. Shocks applied may vary based on currencies.

As Economical Value approach considers effects of interest rate changes on all future cash flows, it enables to comprehensively understand effects of interest rate changes in the long run.

In addition to these analyses, Group Risk Management, based on current position, conducts stress testing to be able to predict possible losses as a consequence of exceptional fluctuations. Stress testing prepared by BNP Paribas and TEB Group Risk Management measure the sensitivity created as a result of market price changes based on scenarios. Scenario analysis both on historical and hypothetical basis are conducted.

Scenario analysis is applied both to currency and interest rates to be able to understand the effects on current portfolio.

Other than scenario analysis, various stress testings are applied to current portfolio; motive behind which is to see the effects of prior events on current position.

Nominal amount limits defined for bond portfolio, VaR (value at risk) limit for trading portfolio, and PV01 limits set for tracking interest rate risk are calculated daily, tracked and reported to the management. Both interest rate and liquidity gap calculations are made for each item of the balance sheet. For both calculations, as product based cash flows are formed, repricing, maturity and product based acceptances are also considered.

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VII. Explanations Related to Liquidity Risk (continued)

Risk management objectives and policies: (continued)

ii) Market Risk (continued)

Monthly reports are prepared for Market and Liquidity Risk Committees. Reports include end of the day positions, monthly/annual cumulative profit/loss balances and some positions taken in that month.

All limit and risk positions are represented to Audit Committee and to The Board of Directors.

d) Procedures on risk management and risk mitigation policies with regular control of their effectiveness:

The Bank maintains legal validation of collaterals used for credit risk mitigation and complies with operational standards which are required for capital adequacy regulation. Market values of collaterals are regularly updated. All physical collaterals are insured. Collateral deficiency in amount or quality is determined by monitoring system and actions are taken by related groups.

Information on the leverage ratio

a) Information on issues that cause differences between current period and previous period leverage ratios:

In 2015, there is an increase in cash and non-cash loan portfolio, due from banks and reserve deposit accounts. There is no significant change in leverage ratio since core capital got stronger. The increase in the asset size has been offset by retaining the profit for the period within the bank.

b) Leverage ratio:

	Prior Period(*)	Current Period(*)
Assets On the Balance Sheet		
Assets on the balance sheet (excluding derivative financial instruments and loan derivatives, including collaterals)	62,031,126	72,484,892
(Assets deducted from core capital)	(533,472)	(532,649)
Total risk amount for assets on the balance sheet	61,497,654	71,952,243
Derivative Financial Instruments and Loan Derivatives		
Renewal cost of derivative financial instruments and loan derivatives	484,000	610,392
Potential credit risk amount of derivative financial instruments and loan derivatives	440,165	486,252
Total risk amount of derivative financial instruments and loan derivatives	924,165	1,096,644
Financing Transactions With Securities Or Goods Warranties		
Risk amount of financial transactions with securities or goods warranties (excluding those in the balance sheet)	-	-
Risk amount arising from intermediated transactions	-	-
Total risk amount of financing transactions with securities or goods warranties	-	-
Off-the-Balance Sheet Transactions		
Gross nominal amount of the off-the-balance sheet transactions	26,283,513	28,608,064
Adjustment amount arising from multiplying by the credit conversion rate	-	-
Total risk amount for off-the-balance sheet transactions	26,283,513	28,608,064
Capital and Total Risk		
Core capital	5,564,119	6,351,525
Total risk amount	88,705,332	101,656,951
Leverage Ratio		
Leverage ratio	6.27%	6.25%

(*) The quarterly average of the amounts in the table is calculated.

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VIII. Explanations Related to Presentation of Financial Assets and Liabilities at Fair Value

	Book Value		Fair Value	
	Current Period	Prior Period	Current Period	Prior Period
Financial Assets	59,002,190	51,375,486	59,141,805	51,465,416
Money Market Placements	-	550,169	-	550,169
Banks	1,321,389	802,978	1,321,389	802,978
Available-For-Sale Financial Assets	4,128,551	4,312,769	4,128,551	4,312,769
Held-To-Maturity Investments	339,417	317,360	344,096	341,671
Loans	53,212,833	45,392,210	53,347,769	45,457,829
Financial Liabilities	61,872,640	54,157,278	62,094,407	54,143,022
Bank Deposit	114,557	1,240,545	114,557	1,240,626
Other Deposit	44,281,303	38,198,016	44,503,070	38,202,689
Funds Borrowed From Other Financial Institutions (*)	15,919,560	12,604,468	15,919,560	12,604,468
Marketable Securities Issued	270,663	991,583	270,663	972,573
Sundry Creditors	1,286,557	1,122,666	1,286,557	1,122,666

(*) Funds provided under repo transactions and interbank money market takings are included in funds borrowed from other financial institutions.

The table above shows the book value and the fair value of the financial assets and liabilities which are not disclosed at their fair value in the financial statements of the Bank.

Current period investment securities are comprised of interest-bearing assets held-to-maturity and interest-bearing assets available-for-sale. The fair value of the held to maturity assets is determined by market prices or quoted market prices of other marketable securities which are subject to redemption with same characteristics in terms of interest, maturity and other similar conditions when market prices cannot be determined.

The book value of demand deposits, money market placements with floating interest rate and overnight deposits represents their fair values due to their short-term nature. The estimated fair value of deposits and funds provided from other financial institutions with fixed interest rate is calculated by determining their cash flows discounted by the current interest rates used for other liabilities with similar characteristics and maturity structure. The fair value of loans is calculated by determining the cash flows discounted by the current interest rates used for receivables with similar characteristics and maturity structure. The book value of the sundry creditors reflects their fair values since they are short-term.

The fair values of financial assets and financial liabilities are determined 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 inputs other than quoted prices included within Level 1, that are observable either directly or indirectly in the market.
- Level 3: The fair value of the financial assets and financial liabilities where there is no observable market data.

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VIII. Explanations Related to Presentation of Financial Assets and Liabilities at Fair Value (continued)

The following table shows an analysis of financial instruments recorded at fair value, between those whose fair value is recorded on quoted market prices, those involving valuation techniques where all model inputs are observable in the market and, those where the valuation techniques involves the use of non-observable inputs.

31 December 2015	Level 1	Level 2	Level 3	Total
Financial Assets	4,228,207	571,342	75,043	4,874,592
Financial assets at fair value through profit and loss	205,828	494,169	-	699,997
<i>Public sector debt securities</i>	205,828	-	-	205,828
<i>Derivative financial assets held for trading</i>	-	494,169	-	494,169
Derivative financial assets for hedging purposes	-	58,309	-	58,309
Available-for-sale financial assets	4,022,379	18,864	75,043	4,116,286
<i>Public sector debt securities</i>	4,022,379	9,638	-	4,032,017
<i>Other available-for-sale financial assets (*)</i>	-	9,226	75,043	84,269
Financial Liabilities	-	678,663	-	678,663
Derivative financial liabilities held for trading	-	519,447	-	519,447
Derivative financial liabilities for hedging purposes	-	159,216	-	159,216
31 December 2014	Level 1	Level 2	Level 3	Total
Financial Assets	4,371,580	668,553	-	5,040,133
Financial assets at fair value through profit and loss	87,567	590,742	-	678,309
<i>Public sector debt securities</i>	87,567	-	-	87,567
<i>Derivative financial assets held for trading</i>	-	590,742	-	590,742
Derivative financial assets for hedging purposes	-	60,800	-	60,800
Available-for-sale financial assets	4,284,013	17,011	-	4,301,024
<i>Public sector debt securities</i>	4,284,013	7,785	-	4,291,798
<i>Other available-for-sale financial assets (*)</i>	-	9,226	-	9,226
Financial Liabilities	-	744,683	-	744,683
Derivative financial liabilities held for trading	-	430,813	-	430,813
Derivative financial liabilities for hedging purposes	-	313,870	-	313,870

(*) All unquoted share certificates of TL12,265 which are recorded at fair value and at cost since its fair value cannot be reliably estimated are not included. (31 December 2014: TL11,745).

There is no transition between the levels in the current year.

IX. Explanations Related to Transactions Carried out on Behalf of Other Parties and Fiduciary Assets

The Bank performs buying transactions on behalf of customers, and gives custody, administration and advisory services.

The Bank does not deal with fiduciary transactions.

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SECTION FIVE

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS

I. Explanations and Disclosures Related to the Assets

1. a) Information on Cash and Balances with the Central Bank of Turkey:

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL/Foreign Currency	371,907	399,615	329,517	437,126
Balances with the Central Bank of Turkey	830,399	8,254,065	532,270	7,134,100
Other	-	59,941	-	33,915
Total	1,202,306	8,713,621	861,787	7,605,141

b) Information related to the account of the Central Bank of Turkey:

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted demand deposit	830,399	-	532,270	-
Unrestricted time deposit	-	935,820	-	661,489
Restricted time deposit	-	7,318,245	-	6,472,611
Total	830,399	8,254,065	532,270	7,134,100

Foreign currency unrestricted deposit amounting to TL935,820 (31 December 2014: TL661,489), foreign currency restricted deposit amounting to TL7,318,245 (31 December 2014: TL6,472,611) and unrestricted deposit balance amounting to TL830,399 (31 December 2014: TL532,270) comprises of reserve deposits. As of 31 December 2015, the Turkish Lira required reserve ratios are determined to be within the range of 5% and 11.50% depending on the maturity structure of deposits denominated in Turkish Lira (31 December 2014: 5%-11.50% for all Turkish Lira liabilities), and the required reserve ratios for foreign currency deposits and other liabilities within the range of 5% and 25% (31 December 2014: 6%-13% for all foreign currency liabilities).

2. Information on financial assets at fair value through profit and loss (net):

a.1) Information on financial assets at fair value through profit and loss given as collateral or blocked: None (31 December 2014: None).

a.2) Financial assets at fair value through profit and loss subject to repurchase agreements: None.

Net book value of unrestricted financial assets at fair value through profit and loss is TL205,828 (31 December 2014: TL87,567).

a.3) Positive differences related to derivative financial assets held-for-trading:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	107,066	13,265	49,320	5,454
Swap Transactions	238,210	63,008	388,657	48,531
Futures Transactions	-	-	-	-
Options	59,215	13,405	73,940	24,840
Other	-	-	-	-
Total	404,491	89,678	511,917	78,825

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I. Explanations and Disclosures Related to the Assets (continued)

3. a) Information on banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic	582,335	281,633	544,271	33,226
Foreign	34,295	423,126	50,750	174,731
Branches and head office abroad	-	-	-	-
Total	616,630	704,759	595,021	207,957

b) Information on foreign banks:

	Unrestricted Amount		Restricted Amount	
	Current Period	Prior Period	Current Period	Prior Period
EU Countries	282,719	95,863	-	-
USA and Canada	23,878	21,020	-	-
OECD Countries(*)	8,638	4,193	-	-
Off-Shore Banking Regions	127,136	100,457	-	-
Other	15,050	3,948	-	-
Total	457,421	225,481	-	-

(*) EU countries, OECD countries except USA and Canada

4. Information on financial assets available-for-sale:

a.1) Information on financial assets available-for-sale given as collateral or blocked:

	Current Period		Prior Period	
	TL	FC	TL	FC
Share certificates	-	-	-	-
Bond, Treasury bill and similar investment securities	403,320	-	387,369	-
Other	-	-	-	-
Total	403,320	-	387,369	-

a.2) Financial assets available-for-sale subject to repurchase agreements:

	Current Period		Prior Period	
	TL	FC	TL	FC
Government bonds	2,395,729	-	1,761,323	-
Treasury bills	-	-	-	-
Other public sector debt securities	-	-	-	-
Bank bonds and bank guaranteed bonds	-	-	-	-
Asset backed securities	-	-	-	-
Other	-	-	-	-
Total	2,395,729	-	1,761,323	-

Net book value of unrestricted financial assets available-for-sale is TL1,329,502 (31 December 2014: TL2,164,077).

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I. Explanations and Disclosures Related to the Assets (continued)

4. Information on financial assets available-for-sale: (continued)

b) Information on financial assets available for sale portfolio:

	Current Period	Prior Period
Debt securities	4,032,017	4,291,798
Quoted on a stock exchange	4,032,017	4,291,798
Not quoted	-	-
Share certificates	96,534	20,971
Quoted on a stock exchange	-	-
Not quoted	96,534	20,971
Impairment provision (-)	-	-
Total	4,128,551	4,312,769

All unquoted available for sale equities are recorded at fair value except for the Bank’s investment of TL12,265 is recorded at cost since its fair value cannot be reliably estimated (31 December 2014: TL11,745).

5. Information on loans:

a) Information on all types of loans and advances given to shareholders and employees of the Bank:

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct loans granted to shareholders	1,255	300,347	64,387	175,997
Corporate shareholders	1,255	300,347	63,843	175,997
Real person shareholders	-	-	544	-
Indirect loans granted to shareholders	-	-	-	-
Loans granted to employees	65,773	-	60,593	-
Total	67,028	300,347	124,980	175,997

b) Information on the first and second group loans and other receivables including restructured or rescheduled loans:

	Standard Loans and Other Receivables			Loans and Other Receivables Under Close Monitoring (*)		
	Loans and Other Receivables (Total)	Loans and other receivables with revised contract terms		Loans and Other Receivables (Total)	Loans and other receivables with revised contract terms	
		Restructured or Rescheduled	Other		Restructured or Rescheduled	Other
Cash Loans						
Non-specialized loans	50,505,357	360,314	-	2,304,296	660,837	-
Working capital loans	-	-	-	-	-	-
Export loans	4,741,079	11,382	-	37,885	6,982	-
Import loans	-	-	-	-	-	-
Loans given to financial sector	875,218	-	-	-	-	-
Consumer loans (**)	12,516,249	56,573	-	605,750	22,628	-
Credit cards	2,685,186	17,246	-	147,689	26,957	-
Other	29,687,625	275,113	-	1,512,972	604,270	-
Specialized loans	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Total	50,505,357	360,314	-	2,304,296	660,837	-

(*) The total principle amount of the loans under close monitoring in accordance with the requirements of the regulation on “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves”.

(**) TL1,913 of income accrual resulting from the fair value difference of the hedged item loans is included in the loan balance.

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5. Information on loans: (continued)

- b) Information on the first and second group loans and other receivables including restructured or rescheduled loans: (continued)

No. of extensions	Performing Loans and Other Receivables (*)	Loans and Other Receivables under Follow-up (*)
1 or 2 times	355,395	659,056
3,4 or 5 times	2,894	884
Over 5 times	2,025	897
Total	360,314	660,837

Extension Periods	Performing Loans and Other Receivables (*)	Loans and Other Receivables under Follow-up (*)
0-6 months	301,345	563,775
6-12 months	20,283	32,711
1-2 years	13,433	30,481
2-5 years	21,174	27,396
5 years and over	4,079	6,474
Total	360,314	660,837

(*) Amounts indicated in tables above was calculated based on criteria stated in "Specific and general allowances for loan and other receivables classified in accordance with the Regulation on Identification of and Provision against Non-Performing Loans and Other Receivables" published on the Official Gazette no. 27947 dated 28 May 2011 5th paragraph of the provisional Article 4a.

- c) Loans and other receivables according to their maturity structure:

Cash Loans	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	Loans and Other Receivables	Restructured or Rescheduled	Loans and Other Receivables	Restructured or Rescheduled
Short-term loans and other receivables	21,829,535	136,694	804,785	164,845
Non-specialized loans	21,829,535	136,694	804,785	164,845
Specialized loans	-	-	-	-
Other Receivables	-	-	-	-
Medium and long-term loans and other receivables	28,675,822	223,620	1,499,511	495,992
Non-specialized loans	28,675,822	223,620	1,499,511	495,992
Non-specialized loans	-	-	-	-
Other Receivables	-	-	-	-
Total	50,505,357	360,314	2,304,296	660,837

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I. Explanations and Disclosures Related to the Assets (continued)

5. Information on loans: (continued)

d) Information on consumer loans, individual credit cards, personnel loans and credit cards given to personnel:

	Short Term	Medium and Long Term	Total
Consumer Loans-TL	197,783	12,405,515	12,603,298
Housing Loans	5,060	7,778,827	7,783,887
Vehicle Loans	5,186	445,329	450,515
General Purpose Loans	187,537	4,181,359	4,368,896
Other	-	-	-
Consumer Loans –Indexed to FC	-	28,542	28,542
Housing Loans	-	27,266	27,266
Vehicle Loans	-	-	-
General Purpose Loans	-	1,276	1,276
Other	-	-	-
Consumer Loans-FC (**)	-	29,952	29,952
Housing Loans	-	8,386	8,386
Vehicle Loans	-	7,690	7,690
General Purpose Loans	-	13,876	13,876
Other	-	-	-
Individual Credit Cards-TL	1,848,888	-	1,848,888
With Installments	614,727	-	614,727
Without Installments	1,234,161	-	1,234,161
Individual Credit Cards-FC	7,984	-	7,984
With Installments	1,127	-	1,127
Without Installments	6,857	-	6,857
Personnel Loans-TL	5,004	31,855	36,859
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	5,004	31,855	36,859
Other	-	-	-
Personnel Loans- Indexed to FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	23,634	-	23,634
With Installments	8,571	-	8,571
Without Installments	15,063	-	15,063
Personnel Credit Cards-FC	340	-	340
With Installments	60	-	60
Without Installments	280	-	280
Overdraft Accounts-TL(Real Persons) (*)	422,367	-	422,367
Overdraft Accounts-FC(Real Persons)	981	-	981
Total	2,506,981	12,495,864	15,002,845

(*) Overdraft Accounts include personnel loans amounting to TL4,940.

(**) Loans granted via branches abroad.

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I. Explanations and Disclosures Related to the Assets (continued)

5. Information on loans: (continued)

e) Information on commercial loans with installments and corporate credit cards:

	Short Term	Medium and Long Term	Total
Commercial loans with installment facility-TL	586,202	8,402,979	8,989,181
Business Loans	1,441	351,968	353,409
Vehicle Loans	33,236	1,019,155	1,052,391
General Purpose Loans	551,525	7,031,856	7,583,381
Other	-	-	-
Commercial loans with installment facility - Indexed to FC	23,115	605,748	628,863
Business Loans	-	23,844	23,844
Vehicle Loans	3,581	173,106	176,687
General Purpose Loans	19,534	408,798	428,332
Other	-	-	-
Commercial loans with installment facility –FC	14	-	14
Business Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	14	-	14
Other	-	-	-
Corporate Credit Cards-TL	949,937	-	949,937
With Installments	258,678	-	258,678
Without Installments	691,259	-	691,259
Corporate Credit Cards-FC	2,092	-	2,092
With Installments	-	-	-
Without Installments	2,092	-	2,092
Overdraft Accounts-TL(Legal Entities)	1,326,467	-	1,326,467
Overdraft Accounts-FC(Legal Entities)	72	-	72
Total	2,887,899	9,008,727	11,896,626

f) Allocation of loans by customers:

	Current Period	Prior Period
Public sector	492,540	533,265
Private sector	52,317,113	44,458,064
Total	52,809,653	44,991,329

g) Domestic and foreign loans:

	Current Period	Prior Period
Domestic loans	52,199,611	44,545,131
Foreign loans	610,042	446,198
Total	52,809,653	44,991,329

h) Loans granted to subsidiaries and associates:

	Current Period	Prior Period
Direct loans granted to subsidiaries and associates	-	10,603
Indirect loans granted to subsidiaries and associates	-	-
Total	-	10,603

i) Specific provisions provided against loans:

	Current Period	Prior Period
Loans and receivables with limited collectability	24,038	30,950
Loans and receivables with doubtful collectability	88,327	117,053
Uncollectible loans and receivables	716,982	571,527
Total	829,347	719,530

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I. Explanations and Disclosures Related to the Assets (continued)

5. Information on loans: (continued)

j) Information on non-performing loans (Net):

j.1) Information on loans and other receivables included in non-performing loans which are restructured or rescheduled:

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current period			
(Gross amount before specific provisions)			
Non-performing loans and receivables which are restructured	-	-	-
Non-performing loans and receivables which are rescheduled	17,210	11,015	9,271
Prior period			
(Gross amount before specific provisions)			
Non-performing loans and receivables which are restructured	-	-	-
Non-performing loans and receivables which are rescheduled	18,258	10,121	3,140

j.2) The movement of non-performing loans:

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Prior period end balance	182,224	268,489	669,698
Additions (+)	1,092,554	29,860	18,059
Transfers from other categories of non-performing loans (+)	-	992,799	947,100
Transfers to other categories of non-performing loans (-)(**)	1,001,375	947,476	137
Collections (-)	134,367	151,138	209,505
Write-offs (-) (*)	127	24	524,107
Corporate and commercial loans	-	-	153,587
Retail loans	125	22	239,530
Credit cards	2	2	130,990
Other	-	-	-
Current period end balance	138,909	192,510	901,108
Specific provision (-)	24,038	88,327	716,982
Net Balances on Balance Sheet	114,871	104,183	184,126

(*) Past due receivables portfolio amounting to TL250,007 for which TL249,854 provision and TL14,225 for which TL14,225 provision had been allocated is sold to TURKASSET Varlık Yönetim A.Ş. respectively for TL29,800 at 26 March 2015 and TL2,850 at 23 June 2015. Also, amounting to TL215,335 for which TL215,331 provision and TL41,823 for which TL41,823 provision had been allocated is sold to Final Varlık Yönetim A.Ş. respectively for TL27,310 at 27 October 2015 and TL7,511 at 29 December 2015. After completion of the necessary procedures and collection of the sale price, such past due receivables have been written off from the accounts.

(**) In compliance with the related Communiqué, retail loans amounting to TL9,089 are classified from non-performing loans to performing loans.

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I. Explanations and Disclosures Related to the Assets (continued)

5. Information on loans: (continued)

j.3) Information on foreign currency non-performing loans and other receivables:

	III. Group	IV. Group	V. Group
	Loans and Receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
31 December 2015			
Period End Balance	245	572	25,012
Specific Provision (-)	29	85	18,297
Net Balance	216	487	6,715
31 December 2014			
Prior Period End Balance	497	1,974	13,036
Specific Provision (-)	49	328	11,644
Net Balance	448	1,646	1,392

The foreign currency loans in the table above are stated in TL in the financial statements of the bank.

j.4) Information regarding gross and net amounts of non-performing loans with respect to user groups:

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current Period (Net)			
Loans to Real Persons and Legal Entities (Gross)	138,909	192,510	901,108
Specific Provision (-)	24,038	88,327	716,982
Loans to Real Persons and Legal Entities (Net)	114,871	104,183	184,126
Banks (Gross)	-	-	-
Specific Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provision (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-
Prior Period (Net)			
Loans to Real Persons and Legal Entities (Gross)	182,224	268,489	669,698
Specific Provision (-)	30,950	117,053	571,527
Loans to Real Persons and Legal Entities (Net)	151,274	151,436	98,171
Banks (Gross)	-	-	-
Specific Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provision (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-

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I. Explanations and Disclosures Related to the Assets (continued)

5. Information on loans: (continued)

k) Main principles of liquidating non-performing loans and receivables:

According to the “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” published on Official Gazette No. 26333 dated 1 November 2006; loans and other receivables for which the collection is believed to be impossible are classified as nonperforming loans by complying with the requirements of the Tax Procedural Law in accordance with the decision of the upper management of the Bank.

l) Explanations on write-off policy:

Unrecoverable non-performing loans can be written off with the decision of the Board of Directors.

m) Other explanations and disclosures:

Current Period	Commercial	Consumer	Credit Cards	Total
Neither past due nor impaired	35,303,922	12,516,249	2,685,186	50,505,357
Past due not impaired	1,550,857	605,750	147,689	2,304,296
Individually impaired	364,590	721,976	145,961	1,232,527
Total	37,219,369	13,843,975	2,978,836	54,042,180
Specific Provision	276,594	458,264	94,489	829,347
Total	276,594	458,264	94,489	829,347
Net credit balance on balance sheet	36,942,775	13,385,711	2,884,347	53,212,833

Prior Period	Commercial	Consumer	Credit Cards	Total
Neither past due nor impaired	29,333,974	11,451,287	2,386,647	43,171,908
Past due not impaired	1,124,673	608,991	85,757	1,819,421
Individually impaired	670,138	263,494	186,779	1,120,411
Total	31,128,785	12,323,772	2,659,183	46,111,740
Specific Provision	428,455	162,052	129,023	719,530
Total	428,455	162,052	129,023	719,530
Net credit balance on balance sheet	30,700,330	12,161,720	2,530,160	45,392,210

Based on classification, movement of allowance for loan losses and other receivables is presented as follows;

	Commercial	Consumer	Credit Cards	Total
1 January 2015	428,455	162,052	129,023	719,530
Change for the period	163,508	512,115	126,866	802,489
Recoveries	(75,725)	(64,987)	(30,727)	(171,439)
Amounts written-off (*)	(239,644)	(150,916)	(130,673)	(521,233)
31 December 2015 Balance	276,594	458,264	94,489	829,347

	Commercial	Consumer	Credit Cards	Total
1 January 2014	325,993	99,643	102,440	528,076
Change for the period	265,092	144,957	101,859	511,908
Recoveries	(65,612)	(54,288)	(26,077)	(145,977)
Amounts written-off (**)	(97,018)	(28,260)	(49,199)	(174,477)
31 December 2014 Balance	428,455	162,052	129,023	719,530

(*) Past due receivables portfolio amounting to TL250,007 for which TL249,854 provision and TL14,225 for which TL14,225 provision had been allocated is sold to TURKASSET Varlık Yönetim A.Ş. respectively for TL29,800 at 26 March 2015 and TL2,850 at 23 June 2015. Also; Past due receivables portfolio amounting to TL215,335 for which TL215,331 provision and TL41,823 for which TL41,823 provision had been allocated is sold to Final Varlık Yönetim A.Ş respectively for TL27,310 at 27 October 2015 and TL7,511 at 29 December 2015. After completion of the necessary procedures and collection of the sale price, such past due receivables have been written off from the accounts.

(**) Amounting to TL174,635 past due receivable portfolio for which TL174,477 provision had been allocated, was sold to TURKASSET Varlık Yönetimi A.Ş. for TL19,800, and after all the sales procedures were completed at 26 August 2014 with the completion of the necessary procedures, and the related past due receivable have been written off from the accounts.

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5. Information on loans: (continued)

m) Other explanations and disclosures: (continued)

The fair value of collaterals, capped with the respective outstanding loan balance, that the Bank holds relating to loans individually determined to be impaired at 31 December 2015 is TL318,767 (31 December 2014: TL236,874).

The fair value of collaterals, capped with the respective outstanding loan balance relating to loans individually determined to be impaired:

	Current Period	Prior Period
Mortgage	225,357	176,746
Vehicle	78,774	56,043
Cash	312	201
Other	14,324	3,884
Total	318,767	236,874

As of 31 December 2015 and 31 December 2014, detail of commodities and properties held for sale related to loan receivables of the Bank is as follows:

31 December 2015	Commercial	Consumer	Total
Residential, commercial or industrial property	66,588	5,247	71,835
Other	39	-	39
Total	66,627	5,247	71,874

31 December 2014	Commercial	Consumer	Total
Residential, commercial or industrial property	72,087	6,988	79,075
Other	391	-	391
Total	72,478	6,988	79,466

Aging analysis of past due but not impaired loans per classes of financial statements is as follows:

31 December 2015	1-30 Days	31-60 Days	61-90 Days	Total
Loans and Receivables				
Commercial Loans	938,291	374,515	238,051	1,550,857
Consumer Loans	206,593	272,130	127,027	605,750
Credit Cards	86,142	42,471	19,076	147,689
Total	1,231,026	689,116	384,154	2,304,296

31 December 2014	1-30 Days	31-60 Days	61-90 Days	Total
Loans and Receivables				
Commercial Loans	712,086	231,125	181,462	1,124,673
Consumer Loans	275,799	239,728	93,464	608,991
Credit Cards	83,641	107	2,009	85,757
Total	1,071,526	470,960	276,935	1,819,421

Of the total aggregate amount of gross past due but not yet impaired loans and advances to customers, the fair value of collaterals, capped with the respective outstanding total loan balance of the customer, that the Bank held as at 31 December 2015 is TL1,906,005 (31 December 2014: TL860,261).

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I. Explanations and Disclosures Related to the Assets (continued)

5. Information on loans: (continued)

The fair value of collaterals, capped with the respective outstanding loan balance relating to those that are past due but not impaired:

	Current Period	Prior Period
Mortgage	536,022	609,967
Vehicle	82,831	117,862
Cash	10,112	14,267
Other	1,277,040	118,165
Total	1,906,005	860,261

6. Information on held-to-maturity investments:

a) a.1) Held-to-maturity investments subject to repurchase agreements: None (31 December 2014: None).

a.2) Information on held-to-maturity investments given as collateral or blocked:

	Current Period		Prior Period	
	TL	FC	TL	FC
Share Certificates	-	-	-	-
Bond, Treasury bill and similar securities	312,654	-	271,749	-
Other	-	-	-	-
Total	312,654	-	271,749	-

Unrestricted financial assets held-to maturity amounting to TL26,763 (31 December 2014:TL45,611).

a.3) Information on held to maturity debt securities:

	Current Period	Prior Period
Government bonds	339,417	317,360
Treasury bills	-	-
Other public sector debt securities	-	-
Total	339,417	317,360

a.4) Information on held to maturity investments:

	Current Period	Prior Period
Debt securities	339,417	317,360
Quoted on a stock exchange	339,417	317,360
Unquoted	-	-
Impairment provision (-)	-	-
Total	339,417	317,360

b) Movement of investments held-to-maturity:

	Current Period	Prior Period
Beginning balance	317,360	292,956
Foreign currency differences on monetary assets	-	-
Purchases during the year (*)	22,057	24,404
Disposals through sales and redemptions	-	-
Impairment provision (-)	-	-
Closing Balance	339,417	317,360

(*) Accruals are included in purchases during the year.

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7. Information on associates (Net):

- a.1) Information on unconsolidated associates according to Communiqué on Preparing Banks’ Consolidated Financial Statements and related Turkish Accounting Standard: None (31 December 2014: None).
- a.2) Information on the unconsolidated associates: None (31 December 2014: None).
- a.3) Explanations of consolidated associates: None (31 December 2014: None).
- a.4) Information on sector information on consolidated associates: None (31 December 2014: None).
- a.5) Consolidated associates which are quoted on the stock exchange: None (31 December 2014: None).

8. Information on subsidiaries (Net):

- a) Information on shareholders’ equity of significant subsidiaries:

	TEB Factoring A.Ş.	TEB Yatırım Menkul Değerler A.Ş.	TEB Portföy Yönetimi A.Ş.
Paid-in capital	30,000	28,794	6,860
Legal reserves	10,985	12,719	5,943
Extraordinary reserves	12,439	-	-
Marketable securities valuation differences	-	-	(144)
Other reserves	(79)	27,992	(120)
Profit/loss	19,339	23,610	3,908
Prior periods profit/loss	11,038	8,966	1,786
Current period net profit/loss	8,301	14,644	2,122
Leasehold Improvements on Operational Leases (-)	120	-	65
Intangible Assets (-)	1,066	787	215
Total Core Capital	71,498	92,328	16,167
Supplementary Capital	-	-	-
Capital	71,498	92,328	16,167
Net Usable Equity	71,498	92,328	16,167

There is no assessment of subsidiaries’ internal capital adequacy.

Paid-in capital amount is capital amount registered on Turkish Trade Registration as TL Currency defined on the main agreement.

Legal reserves is the reserves which is allocated from annual profit, published in Official Gazette on 14 February 2011 numbered 6102, defined in the first paragraph and second paragraph’s 3rd item of the Article 519 and Article 520 in accordance with Establishment Laws.

Extraordinary reserves is the reserves that was allocated from after tax profit in compliance with the decisions made on the Annual General Assembly.

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8. Information on subsidiaries (Net): (continued)

b) If there is any unconsolidated subsidiary, total equity amount that is lack of subjection to the reasonable justifications of non-consolidate and minimum capital requirement: None (31 December 2014: None).

c) Information on the unconsolidated subsidiaries: None (31 December 2014: None).

d) Information on consolidated subsidiaries:

d.1) Information on the consolidated subsidiaries:

Description	Address (City/ Country)	Bank's share percentage- If different voting percentage (%)	Other shareholders' share percentage (%)
TEB Faktoring A.Ş.	İstanbul/Turkey	100.00	-
TEB Yatırım Menkul Değerler A.Ş.	İstanbul/Turkey	96.62	3.38
TEB Portföy Yönetimi A.Ş.	İstanbul/Turkey	25.60	29.14

Information on the consolidated subsidiaries with the order as presented in the table above:

Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio		Fair Value	
				Current Period Profit / Loss	Prior Period Profit / Loss (*)		
1,240,129	72,684	1,363	108,352	-	8,301	15,831	-
134,651	93,115	2,919	15,394	17	14,644	7,966	-
18,896	16,447	289	1,685	98	2,122	2,006	-

(*) These figures are shown per BRSA financial statements as of 31 December 2014.

d.2) Information on consolidated subsidiaries:

	Current Period	Prior Period
Balance at the beginning of the period	177,240	167,861
Movements during the period	(61,254)	9,379
Purchases	-	-
Bonus shares obtained	-	9,379
Share in current year income	-	-
Sales (*)	(61,254)	-
Revaluation increase	-	-
Provision for impairment	-	-
Balance at the end of the period	115,986	177,240
Capital commitments	-	-
Share percentage at the end of the period (%)	-	-

(*) The Bank has sold the entire 100% of its shares in The Economy Bank N.V. to BNP Paribas Fortis S.A./N.V. amounting to EUR107,769 thousand. The sales revenue is collected after completion of procedures on 11 December 2015. Sales revenue arising from these transactions amounting to TL285,514 and is presented under "Income from discontinued operations" in financial statements.

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8. Information on subsidiaries (Net): (continued)

d.3) Sectoral information on the consolidated subsidiaries and the related carrying amounts:

		Current Period	Prior Period
Banks	/The Economy Bank N.V. (*)	-	61,254
Factoring Companies	/TEB Faktoring A.Ş.	43,416	43,416
Other Financial Subsidiaries	/TEB Yatırım Men. Değ. A.Ş.	70,512	70,512
	TEB Portföy Yönetimi A.Ş.	2,058	2,058
Total		115,986	177,240

(*) The Bank has sold the entire 100% of its shares in The Economy Bank N.V. to BNP Paribas Fortis S.A./N.V. amounting to EUR107,769 thousand that the sales revenue has collected after procedures are completed on 11 December 2015. Sales revenue arising from these transactions amounting to TL285,514 is presented under "Income from discontinued operations" in financial statements.

d.4) Consolidated subsidiaries quoted on the stock exchange: None (31 December 2014: None).

9. Explanations on entities under common control (joint ventures):

a) Information on entities under common control (joint ventures):

Entities under common control (joint ventures)	Share of the Parent Bank (%)	Share of the Group (%)	Current Asset	Non-current Asset	Long-term receivable	Profit	Loss
Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş.	0.1	33.3	18,710	14,180	1,331	72,116	(64,620)

b) Accounting method of the reasonable justification of unconsolidated in Joint Ventures that booked on the unconsolidated parent bank's financial statements

The Bank owns 0.1% but the Group owns 33.3% share of Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş, it is presented as joint venture in financial statements however, it is carried by cost value since necessary requirements for consolidation is not met.

10. Information on finance lease receivables (Net): None (31 December 2014: None).

11. Information on derivative financial assets for hedging purposes:

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair value hedge	-	-	1,681	-
Cash flow hedge	58,309	-	59,119	-
Hedge of net investment in foreign operations	-	-	-	-
Total	58,309	-	60,800	-

In case of termination of fair value hedge, all manner of adjustment on financial instrument's book value determined by using effective interest rate is amortized as loss or profit up to maturity date. According to the related terminated fair value hedge accounting as of 31 December 2015, accumulated valuation difference traced on balance sheet is negatively amounted to TL1,913.

According to cash flow hedges terminated by the Bank, accumulated valuation differences negatively amounted TL2,766 is recorded under equity and these accumulated differences are transferred into income statement by considering maturity date of hedged items.

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I. Explanations and Disclosures Related to the Assets (continued)

12. Information on tangible assets:

	31 December 2014	Additions	Disposals	Other	31 December 2015
Cost:					
Land and buildings	105,132	-	-	-	105,132
Leased tangible assets	35,404	-	(50)	-	35,354
Other	852,375	61,520	(79,558)	-	834,337
Total Cost	992,911	61,520	(79,608)	-	974,823
	31 December 2014	Period Charge	Disposals	Other	31 December 2015
Accumulated Depreciation:					
Land and buildings	37,985	2,939	(58)	-	40,866
Leased tangible assets	35,386	6	(50)	-	35,342
Other	604,412	90,132	(78,934)	-	615,610
Total Accumulated Depreciation	677,783	93,077	(79,042)	-	691,818
Net Book Value	315,128				283,005

- a) The impairment provision set or cancelled in the current period according to the asset groups not individually significant but materially affecting the overall financial statements, and the reason and conditions for this: None.
- b) Pledges, mortgages and other restrictions on the tangible fixed assets, expenses arising from the construction for tangible fixed assets, commitments given for the purchases of tangible fixed assets: None.

13. Information on intangible assets:

	31 December 2014	Additions	Disposals	Other	31 December 2015
Cost:					
Other intangible assets	191,703	27,953	-	-	219,656
Total Cost	191,703	27,953	-	-	219,656
	31 December 2014	Period Charge	Disposals	Other	31 December 2015
Accumulated Depreciation:					
Other intangible assets	137,355	32,019	-	-	169,374
Total Accumulated Depreciation	137,355	32,019	-	-	169,374
Net Book Value	54,348				50,282

- a) Disclosures for book value, description and remaining useful life for a specific intangible fixed asset that is material to the financial statements: None.
- b) Disclosure for intangible fixed assets acquired through government grants and accounted for at fair value at initial recognition: None.
- c) The method of subsequent measurement for intangible fixed assets that are acquired through government incentives and recorded at fair value at the initial recognition : None.
- d) The book value of intangible fixed assets that are pledged or restricted for use: None.

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13. Information on intangible asset (continued)

- e) Amount of purchase commitments for intangible fixed assets: None
- f) Information on revalued intangible assets according to their types: None.
- g) Amount of total research and development expenses recorded in income statement within the period if any: None.
- h) Positive or negative consolidation goodwill on entity basis: Not applicable for the unconsolidated financial statements.
- i) Information on goodwill:

Following announcement of the BRSA approval dated 10 February 2011 at the Official Gazette dated 12 February 2011 and numbered 27844, merger of two banks by means of transfer of all rights, receivables, liabilities and obligations to the Bank by dissolution of Fortis Bank A.Ş. has been effectuated with the relevant registration dated 14 February 2011 to İstanbul Trade Registry. Registered shares to be issued were distributed to the shareholders of Fortis Bank A.Ş., which was dissolved due to the merger, in exchange of their current shares. Fortis Bank A.Ş. shareholders received 1.0518 registered Türk Ekonomi Bankası A.Ş. shares for each Fortis Bank A.Ş. share having a nominal value of TL1. The related transaction has been accounted for in accordance with the requirements of TFRS 3 “Business Combination”, since the merging banks were not under common control of the same parties before and after the merger. In this merger transaction, Fortis Bank A.Ş. was determined as the acquiree, and with the merger, the fair value of the equity shares exchanged as of 14 February 2011 was considered as the fair value of consideration transferred, and the difference between this value and the fair value of identifiable net asset value of Fortis Bank A.Ş. is accounted as goodwill.

- j) Beginning and ending balance of the goodwill and movements on goodwill in the current period:

	Current Period	Prior Period
Beginning Balance	421,124	421,124
Foreign Exchange differences	-	-
Acquired	-	-
Ending balance	421,124	421,124

- 14. Information on investment properties:** None (31 December 2014: None).

15. Explanations on deferred tax assets :

- a) As of 31 December 2015, deferred tax asset computed on the temporary differences and reflected to the balance sheet is TL79,784 (31 December 2014: TL96,746). There are no tax exemptions or deductions over which deferred tax asset is computed.
- b) Temporary differences over which deferred tax asset is not computed and recorded in the balance sheet in prior periods: None.
- c) Allowance for deferred tax and deferred tax assets from reversal of allowance: None.

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15 Explanations on deferred tax asset (continued)

d) Movement of deferred tax:

	Current Period	Prior Period
At January 1	96,746	34,242
Deferred Tax / Benefit (Charge)	27,074	60,999
Deferred Tax Accounted for Under Equity	(44,036)	1,505
Other	-	-
Deferred Tax Asset	79,784	96,746

16. Information on assets held for sale and discontinued operations:

	Current Period	Prior Period
Beginning of Period Cost	83,187	86,505
Beginning of Period Accumulated Depreciation (-)	3,721	3,288
Net Book Value	79,466	83,217
Opening Balance	79,466	83,217
Acquired	58,547	64,855
Disposed(-)	62,786	64,167
Impairment (-)	1,499	2,087
Depreciation Value (-)	1,854	2,352
Period End Cost	74,768	83,187
Period End Accumulated Depreciation (-)	2,894	3,721
Closing Net Book Value	71,874	79,466

17. Information on other asset

Other Assets item of the balance sheet amounting to TL1,260,429 (31 December 2014: TL1,262,460) does not exceed 10% of the total amount of balance sheet except for off-balance sheet commitments.

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II. Explanations and Disclosures Related to the Liabilities

1. a) Information on maturity structure of deposits:

a.1) Current period:

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Month- 1 Year	1 Year and Over	Accumulated Deposits	Total
Saving deposits	1,205,384	-	3,944,382	9,670,953	674,131	21,286	23,176	-	15,539,312
Foreign currency deposits	3,158,188	-	3,271,698	8,374,541	310,398	83,735	117,274	-	15,315,834
Residents in Turkey	3,010,834	-	2,648,848	8,028,524	294,698	39,921	113,090	-	14,135,915
Residents abroad	147,354	-	622,850	346,017	15,700	43,814	4,184	-	1,179,919
Public sector deposits	212,261	-	44,947	57,421	-	26,416	-	-	341,045
Commercial deposits	2,193,850	-	1,180,220	3,863,724	823,014	1,676	2,558	-	8,065,042
Other institutions deposits	53,655	-	67,438	1,514,855	1,861,861	1,076,581	171	-	4,574,561
Precious metals deposits	157,062	-	42,899	188,852	10,688	46,008	-	-	445,509
Interbank deposits	1,078	-	105,838	7,641	-	-	-	-	114,557
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	51	-	-	-	-	-	-	-	51
Foreign Banks	1,027	-	105,838	7,641	-	-	-	-	114,506
Special finance houses	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	6,981,478	-	8,657,422	23,677,987	3,680,092	1,255,702	143,179	-	44,395,860

a.2) Prior period:

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Month- 1 Year	1 Year and Over	Accumulated Deposits	Total
Saving deposits	927,211	-	3,744,377	9,897,136	396,187	26,609	28,648	-	15,020,168
Foreign currency deposits	2,076,471	-	2,060,498	6,430,643	131,059	146,074	134,677	-	10,979,422
Residents in Turkey	1,952,014	-	1,816,523	6,174,947	115,867	114,917	127,987	-	10,302,255
Residents abroad	124,457	-	243,975	255,696	15,192	31,157	6,690	-	677,167
Public sector deposits	247,153	-	37,999	13,682	7,954	-	-	-	306,788
Commercial deposits	1,941,361	-	1,533,739	4,288,796	223,054	7,279	4,107	-	7,998,336
Other institutions deposits	41,975	-	79,699	2,973,062	319,811	1,088	45	-	3,415,680
Precious metals deposits	222,298	-	70,470	152,932	24,197	7,725	-	-	477,622
Interbank deposits	40,299	-	553,383	638,234	-	6,507	2,122	-	1,240,545
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	33	-	-	-	-	6,507	2,122	-	8,662
Foreign Banks	38,233	-	553,383	638,234	-	-	-	-	1,229,850
Special finance houses	2,033	-	-	-	-	-	-	-	2,033
Other	-	-	-	-	-	-	-	-	-
Total	5,496,768	-	8,080,165	24,394,485	1,102,262	195,282	169,599	-	39,438,561

b) Information on saving deposits under the guarantee of saving deposit insurance:

b.1) Saving deposits exceeding the limit of insurance:

i) Information on saving deposits under the guarantee of saving deposit insurance and exceeding the limit of saving deposit insurance:

Saving Deposits	Under the Guarantee of Insurance(*)		Exceeding the limit of Insurance(*)	
	Current Period	Prior Period	Current Period	Prior Period
Saving deposits	7,556,838	6,971,655	7,463,940	7,594,770
Foreign currency saving deposits	1,767,595	1,345,618	6,487,853	4,300,796
Other deposits in the form of saving deposits	95,688	184,386	313,477	250,282
Foreign branches' deposits under foreign authorities' insurance	-	-	-	-
Off-shore banking regions' deposits under foreign authorities' insurance	-	-	-	-
Total	9,420,121	8,501,659	14,265,270	12,145,848

(*) According to the BRSA's circular no 1584 dated on 23 February 2005, accruals are included in the saving deposit amounts.

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b) Information on saving deposits under the guarantee of saving deposit insurance (continued)

ii) Deposits of real persons not under the guarantee of saving deposit insurance:

	Current Period	Prior Period
Deposits and accounts in branches abroad	305,763	212,102
Deposits of ultimate shareholders and their close families	1,055,183	1,108,411
Deposits of chairman and members of the Board of Directors and their close Families	34,583	25,856
Deposits obtained through illegal acts defined in the 282 nd Article of the 5237 numbered Turkish Criminal Code dated 26 September 2004.	-	-
Saving deposits in banks established in Turkey exclusively for off shore banking Activities	-	-

2. Information on derivative financial liabilities:

a) Negative differences table related to derivative financial liabilities held-for-trading:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	56,535	12,817	83,449	13,927
Swap Transactions	355,875	23,597	172,865	90,975
Futures Transactions	-	-	-	-
Options	53,751	16,872	55,852	13,745
Other	-	-	-	-
Total	466,161	53,286	312,166	118,647

3. Information on funds borrowed and debt securities issued:

a) Information on banks and other financial institutions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Loans from Central Bank of Turkey	-	-	-	-
From Domestic Banks and Institutions	171,262	157,925	176,406	161,717
From Foreign Banks, Institutions and Funds	1,071,804	10,193,746	75,552	8,647,891
Total	1,243,066	10,351,671	251,958	8,809,608

As of 31 December 2015, the Bank has borrowings from its related parties amounting to TL5,391,148(31 December 2014: TL4,785,011).

b) Maturity analysis of borrowings:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-term	1,180,832	7,677,800	-	8,458,362
Medium and long-term	62,234	2,673,871	251,958	351,246
Total	1,243,066	10,351,671	251,958	8,809,608

c) Additional explanation related to the concentrations of the Bank’s major liabilities:

The Bank diversifies its funding sources through customer deposit and borrowings from abroad. As of 31 December 2015 foreign borrowings of the Bank includes syndication loan obtained which is amounting to EUR15,000,000 with maturity date of 24 August 2016 and amounting to USD175,000,000 and EUR370,000,000 with maturity date of 29 August 2016 referring to agreement dated 19 August 2015.

Bank makes analysis of its customers that provide the maximum amount of funds within the branches and throughout the Bank, in consideration of profitability. Bank takes short and long term preventive measures to spread its customers on a wider spectrum on the basis of customer concentration in the branches.

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II. Explanations and Disclosures Related to the Liabilities (continued)

3. Information on funds borrowed and debt securities issued (continued)

d) Information on funds provided from repurchase agreement transactions:

	Current Period		Prior Period	
	TL	FC	TL	FC
From domestic transactions	2,384,787	-	1,756,987	-
Financial institutions and organizations	2,384,787	-	1,756,987	-
Other institutions and organizations	-	-	-	-
Real persons	-	-	-	-
From foreign transactions	-	-	-	-
Financial institutions and organizations	-	-	-	-
Other institutions and organizations	-	-	-	-
Real persons	-	-	-	-
Total	2,384,787	-	1,756,987	-

e) Information on debt securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Bank bonds	184,110	86,553	696,679	294,904
Treasury bills	-	-	-	-
Total	184,110	86,553	696,679	294,904

The Bank, within the scope of EURO Medium Term Note Programme (“EMTN”), the issuance of debt instrument outside of Turkey amounting to USD 24,600,000 with a maturity of 30 June 2016 has been completed on 7 January 2016 with the ISIN code “XS1253857376”.

The Bank, within the scope of EURO Medium Term Note Programme (“EMTN”), the issuance of debt instrument outside of Turkey amounting to USD 5,000,000 with a maturity of 14 July 2015 has been completed on 14 January 2016 with the ISIN code “XS1260048852”.

Bond issued by the Bank on 5,6,7 October 2015 with a nominal value of TL107,538, maturity of 89 days, with due date of 6 January 2016, with an interest rate of 10.6650% and with an annual compound rate of 11.1029% has started to be publicly traded in Borsa İstanbul outright purchases and sales market with the ISIN code “TRQTBEK11611” since 12 October 2015.

Bond issued by the Bank on 16-17-18 November 2015 with a nominal value of TL78,226, maturity of 89 days, with due date of 17 February 2016, with an interest rate of 10.6974% and with an annual compound rate of 11.1381% has started to be publicly traded in Borsa İstanbul outright purchases and sales market with the ISIN code “TRQTBEK21610” since 23 November 2015.

4. Other liabilities which exceed 10% of the balance sheet total (excluding off-balance sheet commitments) and the breakdown of these which constitute at least 20% of grand total: None (31 December 2014: None).

5. Explanations on financial lease obligations (Net):

a) The general explanations on criteria used in determining installments of financial lease agreements, renewal and purchasing options and restrictions in the agreements that create significant obligations to the bank:

In the financial lease agreements, installments are based on useful life, usage periods and principles of the Tax Procedural Law.

b) The explanation on modifications in agreements and new obligations resulting from such modifications: None.

c) Explanation on finance lease payables: None (31 December 2014: None).

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II. Explanations and Disclosures Related to the Liabilities (continued)

5. Explanations on financial lease obligations (Net): (continued)

d) Explanations regarding operational leases:

For the period ended 31 December 2015, operational lease expenses amounting to TL201,508 (31 December 2014: TL184,207) have been recorded in the profit and loss accounts. The lease periods vary between 1 and 10 years and lease agreements are cancelable subject to a certain period of notice.

e) Explanations on the lessor and lessee in sale and lease back transactions, agreement conditions, and major agreement terms: None.

6. Negative differences table of derivative financial liabilities for hedging purposes:

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair value hedge	-	-	11,264	-
Cash flow hedge	158,539	677	302,606	-
Hedge of net investment in foreign operations	-	-	-	-
Total	158,539	677	313,870	-

In case of termination of fair value hedge, all manner of adjustment on financial instrument’s book value determined by using effective interest rate is amortized as loss or profit up to maturity date. According to the related terminated fair value hedge accounting as of 31 December 2015, accumulated valuation difference traced on balance sheet is negatively amounted to TL1,913.

According to cash flow hedges terminated by the Bank, accumulated valuation differences negatively amounted TL2,766 is recorded under equity and these accumulated differences are transferred into income statement by considering maturity date of hedged items.

7. Information on provisions:

a) Information on general provisions:

	Current Period	Prior Period
Provisions for First Group Loans and Receivables	562,743	498,253
Additional Provision for Loans and Receivables with Extended Maturities	8,005	16,595
Provisions for Second Group Loans and Receivables	85,364	74,080
Additional Provision for Loans and Receivables with Extended Maturities	3,311	2,590
Provisions for Non-Cash Loans	41,807	34,653
Other	8,175	2,552
Total	698,089	609,538

b) Foreign exchange losses on the foreign currency indexed loans and finance lease receivables: The foreign exchange losses on the foreign currency indexed loans amounting to TL18,682 (31 December 2014: TL15,704) is offset from the loans on the balance sheet.

c) The specific provisions provided for unindemnified non cash loans amount to TL37,680 (31 December 2014: TL42,821).

d) Liabilities on unused vacation, bonus and employee termination benefits:

As of 31 December 2015: TL17,761 (31 December 2014: TL21,906) unused vacation provision, TL97,727 (31 December 2014: TL97,662) employee termination benefit provision and TL89,251(31 December 2014: TL88,930) bonus for the employee are presented under “Reserve for Employee Benefit” in financial statements.

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II. Explanations and Disclosures Related to the Liabilities (continued)

7. Information on provisions: (continued)

d) Liabilities on unused vacation, bonus and employee termination benefits: (continued)

d.1) Movement of employee termination benefits:

	Current Period	Prior Period
As of January 1	97,662	85,927
Service cost	13,060	14,181
Interest cost	8,306	9,246
Settlement cost	3,287	2,739
Actuarial loss/gain	(14,332)	(6,252)
Benefits paid	(10,256)	(8,179)
Total	97,727	97,662

(i) Retirement Benefits:

The employees who have joined the Bank as a consequence of the merger of TEB and Fortis Bank are members of the “Pension Fund Foundation” established in accordance with the Social Security Law No.506, Article No.20.

The liabilities described in the Retirement Fund Section 3 No. XVI “Explanations on Liabilities related to Rights of Employees” which may arise during the transfer have been calculated by the actuary based on the principles of the related regulation, whereas the liabilities in connection with other social rights and benefits which will not be undertaken by the SSI after the transfer have been calculated by the actuary based on IAS 19 principles. The Bank is not required to provide any provisions for any technical or actual deficit in the financial statements based on the actuarial report prepared as of 31 December 2015 and 31 December 2014. Since the Bank has no legal rights to carry the economic benefits arising from repayments of Pension Funds and/or decreases in future contributions at present value; no asset has been recognized in the balance sheet.

Based on the determined assumptions;

Transferrable Retirement and Health Liabilities:	31 December 2015	31 December 2014
Net Present Value of Transferrable Retirement Liabilities	(1,146,530)	(1,024,427)
Net Present Value of Transferrable Retirement and Health Contributions	505,725	528,309
General Administration Expenses	(11,465)	(10,243)
Present Value of Pension and Medical Benefits Transferable to SSF (1)	(652,270)	(506,361)
Fair Value of Plan Assets (2)	1,537,369	1,387,693
Asset Surplus over Transferable Benefits ((2)-(1)=(3))	885,099	881,332
Non-Transferable Benefits (4)	(240,435)	(206,832)
Asset Surplus over Total Benefits ((3)-(4))	644,664	674,500

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II. Explanations and Disclosures Related to the Liabilities (continued)

7. Information on provisions: (continued)

d) Liabilities on unused vacation, bonus and employee termination benefits: (continued)

d.1) Movement of employee termination benefits: (continued)

(i) Retirement Benefits: (continued)

Distribution of total assets of the Retirement Fund as of 31 December 2015 and 31 December 2014 is presented below:

	31 December 2015	31 December 2014
Bank placements	1,424,127	1,299,485
Tangible assets	79,720	71,266
Government Bonds and Treasury Bill, Fund and Accrual Interest		
Income	-	15,220
Other	33,522	1,722
Total	1,537,369	1,387,693

Actuarial assumptions used in valuation of liabilities except for transferrable liabilities based on IAS 19 are as follows:

	31 December 2015	31 December 2014
Discount Rate	10.30%	8.80%
Expected Inflation Rate	5.00%	5.00%

As of 31 December 2015, medical inflation is expected more than 20% (31 December 2014: 20%). General wage increases and Social Security Institution (the “SSI”) increase of ceiling rate is expected in parallel to inflation rate. In order to represent the expected mortality rates before and after the retirement, CSO 2001 (31 December 2013: CSO 2001) Female/Male mortality table is use.

e) Information on other provisions:

e.1) Provisions for possible losses: None (31 December 2014: None).

e.2) The breakdown of the subsidiary accounts if other provisions exceed 10% of the grand total of provisions:

	Current Period	Prior Period
Provision for potential loan risk	112,421	37,174
Provision for legal cases	41,339	37,355
Provision for unindemnified non-cash loans	37,680	42,821
Provision for promotions of credit cards and banking services	11,284	12,625
Other	46,259	21,119
Total	248,983	151,094

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II. Explanations and Disclosures Related to the Liabilities (continued)

8. Explanations on taxes payable:

a) Information on current tax liability:

	Current Period	Prior Period
Corporate Tax Payable	108,653	83,863
Taxation on Securities	42,538	35,744
Property Tax	2,208	2,202
Banking Insurance Transaction Tax (BITT)	43,930	35,654
Foreign Exchange Transaction Tax	35	13
Value Added Tax Payable	3,733	5,100
Other (*)	16,304	17,409
Total	217,401	179,985

(*) Others include income taxes deducted from wages amounting to TL13,885 (31 December 2014: TL13,392) and stamp taxes payable amounting to TL1,388 (31 December 2014: TL1,306).

b) Information on premiums:

	Current Period	Prior Period
Social Security Premiums-Employee	5,705	5,209
Social Security Premiums-Employer	6,538	6,030
Bank Social Aid Pension Fund Premium-Employee	-	-
Bank Social Aid Pension Fund Premium-Employer	-	-
Pension Fund Membership Fees and Provisions-Employee	-	-
Pension Fund Membership Fees and Provisions-Employer	-	-
Unemployment Insurance-Employee	500	463
Unemployment Insurance-Employer	802	732
Other	-	-
Total	13,545	12,434

c) Explanations on deferred tax liabilities, if any: None (31 December 2014: None).

9. Information on liabilities regarding assets held for sale and discontinued operations: None (31 December 2014: None).

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II. Explanations and Disclosures Related to the Liabilities (continued)

10. Explanations on the number of subordinated loans the Bank used, maturity, interest rate, institution that the loan was borrowed from, and conversion option, if any:

The Bank has obtained a primary subordinated loan by issuing a bond amounting to USD100 million as of 31 July 2007. The investor of the bond is IFC. The maturity of the borrowing is indefinite with semi-annually interest payment. The interest rate is defined as LIBOR+3.5% until 31 July 2017. In case the borrowed amount is not repaid at that date, the interest rate will be revised as LIBOR + 5.25%. Notes are issued as perpetual, notes that are not redeemed until 1 August 2017 will be converted to common share at an agreed price.

The Bank has obtained secondary subordinated loans by issuing a bond amounting to EUR75 million as of 4 November 2011 and a bond amounting to EUR100 million as of 21 December 2011. The bond issue on 21 December 2011 amounting to EUR100 million is added up with the first issue of EUR75 million and together will be followed as EUR175 million. Since the coupon rate of the issue amounting to EUR100 million is semi-annual Euribor + 5.25% and two issues stated above will be merged and the merged issue will carry the coupon rate of the first issue (Euribor + 4.75% on an annual basis), the price of EUR100 million issue has been determined as 96.026% (the price determined as the 12-year interest difference between two issues discounted by new issues semi-annual coupon rate of Euribor + 5.25%). As interest payment periods of the new issue will be same with the first one, 47-day interest accrual amounting to EUR852,527.78 related to the period between 4 November 2011 and 21 December 2011 was paid to the Bank by the investor purchasing the second issue. On 21 December 2011, total net amount of EUR96,878,527.78 is transferred to the bank accounts. Debt instruments issued by BNP Paribas, have been amended in 2015 to comply with article 8/2 which includes clauses such as write-down or conversion to common shares. After the approval of the BRSA, debt instruments have complied with the regulation without changing their issue dates.

The Bank, during its Board of Directors’ meeting dated 8 May 2012 has resolved to issue a debt instrument as Secondary Subordinated debt instrument with a value of USD65 million on 14 May 2012. The semiannually interest rate of the issuance is determined as USD Libor + 5.75%. The maturity date of the debt instrument is determined as 14 May 2024 and there is no option to repay within the first seven years. The debt instrument can be amortized on 14 May 2019 with the decision of the Board of Directors and upon the approval of Banking Regulation and Supervision Agency.

The Bank has resolved to issue a Secondary Subordinated Debt in the amount of EUR100 million on 20 July 2012. The interest rate of the issuance has been determined as semi-annually EURIBOR + 4.75%. The maturity date of the debt instrument is 20 July 2024 and there is no option to repay within the first seven years. The debt instrument can be amortized on 20 July 2019 with the resolution of the BoD and upon the approval of the BRSA. Debt instruments issued by BNP Paribas, have been amended in 2015 to comply with article 8/2 which includes clauses such as write-down or conversion to common shares. After the approval of the BRSA, debt instruments have complied with the regulation without changing their issue dates.

The Bank has resolved to issue a Secondary Subordinated Debt in the amount of EUR125 million on 25 June 2013. The interest rate of the issuance has been determined as semi-annually EURIBOR + 2.1%. There is no option to repay within the first five years. The debt instrument can be amortized on 27 June 2018 with the resolution of the BoD and upon the approval of the BRSA. Debt instruments issued by BNP Paribas, have been amended in 2015 to comply with article 8/2 which includes clauses such as write-down or conversion to common shares. After the approval of the BRSA, debt instruments have complied with the regulation without changing their issue dates.

The Bank has resolved to issue a Secondary Subordinated Debt in the amount of USD65 million on 25 June 2013. The interest rate of the issuance has been determined as semi-annually EURIBOR + 3.40%. There is no option to repay within the first five years. The debt instrument can be amortized on 28 June 2018 with the resolution of the BoD and upon the approval of the BRSA.

The above mentioned six subordinated loans are utilized in-line with the “loan capital” definition of BRSA and will positively affect the capital adequacy ratio of the Bank as well as utilizing long term funding.

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II. Explanations and Disclosures Related to the Liabilities (continued)

10. Explanations on the number of subordinated loans the Bank used, maturity, interest rate, institution that the loan was borrowed from, and conversion option, if any (continued):

a) Information on subordinated loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
From Domestic Banks	-	-	-	-
From Other Domestic Institutions	-	-	-	-
From Foreign Banks	-	1,266,082	-	1,128,132
From Other Foreign Institutions	-	673,954	-	657,783
Total	-	1,940,036	-	1,785,915

11. Information on Shareholders' Equity:

a) Presentation of Paid-in Capital:

	Current Period	Prior Period
Common stock	2,204,390	2,204,390
Preferred stock	-	-

b) Paid-in capital amount, explanation as to whether the registered share capital system is applicable at bank if so amount of registered share capital ceiling:

Capital System	Paid-in capital	Ceiling
Registered Capital System	2,204,390	-

- c) Information on share capital increases and their sources; other information on increased capital shares in current period: None.
- d) Information on share capital increases from revaluation funds: None.
- e) Capital commitments in the last fiscal year and at the end of the following period, the general purpose of these commitments and projected resources required to meet these commitments: None.
- f) Indicators of the Bank's income, profitability and liquidity for the previous periods and possible effects of these future assumptions on the Bank's equity due to the uncertainty of these indicators:

The income diversified with various business line and related channels/products/sectors, supported with different projects result a sustainable and relatively non-volatile profitability. Besides, interest rate, currency rate and liquidity risk under control are testing with various simulation and these test prevents the risks of effect. The profitability of the bank is followed up and estimated by the Bank's Planning and Performance Management in short and long term. It is also reported to Asset-Liability Committee and other related organs. As result, current and future negative effect on equity is not occurred and expected.

g) Information on preferred shares: None.

h) Information on marketable securities valuation differences:

	Current Period		Prior Period	
	TL	FC	TL	FC
From Associates, Subsidiaries, and Entities Under Common Control (Joint Vent.)	-	-	-	-
Valuation Difference	(60,958)	59,523	(18,848)	37
Foreign Exchange Difference	-	-	-	-
Total	(60,958)	59,523	(18,848)	37

12. Information on minority shares: None (31 December 2014:None)

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III. Explanations and Disclosures Related to the Off-Balance Sheet Contingencies and Commitments

1. Information on off-balance sheet liabilities:

a) Nature and amount of irrevocable loan commitments:

	Current Period	Prior Period
Commitments for credit card expenditure limits	4,580,727	4,101,473
Loan granting commitments	4,306,849	4,336,542
Payment commitment for checks	2,260,921	2,186,510
Forward asset purchase commitments	1,567,255	1,689,250
Tax and fund liabilities from export commitments	26,185	24,189
Commitments for promotions related with credit cards and banking activities	4,538	5,178
Forward deposit purchase commitments	-	-
Other irrevocable commitments	483,781	290,703
Total	13,230,256	12,633,845

b) Possible losses and commitments related to off-balance sheet items:

The Bank, within the context of banking activities, undertakes certain commitments, consisting of loan commitments, letters of guarantee, acceptance credits and letters of credit.

b.1) Non-cash loans including guarantees, acceptances, financial guarantee and other letters of credits:

	Current Period	Prior Period
Letters of Credit	1,406,746	1,271,645
Bank Acceptances	48,830	62,150
Other Commitments	2,642,207	1,802,337
Other Contingencies	533,908	440,207
Total	4,631,691	3,576,339

b.2) Guarantees, surety ships, and similar transactions:

	Current Period	Prior Period
Guarantee Letters	6,356,356	5,659,329
Advance Guarantee Letters	1,135,218	1,098,182
Temporary Guarantee Letters	767,473	481,798
Guarantee Letters Given for Customs	338,178	340,349
Other Guarantee Letters	1,269,905	704,944
Total	9,867,130	8,284,602

c) c.1) Total amount of non-cash loans:

	Current Period	Prior Period
Non-cash loans given against achieving cash loans	495,181	512,651
With maturity of 1 year or less than 1 year	56,260	24,310
With maturity of more than 1 year	438,921	488,341
Other non-cash loans	14,003,640	11,348,290
Total	14,498,821	11,860,941

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**III. Explanations and Disclosures Related to the Off-Balance Sheet Contingencies and Commitments
(continued)**

I. Information on off-balance sheet liabilities: (continued)

c.2) Information on sectoral risk breakdown of non-cash loans

	Current Period				Prior Period			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	43,419	0.69	26,421	0.32	85,575	1.58	33,110	0.51
Farming and raising livestock	31,754	0.51	25,506	0.31	57,315	1.06	32,392	0.50
Forestry, Wood and Paper	4,657	0.07	915	0.01	21,836	0.40	718	0.01
Fishery	7,008	0.11	-	-	6,424	0.12	-	-
Manufacturing	2,169,528	34.57	4,255,439	51.75	2,380,447	44.01	3,596,261	55.73
Mining and Quarry	168,332	2.68	374,984	4.56	140,719	2.60	308,516	4.78
Production	1,934,948	30.83	3,775,204	45.91	2,178,218	40.27	3,219,118	49.89
Electricity, Gas and Water	66,248	1.06	105,251	1.28	61,510	1.14	68,627	1.06
Construction	1,378,245	21.96	1,208,602	14.70	1,183,909	21.89	1,287,903	19.96
Services	2,684,391	42.78	1,969,185	23.94	1,659,868	30.70	776,909	12.04
Wholesale and Retail Trade	1,163,448	18.54	382,521	4.65	695,905	12.87	107,900	1.67
Hotel, Tourism, Food and Beverage Services	57,600	0.92	43,515	0.53	46,956	0.87	48,973	0.76
Transportation and Communication	572,586	9.12	361,783	4.40	285,443	5.28	337,210	5.23
Financial Institutions	247,836	3.95	213,289	2.59	217,826	4.03	73,757	1.14
Real Estate and Renting	281,633	4.49	680,199	8.27	163,889	3.03	67,608	1.05
Self-employment Services	170,097	2.71	168,566	2.05	111,835	2.07	69,656	1.08
Education Services	7,367	0.12	30	-	6,185	0.11	1,405	0.02
Health and Social Services	183,824	2.93	119,282	1.45	131,829	2.44	70,400	1.09
Other	-	-	763,591	9.29	98,603	1.82	758,356	11.76
Total	6,275,583	100.00	8,223,238	100.00	5,408,402	100.00	6,452,539	100.00

c.3) Information on Ist and IInd Group non-cash loans:

Non-cash loans	I st Group		IInd Group	
	TL	FC	TL	FC
Letters of guarantee	4,734,519	5,037,293	71,433	23,885
Bank acceptances	-	48,830	-	-
Letters of credit	1,419	1,405,327	-	-
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring commitments	-	-	-	-
Other commitments and contingencies	1,466,163	1,707,903	2,049	-
Total	6,202,101	8,199,353	73,482	23,885

The Bank provided a reserve of TL63,229 (31 December 2014: TL74,447) for non-cash loans not indemnified net amounting to TL37,680 (31 December 2014: TL42,821).

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**III. Explanations and Disclosures Related to the Off-Balance Sheet Contingencies and Commitments
(Continued)**

2. Information related to derivative financial instruments:

	Derivative transactions according to purposes			
	Trading		Hedging	
	Current Period	Prior Period	Current Period	Prior Period
Types of trading transactions				
Foreign currency related derivative transactions (I):	61,045,675	57,417,249	-	-
Forward transactions	9,743,982	7,593,130	-	-
Swap transactions	38,106,856	32,121,791	-	-
Futures transactions	-	-	-	-
Option transactions	13,194,837	17,702,328	-	-
Interest related derivative transactions (II):	4,740,964	4,501,782	-	-
Forward rate transactions	-	-	-	-
Interest rate swap transactions	4,740,964	4,499,458	-	-
Interest option transactions	-	2,324	-	-
Futures interest transactions	-	-	-	-
Marketable securities call-put options (III)	-	-	-	-
Other trading derivative transactions (IV)	-	3,425	-	-
A. Total trading derivative transactions (I+II+III+IV)	65,786,639	61,922,456	-	-
Types of hedging transactions				
Fair value hedges	-	-	-	691,940
Cash flow hedges	-	-	14,258,638	10,394,271
Net investment hedges	-	-	-	-
B. Total hedging related derivatives	-	-	14,258,638	11,086,211
Total Derivative Transactions (A+B)	65,786,639	61,922,456	14,258,638	11,086,211

Related to agreements of forward transactions and options; the information based on the type of forward and options transactions are disclosed separately, specified with related amounts, type of agreement, purpose of transaction, nature of risk, strategy of risk management, hedging relationship, possible effects on the Bank’s financial position, timing of cash flows, reasons of unrealized transactions which previously projected to be realized, income and expenses that could not be linked to income statement in the current period because of the agreements:

Forward foreign exchange and swap transactions are based on protection from interest and currency fluctuations. According to TAS, they do not qualify as hedging instruments and are remeasured at fair value.

i) Derivative instruments for fair value hedging purposes:

As of 31 December 2014, The Bank applied fair value hedge accounting in order to avoid the effects of interest rate fluctuations in the market by matching its swap portfolio with its loans and marketable securities. As of 31 December 2014, nominal value of derivative instruments used for hedging purposes is TL691,940 (31 December 2015: None) and their net fair value is negative TL9,583 (31 December 2015: None) and fair value of the hedged loans is TL6,077 (31 December 2015: TL1,913). The Bank accounts TL50,301 (31 December 2014: TL8,726 income) for derivative instruments used for hedging purposes and TL4,164 (31 December 2014: TL2,673 income) from hedged item loans in the financial statements. Regarding the available-for-sale securities as of 31 December 2014, the amount related to the effective portion is TL150 (31 December 2015: None) which is accounted as TL120 (31 December 2015: None) in the financial statements net-off tax.

	Current Period			Prior Period		
	Fair Value			Fair Value		
	Nominal	Asset	Liability	Nominal	Asset	Liability
Cross Currency Swaps	-	-	-	691,940	1,681	11,264
Interest Rate Swaps	-	-	-	-	-	-
	-	-	-	691,940	1,681	11,264

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III. Explanations and Disclosures Related to the Off-Balance Sheet Contingencies and Commitments (continued)

2. Information related to derivative financial instruments: (continued)

ii) Derivative instruments for cash flow hedge purposes:

The Bank has applied cash flow hedge accounting by matching its swap portfolio with total notional amounting to TL14,258,638 and 1-90 days of maturity deposit portfolio together with selected borrowing portfolio. Effective portion of TL101,180 (31 December 2014: TL75,147 credit) credit accounted for under equity is presented after deducting its deferred tax effect of TL20,236 (31 December 2014: TL15,029 credit) debit in the financial statements. In 2015, the ineffective portion of TL877 expense (31 December 2014: TL459 expense) is accounted for under income statement.

	Current Period			Prior Period		
	Fair Value			Fair Value		
	Nominal	Asset	Liability	Nominal	Asset	Liability
Cross Currency Swaps	1,560,678	19,354	2,082	-	-	-
Interest Rate Swaps	12,697,960	38,955	157,133	10,394,271	59,119	302,606
	14,258,638	58,309	159,215	10,394,271	59,119	302,606

3. Credit derivatives and risk exposures on credit derivatives: None.

4. Explanations on contingent liabilities and assets:

- a.1) The Bank's share in contingent liabilities arising from entities under common control (joint ventures) together with other venturer: None.
- a.2) Share of entity under common control (joint ventures) in its own contingent liabilities: None.
- a.3) The Bank's contingent liabilities resulting from liabilities of other venturers in entities under common control (joint ventures): None.
- b) Accounting and presentation of contingent assets and liabilities in the financial statements:
- b.1) Contingent assets are accounted for, if probability of realization is almost certain. If probability of realization is high, then it is explained in the footnotes: As of 31 December 2015, there are no contingent assets that need to be explained (31 December 2014: None).
- b.2) A provision is made for contingent liabilities, if realization is probable and the amount can be reliably determined. If realization is remote or the amount cannot be determined reliably, then it is explained in the footnotes:

Following a resolution in favor of the Bank in 2003 for the case related to deduct accumulated losses from the corporate tax base for 2002 and for subsequent periods in accordance with Corporate Tax Law article 14/7; the Ministry of Finance appealed against the decision, however, the case was again concluded in favor of the Bank by Tax Supreme Court. In this context, the Bank acquired the right to deduct accumulated losses amounting to TL364,501 thousand from the corporate tax base. Related accumulated losses have been deducted from tax base by the Bank between the years 2003 and 2006.

On the other hand, the Tax Office has not taken into consideration the deduction amount of TL144,824 which is included in the 2003/4 temporary tax declaration based on the resolution of the Tax Supreme Court, and recalculated a temporary corporate tax liability of TL15,510 and levied a fine of TL16,131 to the Bank based on the declaration as of 20 April 2004. In that respect, the Bank has filed a counter case against the Tax Office, and 1st Tax Office decided in favor of the Bank with resolution no: K:2006/974 based on its decision related with 2002/I period explained above .

The Tax Office filed an appeal against the ruling; however, the 4th Administration of Council of State resolution no: K:2007/4747 ruled that the defendant's claim on the Management's double loss deduction should be initially reviewed and a new ruling should be made accordingly. Therefore the tax office's resolution is overruled by the Council of State.

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**III. Explanations and Disclosures Related to the Off-Balance Sheet Contingencies and Commitments
(continued)**

4. Explanations on contingent liabilities and assets: (continued)

b) Accounting and presentation of contingent assets and liabilities in the financial statements: (continued)

Although the 1st Tax Office of İstanbul had reviewed the related issues upon the Council of State’s overruling and conducted the litigation in favor of the Bank upon its resolution no: K:2010/2377, TL48,557 of loss amount is considered as undeductible in the basis of the resolution. Therefore, the Bank has filed an appeal on 4 October 2010 for the overruling of the related resolution basis and the outcome of the appeal is still in process. As the Bank management foresees no significant risk in relation to the related lawsuits, no provision is provided in the financial statements. The Bank has increased the tax base by TL2,863 in regards to the related lawsuit in accordance with the requirements of the Communiqué No:6111 “Restructuring of Specific Receivables and Social Insurance and General Health Insurance Law and Amendments to Some Other Laws and Requirements”.

In the decision concluded within the scope of file number 2010/9089 of the 4th Chamber of the Council of State, K.2013/5291, communicated on 31 July 2013, accepted the appeal request with justifications and stated, “it has concluded that the balance sheet loss will be deducted as an expense from the revenue when determining the corporate profit but will not be carried forward for more than five years, thus there is nothing contrary to law in the Tax Court’s decision; the TL48,557,000.00 commercial balance sheet loss was reached by deducting TL203,049,000,000.00 in BRSA adjustments in the same year from the TL154,492,000.00 commercial profit; and since BRSA adjustments are also considered in the same sheet in total profits and additions, taking a commercial balance sheet loss for the same year into consideration in the total of other rebates and exemptions does not result in any duplication”. It has also been decided that the İstanbul 1st Tax Court’s judgement number E.2010/661, K.2010/2377 will be reversed and the loss will not be subject to a duplicate rebate. The defendant authority’s request for a revision of the decision was rejected. Upon the 4th Chamber of the Council of State’s decision to reject the request for a revision of the decision, the examination of file number 2015/1202 E. continues on site at the İstanbul 1st Tax Court.

5. Custodian and intermediary services:

The Bank provides trading and safe keeping services in the name and account of third parties, which are presented in the statement of contingencies and commitments.

6. The information on the Bank’s rating by the international rating introductions (*):

The results of the ratings performed by Moody’s Investor Services and Fitch Ratings are shown below:

Moody’s Investor Services: March 2015

View	Negative
Revised Loan Valuation	Baa3
Foreign Currency Deposits	Baa3/P-3

Fitch Ratings: May 2015

Foreign Currency Commitments	
Long term	BBB
Short term	F3
View	Stable
Turkish Lira Commitments	
Long term	BBB+
Short term	F2
View	Stable
National	AAA (tur)
View	Stable
Individual Rating	bbb-
Support Points	2

(*) Ratings above are not performed based on the “Communiqué for Authorization and Activities of Rating Institutions” published by the Capital Markets Board.

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IV. Explanations and Disclosures Related to the Statement of Income

1. a) Information on interest on loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest on loans (*)				
Short term loans	2,850,325	141,075	2,626,081	127,720
Medium and long term loans	2,493,823	196,017	1,746,284	171,479
Interest on non-performing loans	37,436	-	34,133	-
Premiums received from Resource Utilization Support Fund	-	-	-	-
Total	5,381,584	337,092	4,406,498	299,199

(*) Includes fees and commissions obtained from cash loans amounting to TL131,385 (31 December 2014: TL110,602).

b) Information on interest received from banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
The Central Bank of Turkey	-	-	-	-
Domestic banks	30,756	202	24,485	182
Foreign banks	3,766	1,755	3,890	823
Branches and head office abroad	-	-	-	-
Total	34,522	1,957	28,375	1,005

c) Information on interest received from securities portfolio:

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets held for Trading	21,492	608	32,586	1,063
Financial Assets Valued at Fair Value through Profit or Loss	-	-	-	-
Financial Assets Available-for-Sale	339,496	520	359,176	67
Investments Held-to-Maturity	27,748	-	29,077	-
Total	388,736	1,128	420,839	1,130

d) Interest received from Subsidiaries and Associates:

	Current Period	Prior Period
Interest received from Subsidiaries and Associates	136	102

2. a) Information on interest on funds borrowed (*):

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
The Central Bank of Turkey	-	-	-	-
Domestic banks	10,983	3,563	12,001	4,949
Foreign banks	68,807	182,574	16,517	143,861
Branches and head office abroad	-	-	-	-
Other financial institutions	-	14,896	-	13,865
Total	79,790	201,033	28,518	162,675

(*) Includes fees and commission expenses of cash loans amounting to TL7,599 (31 December 2014: TL5,617).

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IV. Explanations and Disclosures Related to the Statement of Income (continued)

b) Information on interest expense to associates and subsidiaries:

	Current Period	Prior Period
Interest expenses to associates and subsidiaries	1,326	1,335

c) Information on interest expenses on securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Expense on securities issued	41,321	1,751	54,865	656
Total	41,321	1,751	54,865	656

d) Distribution of interest expenses on deposits based on maturity of deposits:

Current Period Account Name	Demand Deposits	Time Deposits					Accumulated Deposits	Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More than 1 Year		
TL								
Bank deposits	-	9,147	23	-	69	82	-	9,321
Saving deposits	-	412,578	838,755	38,833	1,928	2,661	-	1,294,755
Public sector deposits	-	3,986	8,048	648	349	-	-	13,031
Commercial deposits	-	111,447	482,506	52,654	182	311	-	647,100
Other deposits	-	2,708	241,595	94,069	91,668	8	-	430,048
7 days call accounts	-	-	-	-	-	-	-	-
Total	-	539,866	1,570,927	186,204	94,196	3,062	-	2,394,255
FC								
Foreign currency deposits	-	37,168	184,210	4,690	1,688	3,884	-	231,640
Bank deposits	-	414	1,576	-	-	-	-	1,990
7 days call accounts	-	-	-	-	-	-	-	-
Precious metal deposits	-	658	3,302	441	455	-	-	4,856
Total	-	38,240	189,088	5,131	2,143	3,884	-	238,486
Grand Total	-	578,106	1,760,015	191,335	96,339	6,946	-	2,632,741

Prior Period Account Name	Demand Deposit	Time Deposits					Accumulated Deposits	Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More than 1 Year		
TL								
Bank deposits	-	17,502	60	43	918	140	-	18,663
Saving deposits	-	307,926	802,569	43,608	2,529	2,454	-	1,159,086
Public sector deposits	1	140	1,928	3,277	-	-	-	5,346
Commercial deposits	-	102,200	372,797	29,519	725	1,239	-	506,480
Other deposits	-	13,321	196,939	100,202	566	119	-	311,147
7 days call accounts	-	-	-	-	-	-	-	-
Total	1	441,089	1,374,293	176,649	4,738	3,952	-	2,000,722
FC								
Foreign currency deposits	-	32,353	173,043	6,688	3,127	5,287	-	220,498
Bank deposits	-	503	1,390	-	-	-	-	1,893
7 days call accounts	-	-	-	-	-	-	-	-
Precious metal deposits	-	1,051	2,696	154	299	-	-	4,200
Total	-	33,907	177,129	6,842	3,426	5,287	-	226,591
Grand Total	1	474,996	1,551,422	183,491	8,164	9,239	-	2,227,313

3. Information on dividend income:

	Current Period	Prior Period
Trading Securities	-	-
Financial assets at fair value through profit and loss	-	-
Available-for-sale securities	1,112	1,339
Other	19,559	17,939
Toplam	20,671	19,278

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IV. Explanations and Disclosures Related to the Statement of Income (continued)

4. Information on net trading income:

	Current Period	Prior Period
Income	18,979,333	13,164,890
Gains on capital market operations	51,277	45,275
Gains on derivative financial instruments (*)	6,310,203	3,418,651
Foreign exchange gains (**)	12,617,853	9,700,964
Losses (-)	19,532,836	13,521,571
Losses on capital market operations	49,164	37,090
Losses on derivative financial instruments (*)	5,539,150	4,240,400
Foreign exchange losses (**)	13,944,522	9,244,081

(*) As of 31 December 2015, foreign exchange net profit on hedging transactions is TL40,719 (31 December 2014: TL55,932 loss).

(**) Foreign exchange gains on derivative financial transactions are TL199,345 (31 December 2014: TL83,998).

5. Information on other operating income:

Other operating income of the bank consists of reversals of specific provisions which are booked in earlier periods amount to TL136,832 (31 December 2014: TL87,718) and amount to TL67,383 (31 December 2014: TL19,720) from selling past due receivables portfolio and all the transaction cost collected from the clients and disposal of assets.

6. Provision expenses of banks for loans and other receivables:

	Current Period	Prior Period
Specific provisions for loans and other receivables	762,491	461,393
III. Group Loans and Receivables	157,548	115,967
IV. Group Loans and Receivables	226,374	143,354
V. Group Loans and Receivables	378,569	202,072
General provision expenses	88,551	71,836
Provision expenses for possible losses	-	-
Marketable securities impairment losses	-	-
Financial assets at fair value through profit and loss	-	-
Investment securities available for sale	-	-
Impairment provision expense	-	-
Associates	-	-
Subsidiaries	-	-
Entities under common control (Joint Vent.)	-	-
Investments held to maturity	-	-
Other	72,478	32,374
Total	923,520	565,603

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IV. Explanations and Disclosures Related to the Statement of Income (Continued)

7. Information on other operating expenses:

	Current Period	Prior Period
Personnel expenses	895,732	824,647
Reserve for employee termination benefits	14,397	26,908
Bank social aid fund deficit provision	-	-
Impairment expenses of fixed assets	-	-
Depreciation expenses of fixed assets	93,077	84,915
Impairment expenses of intangible assets	-	-
Impairment expense of goodwill	-	-
Amortization expenses of intangible assets	32,019	25,905
Impairment for investments accounted for under equity method	-	-
Impairment expenses of assets to be disposed	1,499	2,087
Depreciation expenses of assets to be disposed	1,854	2,352
Impairment expenses of assets held for sale and discontinued operations	-	-
Other operating expenses	770,003	680,973
Operating lease expenses	201,508	184,207
Maintenance expenses	22,055	22,052
Advertisement expenses	78,696	72,203
Other expenses	467,744	402,511
Loss on sales of assets	1,646	4,031
Other (*)	326,565	306,378
Total	2,136,792	1,958,196

(*) Included in other TL58,352 (31 December 2014: TL54,654) is premiums paid to the Saving Deposit Insurance Fund, TL92,178 (31 December 2014: TL81,389) is other taxes and duties paid.

8. Information of the profit/loss on continued and discontinued operations:

a) Profit before tax consists of net interest income amounting to TL3,074,161 (31 December 2014: TL2,564,505) and net fee and commission income amounting to TL1,016,655 (31 December 2014: TL880,821) while operational expenses are TL2,136,792 (31 December 2014: 1,958,196 TL).

b) Information of the profit/(loss) on discontinued operations:

The Bank has sold the entire 100% of its shares in The Economy Bank N.V. to BNP Paribas Fortis S.A./N.V. amounting to EUR107,769 thousand that the sales revenue has collected after procedures are completed on 11 December 2015. These transactions amounting to TL285,514 is shown under "Income from discontinued operations" in financial statements.

9. Information on tax provision for continued and discontinued operations:

a) As of 31 December 2015, the current tax charge from continued operations is TL206,921 (31 December 2014: TL233,494). Deferred tax benefit is TL27,074 (31 December 2014: TL60,999) and current tax charge amounting to TL14,276. There is no deferred tax benefit/charge from discontinued operations.

b) Deferred tax benefit on temporary differences resulted from continued operations is TL27,074 (31 December 2014: TL60,999).

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IV. Explanations and Disclosures Related to the Statement of Income (continued)

9. Information on tax provision for continued and discontinued operations (continued)

c) Tax reconciliation:

	Current Period	Prior Period
Profit before tax	1,076,576	795,055
Additions	111,528	96,629
Nonallowable expenses	23,736	25,392
General loan loss provision	87,792	71,237
Deductions	(195,255)	(28,951)
Dividend income	(20,584)	(19,166)
Other(*)	(174,671)	(9,785)
Taxable Profit/ (Loss)	992,849	862,733
Corporate tax rate	20%	20%
Tax calculated	198,570	172,547
Effect of tax account adjustment in the prior period	(4,447)	(52)
Tax expense	194,123	172,495

(*) It consists of tax exception amounting to TL214,136 arising from sale of a subsidiary.

10. Information on net profit/loss from continued and discontinued operations:

As of 31 December 2015, the Bank’s net profit from continued operations is TL611,215 (31 December 2014: TL622,560) and net profit from discontinued operations is TL271,238 (31 December 2014: None).

11. The explanations on net income / loss for the period:

- a) The nature and amount of certain income and expense items from ordinary operations is disclosed if the disclosure for nature, amount and repetition rate of such items is required for the complete understanding of the Bank's performance for the period: None (31 December 2014: None).
- b) Effect of changes in accounting estimates on income statement for the current and, if any, for subsequent periods: None (31 December 2014: None).
- c) Profit or loss attributable to minority shares: None (31 December 2014: None).

12. If the other items in the income statement exceed 10% of the income statement total accounts amounting to at least 20% of these items:

	Current Period	Prior Period
<u>Other fees and commissions received</u>		
Card fee and commissions	623,544	670,941
Insurance commissions	131,070	88,241
Intelligence fee and commissions	86,816	71,429
Settlement expense provision, eft, swift, agency commissions	32,915	35,323
Transfer commissions	28,831	28,186
Fund management fees	19,815	18,930
Commissions and fees earned from correspondent banks	3,146	4,511
Other	343,545	271,953
Total	1,269,682	1,189,514
<u>Other fees and commissions paid</u>		
Credit cards commissions and fees	279,123	340,021
Settlement expense provision, eft, swift, agency commissions	23,841	21,574
Commissions and fees paid to correspondent banks	11,428	8,846
Other	64,362	51,690
Total	378,754	422,131

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V. Explanations and Disclosures Related to Statement of Changes in Shareholders' Equity

- a) Shareholders' equity decreased TL21,720 after resulting from revaluation of financial assets available for sale (31 December 2014: TL93,610 decreased) and change effect to deferred tax is TL4,344 (31 December 2014: TL18,722).

Gain or loss arising from measurement of financial assets available-for-sale included in shareholders' equity in the current period, excluding those related to hedging amounting TL44,362 income (31 December 2014: TL106,490).

The amount recycled from equity to net income/loss account if the loss or gain related with measurement at fair value is recorded to equity for the financial assets available-for-sale (excluding the assets related to hedging): TL22,640 income (31 December 2014: TL12,880).

- b) Increase in cash flow risk hedging items:

The Bank uses interest rate and cross currency swaps for reducing cash flow risk arising from short term deposit and borrowing. In this context, the effective portion is accounted for under equity in “Hedging Funds” account. The related amount in 2015 increased by TL176,327 (31 December 2014: TL115,379 decreased) and the effect of this change to deferred tax is TL35,265 (31 December 2014: TL23,076).

- c) The reconciliation related with foreign exchange amounts in the beginning and end of the period: None.
- d) Dividends declared subsequent to the balance sheet date, but before the announcement of the financial statements: None.
- e) Dividends per share proposed subsequent to the balance sheet date:

Profit appropriation will be resolved in the General Assembly meeting which has not been conducted as of the date of the accompanying financial statements are authorized for issue.

- f) Proposals to General Assembly for the payment dates of dividends and if it will not be appropriated the reasons for this: The Board of Directors has not decided for profit appropriation as of the date of the financial statements are authorized for issue

- g) Amounts transferred to legal reserves:

Amount transferred to legal reserves is TL31,128 in 2015 (31 December 2014: TL26,752).

- h) Information on shares issued:

The Bank has not recorded any shares issued in “Share Premium” account in the current period.

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VI. Explanations and Disclosures Related to Statement of Cash Flows

1. The effects of the other items stated in the cash flow statement and the changes in foreign currency exchange rates on cash and cash equivalents:

“Other items” amounting to TL3,568,305 (31 December 2014: TL2,704,882) in “Operating profit before changes in operating assets and liabilities” consists of fees and commissions paid and other expenses except for leasing expenses, reserve for employee termination benefits, depreciation charges and taxes paid.

“Net increase/decrease in other liabilities” amounting to TL311,632 (31 December 2014: TL753,474) in “Changes in operating assets and liabilities” consists of changes in sundry creditors, other liabilities and interbank money market borrowings. “Net increase/decrease in other assets” with a total amount of TL749,386 (31 December 2014: TL1,252,038) consists of changes in sundry debtors, blocked reserved deposits and other assets.

“Other items” amounting to TL27,953 (31 December 2014: TL27,444) in “Net cash provided from investing activities” consists of cash paid for purchases of intangible assets.

Effect of change in foreign exchange rate on cash and cash equivalents includes the foreign exchange effect resulting from the translation of cash and cash equivalents in foreign currency by using the foreign exchange rates at the beginning and at the end of the period, and it is TL288,054 for the year 2015. (31 December 2014: TL3,981).

2. Cash and cash equivalents at beginning and end of periods:

The reconciliation of the components of cash and cash equivalents, accounting policies used to determine these components, the effect of any change made in accounting principle in the current period, the recorded amounts of the cash and cash equivalent assets at the balance sheet and the recorded amounts in the cash flow statement:

Beginning of the period	Current Period	Prior Period
Cash	1,994,317	1,546,637
Cash in TL/Foreign Currency	766,643	673,702
Central Bank – Unrestricted amount	1,193,759	852,969
Other	33,915	19,966
Cash equivalents	1,315,849	286,135
Banks	765,849	286,135
Money market placements	550,000	-
Total cash and cash equivalents	3,310,166	1,832,772
End of the period	Current Period	Prior Period
Cash	2,597,682	1,994,317
Cash in TL/Foreign Currency	771,522	766,643
Central Bank – Unrestricted amount	1,766,219	1,193,759
Other	59,941	33,915
Cash equivalents	1,282,447	1,315,849
Banks	1,282,447	765,849
Money market placements	-	550,000
Total cash and cash equivalents	3,880,129	3,310,166

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1
JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

VII. Explanations on the Risk Group of the Bank

1. Volume of related party transactions, income and expense amounts involved and outstanding loan and deposit balances:

The Bank has sold the entire 100% of its shares in The Economy Bank N.V. to BNP Paribas Fortis S.A./N.V. amounting to EUR107,769 thousand and the sales revenue has been collected after completion of procedures on 11 December 2015.

Balance sheet and income/expense items of previous periods are presented as of 31 December 2014.

a) Current Period:

Related Parties	Subsidiaries, associates and entities under common control (Joint Vent.)		Direct and indirect shareholders of the Bank		Other entities included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at beginning of period	10,603	8,029	73,403	175,997	14,491	97,560
Balance at end of period	-	1,113	20,568	300,347	31,734	62,332
Interest and commission income	136	162	5,275	232	1,401	155

Direct and indirect shareholders of the Bank balance above includes TL19,313 and other entities included in the risk group balance above includes TL22,510 placement in “Banks”.

b) Prior Period:

Related Parties	Subsidiaries, associates and entities under common control (Joint Vent.)		Direct and indirect Shareholders of the Bank		Other entities included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at beginning of period	97	7,967	18,780	275,933	14,113	100,511
Balance at end of period	10,603	8,029	73,403	175,997	14,491	97,560
Interest and commission income	102	340	1,506	106	2,056	272

Direct and indirect shareholders of the Bank balance above includes TL9,016 and other entities included in the risk group balance above includes TL580 placement in “Banks”.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1
JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

VII. Explanations on the Risk Group of the Bank (continued)

1. Volume of related party transactions, income and expense amounts involved and outstanding loan and deposit balances: (continued)

c) c.1) Information on related party deposits balances:

Related parties	Subsidiaries, associates and entities under common control (Joint Vent.)		Direct and indirect shareholders of the Bank		Other entities included in the risk group	
	Current Period	Prior Period	Current period	Prior period	Current Period	Prior Period
Deposits						
Balance at beginning of period	21,928	55,298	964,366	1,147,926	1,170,598	667,448
Balance at end of period	18,228	21,928	1,274,893	964,366	284,029	1,170,598
Interest on deposits	1,326	1,335	33,855	37,386	18,082	20,685

c.2) Information on forward and option agreements and other similar agreements made with related parties:

Related Parties	Subsidiaries, associates and entities under common control (Joint Vent.)		Direct and indirect shareholders of the Bank		Other entities included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Financial Assets at Fair Value Through Profit and Loss						
Beginning of period	-	-	9,765,298	12,032,688	255,599	767
End of period	-	-	10,144,450	9,765,298	408,011	255,599
Total income/loss	-	-	76,184	(153,259)	4,152	(60)
Hedging transactions purposes						
Beginning of period	-	-	642,633	480,718	-	-
End of period	-	-	1,022,920	642,633	-	-
Total income/loss	-	-	(6,615)	11,628	-	-

d) As of 31 December 2015, the total amount of remuneration and benefits provided for the senior management of the Bank is TL26,717 (31 December 2014: TL26,082).

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1
JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

VIII. Explanations on the Bank’s Domestic Branches, Agencies and Branches Abroad and Off-shore Branches

1. Explanations on the Bank’s domestic branches, agencies and branches abroad and off-shore branches:

	Numbers	Employees		Total Assets	Capital
Domestic branches	528	9,862			
Rep-offices abroad	-	-	Country		
Branches abroad	4	65	Cyprus	627,041	20,000
Off-shore branches	-	-			

2. Explanations on Branch and Agency Openings or Closings of the Bank:

In the year 2015, Bank opened 9 branches, closed 28 branches. According to the Bank’s Board of Directors Resolution, No: 5132/147 and dated 21 October 2014, it was decided to close Türk Ekonomi Bankası A.Ş Bahrain Branch in Bahrain which is registered to Trade Registry, No:50046-1 and closing process has been completed on 23 November 2015.

IX. Explanations on significant events and matters arising subsequent to balance sheet date:

- As of 7 January 2016, bond issued by the Bank on 30 June 2015 with a nominal value of USD24,600,000, maturity of 191 days with the ISIN code “XS1253857376” has expired and it has been disposed.
- As of 14 January 2016, bond issued by the Bank on 14 July 2015 with a nominal value of USD5,000,000, maturity of 184 days with the ISIN code “XS1260048852” has expired and it has been disposed.
- As of 6 January 2016, bond issued by the Bank on 8 October 2015 with a nominal value of TL107,538, maturity of 89 days with the ISIN code “TRQTEBK11611” has expired and it has been disposed.

SECTION SIX

OTHER EXPLANATIONS

I. Explanations on Other Activities of Bank

None.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1
JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

SECTION SEVEN

INDEPENDENT AUDITOR’S REPORT

I. Explanations on the Independent Auditor’s Report

The unconsolidated financial statements of the Bank were audited by Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. and the independent auditor’s report dated 5 February 2016 is presented preceding the financial statements.

II. Other Footnotes and Explanations Prepared by the Independent Auditors

None.

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SECTION 4 - CONSOLIDATED FINANCIAL INFORMATION

INDEPENDENT AUDITOR'S REPORT, CONSOLIDATED FINANCIAL STATEMENTS AND NOTES FOR THE YEAR ENDED 31 DECEMBER 2015

**CONVENIENCE TRANSLATION
OF PUBLICLY ANNOUNCED CONSOLIDATED
FINANCIAL STATEMENTS AND
AUDIT REPORT
ORIGINALLY ISSUED IN TURKISH,
SEE NOTE I. OF SECTION THREE**

TÜRK EKONOMİ BANKASI A.Ş.

**PUBLICLY ANNOUNCED CONSOLIDATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015**



**CONVENIENCE TRANSLATION INTO ENGLISH OF THE
INDEPENDENT AUDITOR'S REPORT
ORIGINALLY PREPARED AND ISSUED IN TURKISH**

To the Board of Directors of Türk Ekonomi Bankası A.Ş.;

Report on Consolidated Financial Statements

We have audited the accompanying consolidated balance sheet of Türk Ekonomi Bankası A.Ş. (“the Bank”) and its subsidiaries (collectively referred to as the “Group”) as at 31 December 2015 and the related consolidated statement of income, consolidated income and expense items under shareholders’ equity, consolidated statement of changes in shareholders’ equity, consolidated statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management’s Responsibility for the Consolidated Financial Statements

Bank management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the “Banking Regulation and Supervision Agency (“BRSA”) Accounting and Reporting Legislation” which includes “Regulation on Accounting Applications for Banks and Safeguarding of Documents” published in the Official Gazette no.26333 dated 1 November 2006, other regulations on accounting records of Banks published by BRSA, circulars and interpretations published by BRSA, and Turkish Accounting Standards for the matters not regulated by the aforementioned legislations and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor’s Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our audit was conducted in accordance with the “Regulation on Independent Audit of Banks” published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and Independent Auditing Standards that are part of Turkish Standards on Auditing published by the Public Oversight Accounting and Auditing Standards Authority (“POA”). Those standards require that ethical requirements are complied with and that the audit is planned and performed to obtain reasonable assurance whether the financial statements are free from material misstatement.

An independent audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on independent auditor’s professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error or fraud. In making those risk assessments, the independent auditor considers internal control relevant to the bank’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 bank’s internal control. An independent audit includes also 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 independent audit evidence we have obtained during our audit is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Türk Ekonomi Bankası A.Ş. and its subsidiaries as at 31 December 2015 and the results of its operations and its cash flows for the year then ended in accordance with BRSA Accounting and Reporting Legislation.

Report on Other Responsibilities Arising From Regulatory Requirements

In accordance with subparagraph 4 of Article 402 of the Turkish Commercial Code (“TCC”) No. 6102; no significant matter has come to our attention that causes us to believe that the Bank’s bookkeeping activities for the period 1 January - 31 December 2015 are not in compliance with TCC and provisions of the Bank’s articles of association in relation to financial reporting.

In accordance with subparagraph 4 of Article 402 of the TCC; the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

Additional Paragraph for Convenience Translation

The effects of differences between accounting principles and standards explained in detail in Section Three and accounting principles generally accepted in countries in which the accompanying consolidated financial statements are to be distributed and International Financial Reporting Standards (“IFRS”) have not been quantified in the accompanying consolidated financial statements. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

Başaran Nas Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PricewaterhouseCoopers

Engin Çubukçu, SMMM
Partner

Istanbul, 5 February 2016

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED
FINANCIAL STATEMENTS AND AUDITED REPORT
ORIGINALLY ISSUED IN TURKISH, SEE IN NOTE I. OF SECTION THREE**

**CONSOLIDATED FINANCIAL REPORT OF TÜRK EKONOMİ BANKASI A.Ş.
AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2015**

Address : Saray Mahallesi Sokullu Caddesi No:7/A – 7/B
Ümraniye 34768 - İstanbul
Telephone : (0 216) 635 35 35
Fax : (0 216) 636 36 36
Website : www.teb.com.tr
E-mail : investor.relations@teb.com.tr

The consolidated financial report for the year-ended prepared in accordance with “Communiqué on the Financial Statements and the Related Policies and Disclosures to be Publicly Announced” as regulated by the Banking Regulation and Supervision Agency, is consist of the sections listed below:

- General Information About The Parent Bank
- Consolidated Financial Statements Of The Parent Bank
- Explanations On The Accounting Policies Applied In The Related Period
- Information On Financial Structure Of The Group Which Is Under Consolidation
- Explanatory Disclosures And Footnotes On Consolidated Financial Statements
- Other Explanation
- Independent Auditor’s Report

The subsidiaries, associates and jointly controlled entities, financial statements have been consolidated in this reporting package are as follows:

	Subsidiaries	Associates	Jointly Controlled Entities
1	TEB Yatırım Menkul Değerler A.Ş.	-	-
2	TEB Faktoring A.Ş.	-	-
3	TEB Portföy Yönetimi A.Ş.	-	-

The consolidated financial statements and the explanatory disclosures and footnotes, unless otherwise stated, are presented **in thousands of Turkish Lira**, in accordance with the Regulation on Accounting Applications for Banks and Safeguarding Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, related statements and guidances, and in compliance with the financial records of the Bank, have been independently audited and presented as attached.

Yavuz Canevi	Jacques Roger	Dr. Akın Akbaygil	Ümit Leblebici	M. Aşkın Dolaştır	Gökhan Kazcılar
Chairman of the Board of Directors	Jean Marie Rinino Chairman of the Audit Committee	Vice Chairman of the Audit Committee	General Manager	Assistant General Manager Responsible of Financial Reporting	Director Responsible of Financial Reporting

Information related to responsible personnel for the questions can be raised about financial statements:

Name-Surname/Title : Çiğdem Çelikkilek / Investor Relations Manager
Tel No : (0216) 635 24 63
Fax No : (0216) 636 36 36

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**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM
1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

SECTION ONE

GENERAL INFORMATION

I. History of the Parent Bank, Including its Incorporation Date, Initial Legal Status and Amendments to Legal Status, if any

Türk Ekonomi Bankası Anonim Şirketi (“TEB” or “The Bank”), which had been a local bank incorporated in Kocaeli in 1927 under the name of Kocaeli Halk Bankası T.A.Ş., was acquired by the Çolakoğlu Group in 1982. Its title was changed as Türk Ekonomi Bankası A.Ş. and its headquarters moved to İstanbul. On 10 February 2005, BNP Paribas took over 50% of shares of TEB Holding A.Ş. Consequently, BNP Paribas became indirect shareholder of TEB with 42.125% ownership. In 2009 BNP Paribas Group successively acquired 75% of Fortis Bank Belgium and 66% of Fortis Bank Luxembourg and became the shareholder holding the majority of the shares of Fortis Bank Turkey. The indirect majority shareholders of TEB which are BNP Paribas and Çolakoğlu Group has agreed on the merger of TEB and Fortis Bank under the trademark of TEB and following the authorizations obtained from the regulatory authorities on 14 February 2011 the legal merge of two banks has been performed. The process regarding the procedure has been summarized below. As a result of the merger of TEB Holding, TEB has a majority stake of 55% and on the other hand Çolakoğlu Group and BNP Paribas have the share of 50 %.

II. Explanation on the Parent Bank’s Capital Structure, Shareholders of the Parent Bank who are in Charge of the Management and/or Auditing of the Parent Bank Directly or Indirectly, Changes in These Matters (if any), and the Group the Parent Bank Belongs to

As of 31 December 2015 and 31 December 2014 the shareholders’ structure and their respective ownerships are summarized as follows:

Name of shareholders	31 December 2015		31 December 2014	
	Paid in capital	%	Paid in capital	%
TEB Holding A.Ş.	1,212,415	55.00	1,212,415	55.00
BNPP Yatırımlar Holding A.Ş.	518,342	23.51	518,342	23.51
BNP Paribas Fortis Yatırımlar Holding A.Ş.	467,879	21.23	402,517	18.26
Other Shareholders	5,754	0.26	71,116	3.23
	2,204,390	100.00	2,204,390	100.00

As of 31 December 2015, the Parent Bank’s paid-in-capital consists of TL2,204,390,000 shares of TL1.00 (full TL) nominal each.

As of 14 November 2014, BNP Paribas Fortis Yatırımlar Holding A.Ş., BNP Paribas Yatırımlar Holding A.Ş., BNP Paribas, and TEB Holding A.Ş. together hold 96.005% of Türk Ekonomi Bankası (“TEB”) acting jointly as the “Controlling Shareholders” according to the Communiqué of the Capital Markets Board No II-27.2 on Squeeze-out and Sell-Out Rights (“Communiqué”). Pursuant to Provisional Article 1 of the Communiqué, sell-out and squeeze-out rights become exercisable upon the acquisition of the additional share by BNP Paribas Fortis Yatırımlar Holding A.Ş., one of the controlling shareholders, on 14 November 2014.

Pursuant to Sub-paragraph (a) of the third paragraph of Article 6 of the Communiqué, the fair value of the sell-out right was determined to be TL2,437, which is the highest of the 5 prices to be taken as a basis in the valuation report prepared by Ernst&Young. The value was calculated by

- Comparing TL2.0032, which is the arithmetic average of the weighted average market prices of the 30 days preceding the announcement of the acquisition of the additional share,
- TL2.0185, TL2.0528 and TL2.0562, the averages of the weighted average market prices of the last six months, last one year and last five years preceding the announcement of the acquisition of the additional share, respectively,

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
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IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM
1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

II. Explanation on the Parent Bank’s Capital Structure, Shareholders of the Parent Bank who are in Charge of the Management and/or Auditing of the Parent Bank Directly or Indirectly, Changes in These Matters (if any), and the Group the Parent Bank Belongs to (continued)

- To TL2,437, which is the price determined in the valuation report prepared in line with the Board’s Communiqué Serial: VIII, No: 45 On “International Valuation Standards In The Capital Markets” by Ernst Young Kurumsal Finansman Danışmanlık A.Ş. (“Ernst&Young”), an independent valuation institution which is not directly or indirectly affiliated with the Parent Bank in terms of capital equity and management and which has the capacity to give valuation services with the aim of determining a price according to the Capital Markets Board’s legislation.

The shareholders other than the Controlling Shareholders exercised their right to sell-out their shares to BNP Paribas Fortis Yatırımlar Holding A.Ş. within the three-month-period between 14 November 2014 and 16 February 2015.

Following the application by BNP Paribas Fortis Yatırımlar A.Ş. on 18 February 2015, in line with the decisions made by the Parent Bank’s Board of Directors on 26 February 2015,

- The Parent Bank filed an application with the CMB on 2 March 2015 for approval of the issuance document for the share issuance related to the Restricted Rights Issue to controlling shareholders, which will take place simultaneously with the annulment of the shares related to the squeeze-out process, and
- The Parent Bank filed an application with Borsa İstanbul A.Ş. requesting termination of trading of TEB’s shares and delisting of TEB A.Ş. on the stock market.

On 13 March 2015, the CMB referred to Articles 5.14.1.3 and 5.14.2.2.1 of the International Standards on Auditing (ISA) and requested additional work. Additional work prepared by Ernst&Young and was submitted to the CMB on 6 April 2015. The results of this work were also announced on the same date on Public Disclosure Platform (“PDP”).

The Parent Bank’s application was evaluated in the Board of Directors meeting of Borsa İstanbul dated 19 March 2015, and it was announced by Borsa İstanbul with a PDP announcement on the same date that the following had been decided:

- TEB shares will be delisted following the approval of the export document by CMB,
- The Parent Bank shares will be removed from all the current indexes due to de-listing, and
- Following the completion of the Central Registry Agency (MKK) process, starting from the first business day following the announcement made by Borsa İstanbul on PDP, the Parent Bank shares will be removed from the exchange list and will be banned from being traded at the exchange.

As a result of the evaluation made regarding the Parent Bank’s application, it was stated in the CMB bulletin dated 16 April 2015 that the application will be deemed positive, if:

- The difference between the unit share price of the Parent Bank determined by the valuation report and announced on PDP on 16 December 2014 and unit share price determined in the valuation report prepared by Ernst&Young based on the additional work done on the said valuation report and announced on PDP on 6 April 2015, is paid by the controlling shareholder BNP Paribas Fortis Yatırımlar Holding A.Ş., to the shareholders who used their right of sale and
- There are no issues in the BRSA opinion sent to the CMB regarding the Parent Bank’s application which might negatively affect said application.

On 17 April 2015, following the publication of the CMB bulletin, Borsa İstanbul announced that Parent Bank shares were closed for trading on the exchange, prior to the first session, pursuant to the Board of Directors meeting of Borsa İstanbul dated 19 March 2015.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM
1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

II. Explanation on the Parent Bank’s Capital Structure, Shareholders of the Parent Bank who are in Charge of the Management and/or Auditing of the Parent Bank Directly or Indirectly, Changes in These Matters (if any), and the Group the Parent Bank Belongs to (continued)

Following the positive opinion given by BRSA on 17 June 2015, the export document approved by the CMB was received by Parent Bank on 19 June 2015 and, after the registration procedures were completed, the shares subject to sell-out were cancelled on 23 June 2015, and on 24 June 2015 share prices were paid to share owners through the Central Registry Agency (MKK). On 24 June 2015 new shares were issued in place of the cancelled shares via private placement on behalf of our majority shareholder BNP Paribas Fortis Yatırımlar Holding A.Ş.

Following these transactions, as per the Borsa İstanbul Board of Directors decision dated 19 March 2015, TEB shares were delisted on 17 April 2015 and will be permanently removed from trading. On the same date, TEB was removed from the scope of the CMB Law by the CMB.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM
1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

III. Explanations Regarding the Chairman and the Members of Board of Directors, Audit Committee, General Manager and Assistants and Shares of the Parent Bank They Possess

<u>Name</u>	<u>Title</u>	<u>Education</u>
Board of Directors;		
Yavuz Canevi	Chairman of the Board of Directors	Master
PhD.Akın Akbaygil	Vice Chairman of the Board of Directors and Vice Chairman of the Audit Committee and Independent Member of the Board of Directors	PhD
Xavier Henri Jean Guilmineau	Member of the Board of Directors	Master
Jean Paul Sabet	Vice Chairman of the Board of Directors	University
Ayşe Aşardağ	Member of the Board of Directors	University
Ümit Leblebici	General Manager and the Executive Member	Master
Sabri Davaz	Member of the Board of Directors and Audit Committee	Master
Alain Georges Auguste Fonteneau	Member of the Board of Directors	Master
Yvan L.A.M De Cock	Member of the Board of Directors and Audit Committee	University
Musa Erden	Member of the Board of Directors	University
Jacques Roger Jean Marie Rinino	Member of the Board of Directors and Chairman of the Audit Committee	University
Pascal Jean Fischer	Member of the Board of Directors	University
Alain Kokocinski	Independent Member of the Board of Directors	Bank Technical Institute
PhD.İsmail Yanık	Independent Member of the Board of Directors	PhD
Assistant General Managers;		
Turgut Boz	Assistant General Manager Responsible from SME Banking and Vice Chairman of General Manager	University
Gökhan Mendi	Assistant General Manager Responsible from Consumer Banking and Private Banking	Master
PhD.Nilsen Altıntaş	Assistant General Manager Responsible from Human Resources	PhD
Melis Coşan Baban	Chief Legal Counsel and Secretary of the Board of Directors	Master
Mehmet Ali Cer	Assistant Manager Responsible from Information Technologies	Master
Mustafa Aşkın Dolaştır	Assistant General Manager Responsible from Financial Affairs	Master
Osman Durmuş	Assistant General Manager Responsible from Consumer Loans and Business Loans	University
Kubilay Güler	Banking Operations & Facility Services Assistant General Manager	University
Akil Özçay	Assistant Manager Responsible from Financial Markets	Master
Gökhan Özdil	Assistant General Manager Responsible from Corporate Loans	University
Nuri Tuncalı	Assistant General Manager Responsible from SME Loans	University
Ömer Abidin Yenidoğan	Assistant General Manager Responsible from Corporate Investment Banking Group	Master
PhD.Tuğrul Özbakan	Assistant General Manager Responsible from Asset Liability Management and Treasury Group	PhD
Gülümser Özgün Henden	Assistant General Manager Responsible from Corporate Banking Group	University
Group Heads (*);		
Pascal Alfred J. Gilliard	Chief Risk Officer	University
Birol Deper	Head of Compliance Group and Internal Control Group, Consumer Relations Coordination Officer	Master
Inspection Committee (*);		
Hakan Traşın	Chairman of Inspection Committee	University

(*) Group Heads and Chairman of the Inspection Committee are in Assistant General Manager status.

Shares of the Parent Bank owned by the above stated Chairman and Members of Board of Directors, General Manager and Assistants are negligible.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM
1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

IV. Information about the Persons and Institutions That Have Qualified Shares in the Parent Bank

Name / Commercial Name	Share Amount	Share Ratio	Paid up Shares	Unpaid Shares
TEB Holding A.Ş.	1,212,415	55.00%	1,212,415	-
BNP Yatırımlar Holding A.Ş.	518,342	23.51%	518,342	-
BNP Paribas Fortis Yatırımlar Holding A.Ş.	467,879	21.23%	467,879	-

TEB Holding A.Ş. is the controlling party of the Parent Bank’s capital having both direct and indirect qualified shares. TEB Holding A.Ş. is a member of both Çolakoğlu and BNP Paribas groups. 50% of the shares of TEB Holding A.Ş. are controlled by BNP Paribas, while the remaining 50% is controlled by Çolakoğlu Group. BNP Paribas Fortis Yatırımlar Holding A.Ş. BNP Paribas Fortis Yatırımlar Holding A.Ş. is controlled by BNP Paribas Fortis NV/SA whose shareholders are BNP Paribas Fortis NV/SA by 100% shares, respectively. 100% of the shares of BNP Yatırımlar Holding are controlled by BNP Paribas S.A.

V. Summary on the Parent Bank’s Functions and Areas of Activity

The Parent Bank’s operating areas include, corporate, retail and private banking as well as project finance, fund management and custody operations. Besides the ordinary banking operations, the Parent Bank is handling agency functions through its branches on behalf of TEB Yatırım Menkul Değerler A.Ş., TEB Portföy Yönetim A.Ş., Zurich Sigorta A.Ş. and Cardif Hayat Sigorta A.Ş. As of 31 December 2015, the Parent Bank has 528 local branches and 4 foreign branches (31 December 2014: 546 local branches, 5 foreign branches). According to the Parent Bank’s Board of Directors Resolution, No: 5132/147 and dated 21 October 2014, it was decided to close Türk Ekonomi Bankası A.Ş. Bahrain Branch in Bahrain which is registered to Trade Registry, No:50046-1. Closing procedures are completed as of 23 November 2015.

VI. Differences between the communiqué on preparation of consolidated financial statements of Banks and Turkish Accounting Standards and short explanation about the entities subject to full consolidation or proportional consolidation and entities which are deducted from equity or entities which are not included in these three methods:

There is no difference between the communiqué on preparation of consolidated financial statements of Banks and Turkish Accounting for the Bank.

The Parent Bank owns 0.1% but the Group owns 33.3% share of Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş., it is presented as joint venture in financial statements however, and it is carried by cost value since necessary requirements for consolidation is not met.

VII. Current or likely actual or legal barriers to immediate transfer of equity or repayment of debts between Parent Bank and its subsidiaries:

None.

SECTION TWO

CONSOLIDATED FINANCIAL STATEMENTS

- I. Consolidated Balance Sheet
- II. Consolidated Statement of Off-Balance Sheet Contingencies and Commitments
- III. Consolidated Statement of Income
- IV. Consolidated Income and Expense Items Under Shareholders' Equity
- V. Consolidated Statement of Changes in Shareholders' Equity
- VI. Consolidated Statement of Cash Flows
- VII. Consolidated Statement of Profit Distribution

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

I. CONSOLIDATED BALANCE SHEET - ASSETS (STATEMENT OF FINANCIAL POSITION)

	Section 5 Note Ref.	Audited Current Period 31.12.2015			Audited Prior Period 31.12.2014		
		TL	FC	Total	TL	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK	(I-1)	1,202,307	8,713,621	9,915,928	861,788	7,605,141	8,466,929
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (Net)	(I-2)	599,312	100,633	699,945	589,709	98,027	687,736
2.1 Financial assets held for trading		599,312	100,633	699,945	589,709	98,027	687,736
2.1.1 Public sector debt securities		194,821	11,007	205,828	77,774	12,660	90,434
2.1.2 Share certificates		-	-	-	-	-	-
2.1.3 Derivative financial assets held for trading		404,491	89,626	494,117	511,935	85,367	597,302
2.1.4 Other marketable securities		-	-	-	-	-	-
2.2 Financial assets classified at fair value through profit and loss		-	-	-	-	-	-
2.2.1 Public sector debt securities		-	-	-	-	-	-
2.2.2 Share certificates		-	-	-	-	-	-
2.2.3 Loans		-	-	-	-	-	-
2.2.4 Other marketable securities		-	-	-	-	-	-
III. BANKS	(I-3)	621,048	716,404	1,337,452	595,903	409,246	1,005,149
IV. MONEY MARKET PLACEMENTS		206		206	550,207		550,207
4.1 Interbank money market placements		-	-	-	-	-	-
4.2 Istanbul Stock Exchange money market placements		-	-	-	-	-	-
4.3 Receivables from reverse repurchase agreements		206	-	206	550,207	-	550,207
V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(I-4)	4,031,751	98,873	4,130,624	4,309,078	179,193	4,488,271
5.1 Share certificates		21,544	75,150	96,694	21,035	96	21,131
5.2 Public sector debt securities		4,010,207	23,723	4,033,930	4,288,043	112,732	4,400,775
5.3 Other marketable securities		-	-	-	-	66,365	66,365
VI. LOANS AND RECEIVABLES	(I-5)	43,599,455	9,699,647	53,299,102	37,881,781	8,627,407	46,509,188
6.1 Loans and receivables		43,196,275	9,699,647	52,895,922	37,480,900	8,624,762	46,105,662
6.1.1 Loans to Risk Group of the Bank		10,477	2	10,479	78,295	3	78,298
6.1.2 Public sector debt securities		-	-	-	-	-	-
6.1.3 Other		43,185,798	9,699,645	52,885,443	37,402,605	8,624,759	46,027,364
6.2 Non-performing loans		1,232,527	-	1,232,527	1,120,411	86,123	1,206,534
6.3 Specific provisions (-)		829,347	-	829,347	719,530	83,478	803,008
VII. FACTORING RECEIVABLES	(I-17)	555,685	652,638	1,208,323	884,634	448,288	1,332,922
VIII. HELD TO MATURITY INVESTMENTS (Net)	(I-6)	339,417		339,417	317,360		317,360
8.1 Public sector debt securities		339,417	-	339,417	317,360	-	317,360
8.2 Other marketable securities		-	-	-	-	-	-
IX. INVESTMENTS IN ASSOCIATES (Net)	(I-7)						
9.1 Accounted for under equity method		-	-	-	-	-	-
9.2 Unconsolidated associates		-	-	-	-	-	-
9.2.1 Financial investments		-	-	-	-	-	-
9.2.2 Non-financial investments		-	-	-	-	-	-
X. INVESTMENTS IN SUBSIDIARIES (Net)	(I-8)						
10.1 Unconsolidated financial subsidiaries		-	-	-	-	-	-
10.2 Unconsolidated non-financial subsidiaries		-	-	-	-	-	-
XI. ENTITIES UNDER COMMON CONTROL (JOINT VENT.) (Net)	(I-9)	5		5	5		5
11.1 Consolidated under equity method		-	-	-	-	-	-
11.2 Unconsolidated		5	-	5	5	-	5
11.2.1 Financial subsidiaries		-	-	-	-	-	-
11.2.2 Non-financial subsidiaries		5	-	5	5	-	5
XII. FINANCE LEASE RECEIVABLES	(I-10)						
12.1 Finance lease receivables		-	-	-	-	-	-
12.2 Operating lease receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned income (-)		-	-	-	-	-	-
XIII. DERIVATIVE FINANCIAL ASSETS FOR HEDGING PURPOSES	(I-11)	58,309		58,309	60,800		60,800
13.1 Fair value hedge		-	-	-	1,681	-	1,681
13.2 Cash flow hedge		58,309	-	58,309	59,119	-	59,119
13.3 Hedge of net investment risks in foreign operations		-	-	-	-	-	-
XIV. TANGIBLE ASSETS (Net)	(I-12)	285,508		285,508	317,199	8,920	326,119
XV. INTANGIBLE ASSETS (Net)	(I-13)	473,474		473,474	476,834	873	477,707
15.1 Goodwill		421,124	-	421,124	421,124	-	421,124
15.2 Other		52,350	-	52,350	55,710	873	56,583
XVI. INVESTMENT PROPERTIES (Net)	(I-14)						
XVII. TAX ASSET		90,465		90,465	109,457	286	109,743
17.1 Current tax asset		1,742	-	1,742	3,849	286	4,135
17.2 Deferred tax asset	(I-15)	88,723	-	88,723	105,608	-	105,608
XVIII. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(I-16)	71,874		71,874	79,466		79,466
18.1 Held for sale		71,874	-	71,874	79,466	-	79,466
18.2 Discontinued operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(I-18)	1,029,397	272,459	1,301,856	1,060,677	219,583	1,280,260
TOTAL ASSETS		52,958,213	20,254,275	73,212,488	48,094,898	17,596,964	65,691,862

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

I. CONSOLIDATED BALANCE SHEET - LIABILITIES AND EQUITY (STATEMENT OF FINANCIAL POSITION)

	Section 5 Note Ref.	Audited Current Period 31.12.2015			Audited Prior Period 31.12.2014		
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	(II-1)	28,615,414	15,762,218	44,377,632	27,332,692	13,098,358	40,431,050
1.1 Deposits from Risk Group of the Bank		555,149	1,003,773	1,558,922	886,673	1,337,883	2,224,556
1.2 Other		28,060,265	14,758,445	42,818,710	26,446,019	11,760,475	38,206,494
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(II-2)	466,111	53,286	519,397	312,605	136,053	448,658
III. FUNDS BORROWED	(II-3)	1,659,879	11,075,414	12,735,293	982,230	9,383,235	10,365,465
IV. MONEY MARKET BALANCES		2,413,098	-	2,413,098	1,796,098	-	1,796,098
4.1 Interbank money market takings		-	-	-	-	-	-
4.2 Istanbul Stock Exchange money market takings		28,311	-	28,311	39,111	-	39,111
4.3 Funds provided under repurchase agreements		2,384,787	-	2,384,787	1,756,987	-	1,756,987
V. MARKETABLE SECURITIES ISSUED (Net)	(II-3)	184,110	86,553	270,663	696,679	294,904	991,583
5.1 Bills		184,110	86,553	270,663	696,679	294,904	991,583
5.2 Asset backed securities		-	-	-	-	-	-
5.3 Bonds		-	-	-	-	-	-
VI. FUNDS		-	-	-	-	-	-
6.1 Borrower funds		-	-	-	-	-	-
6.2 Other		-	-	-	-	-	-
VII. SUNDRY CREDITORS		1,003,280	292,703	1,295,983	945,501	189,402	1,134,903
VIII. OTHER LIABILITIES	(II-4)	1,063,037	1,421	1,064,458	1,021,511	3,889	1,025,400
IX. FACTORING PAYABLES	(II-13)	5,503	9,853	15,356	2,502	5,330	7,832
X. FINANCE LEASE PAYABLES	(II-5)	-	-	-	-	-	-
10.1 Finance lease payables		-	-	-	-	-	-
10.2 Operating lease payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance lease expenses (-)		-	-	-	-	-	-
XI. DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING PURPOSES	(II-6)	158,539	677	159,216	313,870	-	313,870
11.1 Fair value hedge		-	-	-	11,264	-	11,264
11.2 Cash flow hedge		158,539	677	159,216	302,606	-	302,606
11.3 Hedge of net investment in foreign operations		-	-	-	-	-	-
XII. PROVISIONS	(II-7)	1,048,748	115,721	1,164,469	980,238	16,186	996,424
12.1 General loan loss provisions		699,098	-	699,098	610,851	10,443	621,294
12.2 Restructuring reserve		-	-	-	-	-	-
12.3 Reserve for employee benefits		209,755	5,209	214,964	217,620	2,277	219,897
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions		139,895	110,512	250,407	151,767	3,466	155,233
XIII. TAX LIABILITY	(II-8)	235,380	-	235,380	198,901	1,203	200,104
13.1 Current tax liability		235,380	-	235,380	198,901	47	198,948
13.2 Deferred tax liability		-	-	-	-	1,156	1,156
XIV. PAYABLES RELATED TO ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(II-9)	-	-	-	-	-	-
14.1 Held for sale		-	-	-	-	-	-
14.2 Discontinued operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS	(II-10)	-	1,940,036	1,940,036	-	1,785,915	1,785,915
XVI. SHAREHOLDERS' EQUITY	(II-11)	6,750,050	271,457	7,021,507	5,988,356	206,204	6,194,560
16.1 Paid-in capital		2,204,390	-	2,204,390	2,204,390	-	2,204,390
16.2 Supplementary capital		821,314	59,479	880,793	699,075	1,035	700,110
16.2.1 Share premium		2,565	-	2,565	2,565	-	2,565
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Marketable securities valuation differences		(67,787)	59,523	(8,264)	(25,613)	1,035	(24,578)
16.2.4 Tangible assets revaluation differences		97,024	-	97,024	91,991	-	91,991
16.2.5 Intangible assets revaluation differences		-	-	-	-	-	-
16.2.6 Investment properties revaluation differences		-	-	-	-	-	-
16.2.7 Bonus shares obtained from associates, subsidiaries and jointly controlled entities (Joint Vent.)		527	-	527	527	-	527
16.2.8 Hedging funds (Effective portion)		80,987	(44)	80,943	(60,118)	-	(60,118)
16.2.9 Accumulated valuation differences from assets held for sale and from discontinued operations		-	-	-	-	-	-
16.2.10 Other capital reserves		707,998	-	707,998	689,723	-	689,723
16.3 Profit reserves		2,981,325	211,978	3,193,303	2,426,458	205,169	2,631,627
16.3.1 Legal reserves		230,800	-	230,800	196,866	-	196,866
16.3.2 Status reserves		-	-	-	-	-	-
16.3.3 Extraordinary reserves		2,461,561	211,978	2,673,539	1,927,004	205,169	2,132,173
16.3.4 Other profit reserves		288,964	-	288,964	302,588	-	302,588
16.4 Profit or loss		735,577	-	735,577	651,043	-	651,043
16.4.1 Prior years' income/ (loss)		9,497	-	9,497	9,497	-	9,497
16.4.2 Current year income/ (loss)		726,080	-	726,080	641,546	-	641,546
16.5 Minority shares	(II-12)	7,444	-	7,444	7,390	-	7,390
TOTAL LIABILITIES AND EQUITY		43,603,149	29,609,339	73,212,488	40,571,183	25,120,679	65,691,862

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED OFF-BALANCE SHEET COMMITMENT
AT 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

II. CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET CONTINGENCIES AND COMMITMENTS

	Section 5 Note Ref	Audited Current Period 31.12.2015			Audited Prior Period 31.12.2014		
		TL	FC	Total	TL	FC	Total
A. OFF BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I+II+III)		54,826,586	53,052,884	107,879,470	49,294,310	50,198,673	99,492,983
I. GUARANTEES	(III-1)	6,275,583	8,223,238	14,498,821	5,409,460	6,690,175	12,099,635
1.1 Letters of guarantee		4,805,952	5,061,178	9,867,130	4,193,036	4,093,358	8,286,394
1.1.1 Guarantees subject to State Tender Law		142,514	115,200	257,714	122,191	109,163	231,354
1.1.2 Guarantees given for foreign trade operations		302,325	829,643	1,131,968	305,083	295,414	600,497
1.1.3 Other letters of guarantee		4,361,113	4,116,335	8,477,448	3,765,762	3,688,781	7,454,543
1.2 Bank loans		-	48,830	48,830	-	62,150	62,150
1.2.1 Import letter of acceptance		-	48,830	48,830	-	62,150	62,150
1.2.2 Other bank acceptances		-	-	-	-	-	-
1.3 Letters of credit		1,419	1,405,327	1,406,746	-	1,508,547	1,508,547
1.3.1 Documentary letters of credit		1,419	147,003	148,422	-	382,477	382,477
1.3.2 Other letters of credit		-	1,258,324	1,258,324	-	1,126,070	1,126,070
1.4 Prefinancing given as guarantee		-	-	-	-	-	-
1.5 Endorsements		-	-	-	-	-	-
1.5.1 Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2 Other endorsements		-	-	-	-	-	-
1.6 Securities issue purchase guarantees		-	-	-	-	-	-
1.7 Factoring guarantees		-	-	-	-	-	-
1.8 Other guarantees		1,465,662	1,176,545	2,642,207	1,209,108	593,229	1,802,337
1.9 Other collaterals		2,550	531,358	533,908	7,316	432,891	440,207
II. COMMITMENTS	(III-1)	11,892,491	1,442,735	13,335,226	11,237,037	1,507,676	12,744,713
2.1 Irrevocable commitments		11,892,491	1,442,735	13,335,226	11,237,037	1,507,676	12,744,713
2.1.1 Forward asset purchase commitments		347,976	1,219,279	1,567,255	221,352	1,467,899	1,689,251
2.1.2 Forward deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3 Share capital commitment to associates and subsidiaries		-	-	-	-	-	-
2.1.4 Loan granting commitments		4,306,371	478	4,306,849	4,336,448	94	4,336,542
2.1.5 Securities underwriting commitments		-	-	-	-	-	-
2.1.6 Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7 Payment commitment for checks		2,260,921	-	2,260,921	2,186,510	-	2,186,510
2.1.8 Tax and fund liabilities from export commitments		26,185	-	26,185	24,189	-	24,189
2.1.9 Commitments for credit card expenditure limits		4,580,727	-	4,580,727	4,101,473	-	4,101,473
2.1.10 Commitments for promotions related with credit cards and banking activities		4,538	-	4,538	5,178	-	5,178
2.1.11 Receivables from short sale commitments		-	-	-	-	-	-
2.1.12 Payables for short sale commitments		-	-	-	-	-	-
2.1.13 Other irrevocable commitments		365,773	222,978	588,751	361,887	39,683	401,570
2.2 Revocable commitments		-	-	-	-	-	-
2.2.1 Revocable loan granting commitments		-	-	-	-	-	-
2.2.2 Other revocable commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS	(III-2)	36,658,512	43,386,911	80,045,423	32,647,813	42,000,822	74,648,635
3.1 Derivative financial instruments for hedging purposes		12,880,140	1,378,498	14,258,638	10,757,751	328,460	11,086,211
3.1.1 Fair value hedge		-	-	-	363,480	328,460	691,940
3.1.2 Cash flow hedge		12,880,140	1,378,498	14,258,638	10,394,271	-	10,394,271
3.1.3 Hedge of net investment in foreign operations		-	-	-	-	-	-
3.2 Held for trading transactions		23,778,372	42,008,413	65,786,785	21,890,062	41,672,362	63,562,424
3.2.1 Forward foreign currency buy/sell transactions		3,696,905	6,047,077	9,743,982	3,519,394	4,399,753	7,918,769
3.2.1.1 Forward foreign currency transactions-buy		1,331,946	3,475,605	4,807,551	1,176,887	2,678,599	3,855,486
3.2.1.2 Forward foreign currency transactions-sell		2,364,959	2,571,472	4,936,431	2,342,507	1,720,776	4,063,283
3.2.2 Swap transactions related to f.c. and interest rates		15,050,915	27,797,051	42,847,966	12,929,284	25,000,435	37,929,719
3.2.2.1 Foreign currency swap-buy		5,241,928	13,832,508	19,074,436	4,453,732	12,230,315	16,684,047
3.2.2.2 Foreign currency swap-sell		9,408,987	9,623,579	19,032,566	7,855,634	8,523,662	16,381,296
3.2.2.3 Interest rate swaps-buy		200,000	2,170,482	2,370,482	300,000	2,126,718	2,426,718
3.2.2.4 Interest rate swaps-sell		200,000	2,170,482	2,370,482	319,918	2,117,740	2,437,658
3.2.3 Foreign currency, interest rate and securities options		5,030,552	8,164,285	13,194,837	5,441,384	12,269,127	17,710,511
3.2.3.1 Foreign currency options-buy		2,100,903	4,525,821	6,626,724	3,286,819	5,630,784	8,917,603
3.2.3.2 Foreign currency options-sell		2,929,649	3,638,464	6,568,113	2,154,565	6,636,019	8,790,584
3.2.3.3 Interest rate options-buy		-	-	-	-	-	-
3.2.3.4 Interest rate options-sell		-	-	-	-	2,324	2,324
3.2.3.5 Securities options-buy		-	-	-	-	-	-
3.2.3.6 Securities options-sell		-	-	-	-	-	-
3.2.4 Foreign currency futures		-	-	-	-	-	-
3.2.4.1 Foreign currency futures-buy		-	-	-	-	-	-
3.2.4.2 Foreign currency futures-sell		-	-	-	-	-	-
3.2.5 Interest rate futures		-	-	-	-	-	-
3.2.5.1 Interest rate futures-buy		-	-	-	-	-	-
3.2.5.2 Interest rate futures-sell		-	-	-	-	-	-
3.2.6 Other		-	-	-	-	3,425	3,425
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		161,703,595	24,544,621	186,248,216	138,891,704	20,338,707	159,230,411
IV. ITEMS HELD IN CUSTODY		35,398,554	1,489,887	36,888,441	28,952,363	1,653,942	30,606,305
4.1 Assets under management	(III-5)	9,864,449	-	9,864,449	1,666,897	20	1,666,917
4.2 Investment securities held in custody		14,217,391	391,059	14,608,450	16,934,690	410,826	17,345,516
4.3 Checks received for collection		10,538,519	845,235	11,383,754	9,910,466	968,716	10,879,182
4.4 Commercial notes received for collection		349,355	119,139	468,494	369,231	107,040	476,271
4.5 Other assets received for collection		-	134,454	134,454	-	167,340	167,340
4.6 Assets received for public offering		-	-	-	-	-	-
4.7 Other items under custody		428,840	-	428,840	71,079	-	71,079
4.8 Custodians		-	-	-	-	-	-
V. PLEDGED ITEMS		125,888,687	22,995,805	148,884,492	109,768,918	18,643,929	128,412,847
5.1 Marketable securities		618,925	50,545	669,470	773,354	16,333	789,687
5.2 Guarantee notes		56,060,113	16,661,735	72,721,848	52,933,771	13,909,835	66,843,606
5.3 Commodity		114,135	206,019	320,154	53,640	211,098	264,738
5.4 Warranty		-	-	-	-	-	-
5.5 Properties		61,766,008	4,088,626	65,854,634	49,443,763	3,131,992	52,575,755
5.6 Other pledged items		7,329,506	1,988,880	9,318,386	6,564,390	1,374,671	7,939,061
5.7 Pledged items-depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		416,354	58,929	475,283	170,423	40,836	211,259
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		216,530,181	77,597,505	294,127,686	188,186,014	70,537,380	258,723,394

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD
FROM 1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

III. CONSOLIDATED STATEMENT OF INCOME

	Section 5 Note Ref.	Audited Current Period 01.01-31.12.2015	Audited Prior Period 01.01-31.12.2014
I. INTEREST INCOME	(IV-1)	6,343,431	5,306,931
1.1 Interest on loans		5,732,189	4,717,636
1.2 Interest received from reserve deposits		21,805	1,775
1.3 Interest received from banks		38,672	31,790
1.4 Interest received from money market placements		50,023	32,844
1.5 Interest received from marketable securities portfolio		389,979	422,495
1.5.1 Held-for-trading financial assets		22,100	33,649
1.5.2 Financial assets at fair value through profit and loss		-	-
1.5.3 Available-for-sale financial assets		340,131	359,769
1.5.4 Investments held-to-maturity		27,748	29,077
1.6 Finance lease Income		-	-
1.7 Other interest income		110,763	100,391
II. INTEREST EXPENSE	(IV-2)	3,204,580	2,681,311
2.1 Interest on deposits		2,631,428	2,225,977
2.2 Interest on funds borrowed		338,930	233,013
2.3 Interest on money market borrowings		155,981	141,169
2.4 Interest on securities issued		43,072	55,521
2.5 Other interest expense		35,169	25,631
III. NET INTEREST INCOME/EXPENSE (I - II)		3,138,851	2,625,620
IV. NET FEES AND COMMISSIONS INCOME/EXPENSE		1,069,156	922,239
4.1 Fees and commissions received		1,468,675	1,358,798
4.1.1 Non-cash loans		127,875	115,205
4.1.2 Other	(IV-12)	1,340,800	1,243,593
4.2 Fees and commissions paid		399,519	436,559
4.2.1 Non-cash loans		2,502	2,069
4.2.2 Other	(IV-12)	397,017	434,490
V. DIVIDEND INCOME		1,112	1,339
VI. NET TRADING GAIN/(LOSS)	(IV-4)	(554,202)	(356,519)
6.1 Securities trading gains/ (losses)		2,124	8,130
6.2 Gains/ (losses) from derivative financial instruments		772,636	(821,749)
6.3 Foreign exchange gains/ (losses)		(1,328,962)	457,100
VII. OTHER OPERATING INCOME	(IV-5)	291,175	211,042
VIII. NET OPERATING INCOME (III+IV+V+VI+VII)		3,946,092	3,403,721
IX. PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)	(IV-6)	935,970	571,698
X. OTHER OPERATING EXPENSES (-)	(IV-7)	2,204,867	2,022,430
XI. NET OPERATING INCOME/(LOSS) (VIII-IX-X)		805,255	809,593
XII. AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER		-	-
XIII. GAIN / (LOSS) ON EQUITY METHOD		-	-
XIV. GAIN / (LOSS) ON NET MONETARY POSITION		-	-
XV. PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XI+...+XIV)	(IV-8)	805,255	809,593
XVI. TAX PROVISION FOR CONTINUED OPERATIONS(±)	(IV-9)	(185,971)	(178,540)
16.1 Current income tax (charge)/benefit		(213,116)	(241,755)
16.2 Deferred tax (charge)/benefit		27,145	63,215
XVII. NET PROFIT/(LOSS) FROM CONTINUED OPERATIONS (XV±XVI)	(IV-10)	619,284	631,053
XVIII. INCOME ON DISCONTINUED OPERATIONS		196,202	83,437
18.1 Income on assets held for sale		-	-
18.2 Income on sale of associates, subsidiaries and entities under common control (Joint vent.)		127,510	-
18.3 Income on other discontinued operations		68,692	83,437
XIX. LOSS FROM DISCONTINUED OPERATIONS (-)		76,093	66,429
19.1 Loss from assets held for sale		-	-
19.2 Loss on sale of associates, subsidiaries and jointly controlled entities (Joint vent.)		-	-
19.3 Loss from other discontinued operations		76,093	66,429
XX. PROFIT / (LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XVIII-XIX)	(IV-8)	120,109	17,008
XXI. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)	(IV-9)	(12,353)	(5,607)
21.1 Current income tax (charge)/benefit		(15,537)	(5,212)
21.2 Deferred tax (charge)/benefit		3,184	(395)
XXII. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)	(IV-10)	107,756	11,401
XXIII. NET PROFIT/LOSS (XVII±XXII)	(IV-11)	727,040	642,454
23.1 Group's profit/loss		726,080	641,546
23.2 Minority shares		960	908
Earnings per share		0.3294	0.2910

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED INCOME AND EXPENSE ITEMS UNDER SHAREHOLDERS'
EQUITY FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

IV. CONSOLIDATED INCOME AND EXPENSE ITEMS UNDER SHAREHOLDERS' EQUITY

	Audited Current Period 01.01-31.12.2015	Audited Prior Period 01.01-31.12.2014
I. Additions to marketable securities revaluation differences for available for sale financial assets	20,236	97,904
II. Tangible assets revaluation differences	-	-
III. Intangible assets revaluation differences	-	-
IV. Foreign exchange differences for foreign currency transactions	(74,625)	(12,472)
V. Profit/Loss from derivative financial instruments for cash flow hedge purposes (Effective portion of fair value differences)	176,327	(115,379)
VI. Profit/Loss from derivative financial instruments for hedge of net investment in foreign operations (Effective portion of fair value differences)	-	-
VII. The effect of corrections of errors and changes in accounting policies	-	-
VIII. Other profit loss items accounted for under equity due to TAS (*)	22,516	13,964
IX. Deferred tax of valuation differences (*)	(43,699)	494
X. Total Net Profit/Loss accounted under equity (I+II+...+IX)	100,755	(15,489)
XI. Profit/Loss	727,040	642,454
11.1 Change in fair value of marketable securities (Transfer to Profit/Loss)	(24,128)	(12,094)
11.2 Reclassification and transfer of derivatives accounted for cash flow hedge purposes to Income Statement	(3,548)	4
11.3 Transfer of hedge of net investments in foreign operations to Income Statement	-	-
11.4 Other	754,716	654,544
XII. Total Profit/Loss accounted for the period (X±XI)	827,795	626,965

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2014**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Audited	Section 5 Note Ref.	Paid-in Capital	Effect of Inflation Accounting on Other Capital Reserves	Share Premium	Share Cancellation profits	Legal Reserves	Statutory Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Income/ (Loss)	Prior Period Net Income/ (Loss)	Marketable Securities Value Increase Fund	Tangible and Intangible Assets Revaluation Differences	Bonus Shares Obtained from Associates	Hedging Funds	Acc. Val. Diff. from Assets Held for Sale and from Disc. Op.	Total Equity Before Minority Shares	Minority Shares	Total Equity
Prior Period - 01.01-31.12.2014																			
I. Beginning Balance 31.12.2013		2,204,390	200,262	2,565	-	170,419	-	1,580,404	793,320	-	578,313	(102,647)	101,391	527	32,185	-	5,561,129	7,990	5,569,119
II. Corrections according to TAS 8																			
2.1 The effect of corrections of errors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 The effects of changes in accounting policy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. New Balance (I+II)																			
		2,204,390	200,262	2,565	-	170,419	-	1,580,404	793,320	-	578,313	(102,647)	101,391	527	32,185	-	5,561,129	7,990	5,569,119
IV. Increase/Decrease related to merger																			
V. Marketable securities valuation differences																			
VI. Hedging Funds (Effective Portion)																			
6.1 Cash-flow hedge	(V-a)	-	-	-	-	-	-	-	-	-	-	78,069	-	-	-	-	-	-	-
6.2 Hedge of net investment in foreign operations	(V-b)	-	-	-	-	-	-	-	-	-	-	-	-	-	(92,303)	-	(92,303)	-	(92,303)
VII. Tangible assets revaluation differences																			
VIII. Intangible assets revaluation differences																			
IX. Bonus shares obtained from associates, subsidiaries and jointly controlled entities (Joint vent.)																			
X. Foreign exchange differences	(V-c)	-	-	-	-	-	-	-	(12,472)	-	-	-	-	-	-	-	(12,472)	-	(12,472)
XI. The disposal of assets																			
XII. The reclassification of assets																			
XIII. The effect of change in associate's equity																			
XIV. Capital increase																			
14.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2 Internal sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Share premium																			
XVI. Share cancellation profits																			
XVII. Inflation adjustment to paid-in capital																			
XVIII																			
. Other		-	-	-	-	-	-	9,400	11,201	-	-	-	(9,400)	-	-	-	11,201	(29)	11,172
XIX. Period net income/(loss)																			
XX. Profit distribution																			
20.1 Dividends distributed		-	-	-	-	26,447	-	542,369	-	-	(568,816)	-	-	-	-	-	-	(1,524)	(1,524)
20.2 Transfers to reserves		-	-	-	-	26,447	-	542,369	-	-	(568,816)	-	-	-	-	-	-	(1,524)	(1,524)
20.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance 31.12.2014																			
(III+IV+V+VI+VII+VIII+IX+X+XI+XII+XIII+XIV+XV+XVI+XVII+XVIII+XIX+XX)																			
		2,204,390	200,262	2,565	-	196,866	-	2,132,173	792,049	641,546	9,497	(24,578)	91,991	527	(60,118)	-	6,187,170	7,390	6,194,560

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (continued)

Audited	Section 5 Note Ref.	Paid-in Capital	Effect of Inflation Accounting on Capital and Other Capital Reserves	Share Premium	Share Cancellation profits	Legal Reserves	Statutory Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Income/ (Loss)	Prior Period Net Income/ (Loss)	Marketable Securities Value Increase Fund	Tangible and Intangible Assets Revaluation Differences	Bonus Shares Obtained from Associates	Hedging Funds	Acc. Val. Diff. from Assets Held for Sale and from Disc. Op.	Total Equity Before Minority Shares	Minority Shares	Total Equity
Current Period- 01.01-31.12.2015																			
I																			
Beginning balance – 31.12.2014		2,204,390	200,262	2,565	-	196,866	-	2,132,173	792,049	-	651,043	(24,578)	91,991	527	(60,118)	-	6,187,170	7,390	6,194,560
Changes in period		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Increase/Decrease related to merger		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Marketable securities valuation differences	(V-a)	-	-	-	-	-	-	-	-	-	-	16,314	-	-	-	-	16,314	(60)	16,254
IV. Hedging Funds (Effective Portion)	(V-b)	-	-	-	-	-	-	-	-	-	-	-	-	-	141,061	-	141,061	-	141,061
4.1 Cash-flow hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	141,061	-	141,061	-	141,061
4.2 Hedge of net investment in foreign operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Tangible assets revaluation differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Intangible assets revaluation differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Bonus shares obtained from associates, subsidiaries and jointly controlled entities (Joint vent.)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Foreign exchange differences	(V-c)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. The disposal of assets		-	-	-	-	-	-	-	(74,625)	-	-	-	-	-	-	-	(74,625)	-	(74,625)
X. The reclassification of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. The effect of change in associate's equity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Capital increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2 Internal sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Share premium	(V-h)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Share cancellation profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Inflation adjustment to paid-in capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Other		-	-	-	-	-	-	-	18,063	-	-	-	-	-	-	-	18,063	2	18,065
XVII. Period net income/(loss)		-	-	-	-	-	-	-	-	726,080	-	-	-	-	-	-	726,080	960	727,040
XVIII. Profit distribution		-	-	-	-	33,934	-	541,366	61,213	-	(641,546)	-	5,033	-	-	-	-	(848)	(848)
18.1 Dividends distributed		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(848)	(848)
18.2 Transfers to reserves		-	-	-	-	33,934	-	541,366	61,213	-	(641,546)	-	5,033	-	-	-	-	-	-
18.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance 31.12.2015																			
(I+II+III+IV+V+VI+VII+VIII+IX+X+XI+XII+XIII+XIV+XV+XVI+XVII+XVIII)																			
		2,204,390	200,262	2,565	-	230,800	-	2,673,539	796,700	726,080	9,497	(8,264)	97,024	527	80,943	-	7,014,063	7,444	7,021,507

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
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**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015**
(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

VI. CONSOLIDATED STATEMENT OF CASH FLOWS

	Section 5 Note Ref	Audited Current Period 01.01-31.12.2015	Audited Prior Period 01.01-31.12.2014
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities		1,796,527	2,091,521
1.1.1 Interest received		6,261,058	5,242,198
1.1.2 Interest paid		(3,182,791)	(2,444,640)
1.1.3 Dividend received		-	-
1.1.4 Fees and commissions received		2,102,487	1,996,238
1.1.5 Other income		1,253,077	691,852
1.1.6 Collections from previously written off loans		495,010	445,072
1.1.7 Payments to personnel and service suppliers		(935,546)	(874,750)
1.1.8 Taxes paid		(198,242)	(172,218)
1.1.9 Others	(VI-1)	(3,998,526)	(2,792,231)
1.2 Changes in operating assets and liabilities		(1,369,517)	(876,062)
1.2.1 Net (increase)/ decrease in financial assets held for trading		(114,769)	565,077
1.2.2 Net (increase) decrease in financial assets at fair value through profit or loss		-	-
1.2.3 Net decrease/ (increase) in due from banks and other financial institutions		49,827	(83,368)
1.2.4 Net (increase) in loans		(7,140,560)	(7,062,956)
1.2.5 Net (increase) in other assets	(VI-1)	(588,880)	(1,442,992)
1.2.6 Net increase (decrease) in bank deposits		(639,945)	447,534
1.2.7 Net increase in other deposits		5,143,285	5,104,841
1.2.8 Net increase (decrease) in funds borrowed		2,323,425	2,389,200
1.2.9 Net increase (decrease) in matured payables		-	-
1.2.10 Net increase (decrease) in other liabilities	(VI-1)	(401,900)	(793,398)
I. Net cash provided from / (used in) banking operations		427,010	1,215,459
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided from / (used in) investing activities		414,154	(20,094)
2.1 Cash paid for purchase of entities under common control, associates and subsidiaries		-	-
2.2 Cash obtained from sale of entities under common control, associates and subsidiaries		346,768	-
2.3 Fixed assets purchases		(63,308)	(82,244)
2.4 Fixed assets sales		1,352	10,571
2.5 Cash paid for purchase of financial assets available for sale		(2,964,270)	(3,905,754)
2.6 Cash obtained from sale of financial assets available for sale		3,123,043	3,985,310
2.7 Cash paid for purchase of investment securities		-	-
2.8 Cash obtained from sale of investment securities		-	-
2.9 Others	(VI-1)	(29,431)	(27,977)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash provided from / (used in) financing activities		(712,418)	282,481
3.1 Cash obtained from funds borrowed and securities issued		266,556	1,604,439
3.2 Cash used for repayment of funds borrowed and securities issued		(978,800)	(1,321,806)
3.3 Capital increase		-	-
3.4 Dividends paid		-	-
3.5 Payments for finance leases		(174)	(152)
3.6 Other		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents	(VI-1)	313,450	9,874
V. Net increase / (decrease) in cash and cash equivalents		442,196	1,487,720
VI. Cash and cash equivalents at beginning of the period	(VI-2)	3,439,222	1,951,502
VII. Cash and cash equivalents at end of the period	(VI-2)	3,881,418	3,439,222

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

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**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED STATEMENT OF PROFIT DISTRIBUTION
FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015**
(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

VII. CONSOLIDATED STATEMENT OF PROFIT DISTRIBUTION

	Current Audited Period 31.12.2015(*)	Prior Audited Period 31.12.2014(*)
I. DISTRIBUTION OF CURRENT YEAR INCOME		
1.1 CURRENT YEAR INCOME	-	-
1.2 TAXES AND DUTIES PAYABLE (-)	-	-
1.2.1 Corporate tax (Income tax)	-	-
1.2.2 Income withholding tax	-	-
1.2.3 Other taxes and duties	-	-
A. NET INCOME FOR THE YEAR (1.1-1.2)	-	-
1.3 PRIOR YEARS' LOSSES (-)	-	-
1.4 FIRST LEGAL RESERVES (-)	-	-
1.5 OTHER STATUTORY RESERVES (-)	-	-
B. NET INCOME AVAILABLE FOR DISTRIBUTION [(A-(1.3+1.4+1.5))]	-	-
1.6 FIRST DIVIDEND TO SHAREHOLDERS (-)	-	-
1.6.1 To owners of ordinary shares	-	-
1.6.2 To owners of preferred shares	-	-
1.6.3 To owners of preferred shares (preemptive rights)	-	-
1.6.4 To profit sharing bonds	-	-
1.6.5 To holders of profit and loss sharing certificates	-	-
1.7 DIVIDENDS TO PERSONNEL (-)	-	-
1.8 DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
1.9 SECOND DIVIDEND TO SHAREHOLDERS (-)	-	-
1.9.1 To owners of ordinary shares	-	-
1.9.2 To owners of preferred shares	-	-
1.9.3 To owners of preferred shares (preemptive rights)	-	-
1.9.4 To profit sharing bonds	-	-
1.9.5 To holders of profit and loss sharing certificates	-	-
1.10 SECOND LEGAL RESERVES (-)	-	-
1.11 STATUTORY RESERVES (-)	-	-
1.12 EXTRAORDINARY RESERVES	-	-
1.13 OTHER RESERVES	-	-
1.14 SPECIAL FUNDS	-	-
II. DISTRIBUTION OF RESERVES		
2.1 DISTRIBUTED RESERVES	-	-
2.2 SECOND LEGAL RESERVES (-)	-	-
2.3 DIVIDENDS TO SHAREHOLDERS (-)	-	-
2.3.1 To owners of ordinary shares	-	-
2.3.2 To owners of preferred shares	-	-
2.3.3 To owners of preferred shares (preemptive rights)	-	-
2.3.4 To profit sharing bonds	-	-
2.3.5 To holders of profit and loss sharing certificates	-	-
2.4 DIVIDENDS TO PERSONNEL (-)	-	-
2.5 DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
III. EARNINGS PER SHARE		
3.1 TO OWNERS OF ORDINARY SHARES	-	-
3.2 TO OWNERS OF ORDINARY SHARES (%)	-	-
3.3 TO OWNERS OF PREFERRED SHARES	-	-
3.4 TO OWNERS OF PREFERRED SHARES (%)	-	-
IV. DIVIDEND PER SHARE		
4.1 TO OWNERS OF ORDINARY SHARES	-	-
4.2 TO OWNERS OF ORDINARY SHARES (%)	-	-
4.3 TO OWNERS OF PREFERRED SHARES	-	-
4.4 TO OWNERS OF PREFERRED SHARES (%)	-	-

(*) The Bank does not distribute profit on consolidated accounts.

The accompanying notes are an integral part of these financial statements

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
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**TÜRK EKONOMİ BANKASI A.Ş.
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM
1 JANUARY TO 31 DECEMBER 2015**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

**SECTION THREE
ACCOUNTING PRINCIPLES**

I. Basis of Presentation

The consolidated financial statements are prepared within the scope of the “Regulation on Accounting Applications for Banks and Safeguarding of Documents” related with Banking Act numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006 and other regulations related to reporting principles on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by Banking Regulation and Supervision Authority (together referred as BRSA Accounting and Reporting Legislation) and in case where a specific regulation is not made by BRSA, Turkish Accounting Standards (“TAS”), and Turkish Financial Reporting Standards (“TFRS”) and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority (“POA”).

The format and content of the publicly announced consolidated financial statements and notes to these statements have been prepared in accordance with the “Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements”, published in Official Gazette no. 28337, dated 28 June 2012, and amendments to this Communiqué.

The prior period financial statements are prepared in line with the principles of TAS Board No:1 “Fundamentals of Preparing and Presenting Financial Statements” published in the Official Gazette on 16 January 2005 with No: 25702, and in accordance with Turkish Accounting Standards and Turkish Financial Reporting Standards; and other principles, methods and explanations about accounting and financial reporting issued by the BRSA. Certain reclassifications have been made to the prior year financial statements in order to comply with the current year presentation whenever required.

Additional paragraph for convenience translation into English:

The differences between accounting principles, as described in the preceding paragraphs and accounting principles generally accepted in countries in which these consolidated financial statements are to be distributed and International Financial Reporting Standards (“IFRS”) have not been quantified in these consolidated financial statements. Accordingly, these consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

II. Explanations on Usage Strategy of Financial Assets and Foreign Currency Transactions

Explanations on Usage Strategy of Financial Assets

The Group aims to develop and promote products for the financial needs of each customer such as SMEs, multinational companies and even small individual investors in line with Banking Legislation. The primary objective of the Parent Bank is to increase profitability with optimum liquidity and minimum risk while fulfilling customer needs.

The Group aims at creating an optimum maturity risk and working with a positive margin between cost of resource and product yield in the process of asset and liability management.

As a component of risk management strategy of the Group, risk bearing short term positions of currency, interest or price movements is performed only by the Treasury Asset-Liability Management using the limits defined by the Board of Directors. The Asset-Liability Committee of the Parent Bank manages the maturity mismatches while deciding the short, medium and long term strategies as well as adopting the principle of positive balance sheet margin as a pricing policy.

The Board of Directors of the Parent Bank allows a purchase risk in treasury operations and individual limits are defined by the Board of Directors for each product.

At period ends, foreign currency asset and liability balances are valued at the Parent Bank’s period-end counter currency buying rates and recognized as a “Foreign exchange gain or loss”.

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(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

**II. Explanations on Usage Strategy of Financial Assets and Foreign Currency Transactions
(continued)**

Explanations on Usage Strategy of Financial Assets (continued)

The Parent Bank's hedging activities for the currency risk due to foreign currency available-for-sale equity instruments are described under the Currency Risk section; and the Parent Bank's hedging activities from interest rate risk arising from fixed interest rate deposits and floating interest rate borrowings are described in detail under Interest Rate Risk section.

The Parent Bank's Asset-Liability Committee approves the trading of various derivative instruments such as currency swaps, forwards and similar derivatives to hedge interest and currency exchange risks in line with the Parent Bank's balance sheet structure.

Explanations on Foreign Currency Transactions

Gains or losses arising from foreign currency transactions realized during the year are reflected to the income statement. Foreign currency assets and liabilities at each period-end are translated into Turkish lira at the period-end foreign exchange buying rates and the resulting foreign exchange gains or losses are recorded in the income statement as foreign exchange gain or loss. The EUR and USD exchange rates used for translating foreign currency transactions into Turkish Lira and reflecting these to consolidated financial statements as of 31 December 2015 are TL3.1572 in full TL per EUR and TL2.9021 in full TL per USD, respectively (31 December 2014: EUR exchange rate is TL2.8144 in full TL, while the USD exchange rate is TL2.3244 in full TL).

There are no capitalized foreign exchange differences.

The information regarding the principles of foreign currency risk management are stated in Section Four, Note III.

There are no debt securities issued. Foreign exchange gains and losses arising from translating monetary financial assets are reflected to "Foreign Exchange Gains / (Losses) in the income statement.

The foreign currency net investment in consolidated foreign subsidiaries is translated into Turkish Lira using the exchange rate prevailing at the balance sheet date for their assets and liabilities and the year end average exchange rate for their income statement items. The currency translation loss arising from the consolidated subsidiaries' inflation and devaluation differences as of 31 December 2014 amounting to TL12,472 (31 December 2015: None) foreign exchange difference loss on currency translation has been recorded in "Other Profit Reserves" under shareholders' equity.

III. Information about the Parent Bank and its Consolidated Subsidiaries

The Parent Bank, with no difference in practice between TAS and IFRS, and also the subsidiaries are consolidated by using line-by-line consolidation method. Türk Ekonomi Bankası Anonim Şirketi and its financial institutions, TEB Faktoring A.Ş. (TEB Faktoring), TEB Yatırım Menkul Değerler A.Ş. (TEB Yatırım) and TEB Portföy Yönetimi A.Ş. (TEB Portföy) are included in the accompanying consolidated financial statements by line-by-line consolidation method.

The accompanying consolidated financial statements are prepared in accordance with "Communiqué on Preparation of Consolidated Financial Statements of Banks" published in the Official Gazette dated November 8, 2006 numbered 26340. The Parent Bank and the entities included in the consolidation are referred to as "the Group" in this report.

The financial statements of the subsidiaries, which were prepared in accordance with the prevailing principles and rules regarding financial accounting and reporting standards in their respective country of incorporation and the Turkish Commercial Code and/or communiqués of the Capital Market Board, are duly adjusted in order to present their financial statements in accordance with TAS and TFRS.

The Parent Bank has sold the entire 100% of its shares in The Economy Bank N.V. to BNP Paribas Fortis S.A./N.V. amounting to EUR107,769 thousand. The sales revenue is collected after completion of procedures on 11 December 2015. The Economy Bank N.V. is consolidated until 31 December 2015 and consolidated sales revenue arising from those transactions amounting to TL127,510 and is presented under "Income from discontinued operations" in financial statements.

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(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

III. Information about the Parent Bank and its Consolidated Subsidiaries (continued)

Explanations on Consolidation Method and Scope

The commercial names of the entities included in consolidation and the locations of the head offices of these institutions:

<u>Commercial Name</u>	<u>Head Office</u>
TEB Faktoring	Turkey
TEB Yatırım	Turkey
TEB Portföy	Turkey

Line-by-line consolidation method is used for all the financial institutions included in the consolidation.

When there are differences between the accounting policies of the subsidiaries and the Parent Bank, the financial statements are adjusted in accordance with the principle of materiality. The financial statements of the subsidiaries are prepared as 31 December 2015, 31 December 2014.

The transactions and balances between the consolidated entities and the Parent Bank are eliminated.

IV. Explanations on Forward and Option Contracts and Derivative Instruments

Fair values of foreign currency forward and swap transactions are determined by comparing the period end Bank foreign exchange rates with the contractual forward rates discounted to the balance sheet date with the prevailing current market rates. The resulting gain or loss is reflected to the income statement.

In the assessment of fair value of interest rate swap instruments, interest amounts to be paid or to be received due to/from the fixed rate on the derivative contract are discounted to the balance sheet date with the current applicable fixed rate in the market that is prevailing between the balance sheet date and the interest payment date, whereas interest amounts to be paid or to be received due to/from the floating rate on the derivative contract are recalculated with the current applicable market rates that are prevailing between the balance sheet date and the interest payment date and are discounted to the balance sheet date again with the current applicable market rates that are prevailing between the balance sheet date and the interest payment date. The differences between the fixed rate interest amounts and floating rate interest amounts to be received/paid are recorded in the profit/loss accounts in the current period.

The fair value of call and put option agreements are measured at the valuation date by using the current premium values of all option agreements, and the differences between the contractual premiums received/paid and the current premiums measured at valuation date are recognized in the statement of income.

Futures transactions are valued on a daily basis by the primary market prices and related unrealized gains or losses are reflected in the income statement.

The Parent Bank has adopted fair value and cash flow hedge accounting in order to avoid the effects of fair value and cash flow risks. The Parent Bank documents relations between hedging instrument and hedged item on transaction date, in conjunction with strategies on objectives of the Parent Bank's risk management and hedging transactions for hedging purposed transactions. Besides, the Parent Bank that effectively values fair value changes of hedged items that are balanced by derivative transactions for hedging purposes documented regularly. In case that the hedging transactions do not meet the hedging accounting conditions, adjustments to fair value of hedged item, which are rediscounted within days to maturity, are reflected in Income Statement.

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(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

IV. Explanations on Forward and Option Contracts and Derivative Instruments (continued)

While the Parent Bank recognizes the fair value changes of the hedged items in the “Other Interest Income” and “Other Interest Expense” accounts, it recognizes the fair value changes of the hedging instruments related to the same period in the “Gains/(Losses) from Derivative Financial Instruments” account.

Additionally, the difference between the fair value and carrying value of the hedged items as of the application date of hedge accounting is amortized based on their maturities and recognized in “Other Interest Income” and “Other Interest Expense” accounts.

V. Explanations on Interest Income and Expenses

Interest income and expense are recognized in the income statement for all interest bearing instruments whose cash inflows and outflows are known on an accrual basis using the effective interest method. In accordance with the related regulation, realized and unrealized interest accruals of the non-performing loans are reversed and interest income related to these loans are recorded as interest income only when collected.

VI. Explanations on Fees and Commission Income and Expenses

Fees for various banking services and loan origination fees are recorded as income when collected and prepaid commission income on cash and non-cash loans is recorded as income by using effective interest rate in the related period.

Fees and commissions for funds borrowed paid to other financial institutions, as part of the transaction costs, are recorded as prepaid expenses using the effective interest rate and are expensed on the related periods.

The dividend income is reflected to the financial statements on a cash basis when the profit distribution is realized by the associates and subsidiaries.

VII. Explanations on Financial Assets

Financial instruments comprise financial assets, financial liabilities and derivative instruments. Risks related to these activities form a significant part among total risks the Parent Bank undertakes. Financial instruments affect liquidity, market, and credit risks on the Parent Bank’s balance sheet in all respects. The Parent Bank trades these instruments on behalf of its customers and on its own behalf.

Basically, financial assets create the majority of the commercial activities of the Group. These instruments expose, affect and diminish the liquidity, credit and interest risks in the financial statements.

All regular way purchases and sales of financial assets are recognized on the settlement date i.e. the date that the asset is delivered to or by the Group. Settlement date accounting requires (a) accounting of the asset when acquired by the institution and (b) disposing of the asset out of the balance sheet on the date settled by the institution; and accounting of gain or loss on disposal. In case of application of settlement date accounting, the institution accounts for the changes that occur in the fair value of the asset in the period between commercial transaction date and settlement date as in the assets that the institution settles.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Changes in fair value of assets to be received during the period between the trade date and the settlement date are accounted for in the same way as the acquired assets.

The methods and assumptions used in determining the reasonable estimated values of all of the financial instruments are described below.

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CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM
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(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

VII. Explanations on Financial Assets (continued)

Cash, Banks, and Other Financial Institutions

Cash and cash equivalents comprise cash on hand, demand deposits, and highly liquid short-term investments with maturity of 3 months or less following the purchase date, not bearing risk of significant value change, and that are readily convertible to a known amount of cash. The book value of these assets approximates their fair values.

Financial Assets at Fair Value Through Profit and Loss

Trading securities are securities which were either acquired for generating a profit from short-term fluctuations in price or dealer’s margin, or are securities included in a portfolio with a pattern of short-term profit taking.

Trading securities are initially recognized at cost. Transaction costs of the related securities are included in the initial cost. After the initial recognition, subsequent valuation of financial assets at fair value through profit and loss is performed based on the fair value. The positive difference between the cost and fair value of such securities is accounted for as interest and income accrual, and the negative difference is accounted for as “Impairment Provision on Marketable Securities”. Fair values of debt securities that are traded in an active market are determined based on quoted prices and in the absence of quoted prices, fair value of these securities are determined using the prices declared in the Official Gazette in the absence of a price formed in an active market or other valuation methods stated in TAS are applied.

Held to Maturity Investments and Financial Assets Available for Sale

Investments held to maturity include securities with fixed or determinable payments and fixed maturity where there is an intention of holding till maturity and the relevant conditions for fulfillment of such intention, including the funding ability other than loans and receivables.

Available for sale financial assets include all securities other than loans and receivables, securities held to maturity and securities held for trading.

Marketable securities are initially recognized at cost including the transaction costs.

After the initial recognition, available for sale securities are measured at fair value and the unrealized gain/loss originating from the difference between the amortized cost and the fair value is recorded in “Marketable Securities Valuation Differences” under the equity. Fair values of debt securities that are traded in an active market are determined based on quoted prices or current market prices. In the absence of prices formed in an active market, fair value of these securities is determined using the prices declared in the Official Gazette or other valuation methods stated in TAS.

After initial recognition, held to maturity investments are measured at amortized cost by using effective interest rate less impairment losses, if any.

The interests received from held to maturity investments are recorded as interest income.

There are no financial assets that have been previously classified as held to maturity investments but cannot be currently classified as held to maturity for two years due to “tainting” rule.

The Group classifies its securities as referred to above at the acquisition date of related assets.

The sale and purchase transactions of the held to maturity investments are recorded on a settlement date basis.

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(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

VII. Explanations on Financial Assets (continued)

Loans and Provisions for Impairment

Loans are non-derivative financial assets to fund borrowers with fixed or determinable payment terms which are not traded on an active market and are not classified as trading or held for sale.

The Group initially records loans and receivables at cost. In subsequent periods, in accordance with TAS, loans are measured at amortized cost using effective interest rate method.

Provision is set for the loans that may be doubtful and the amount is charged in the current period income statement. The provisioning criteria for non-performing loans are determined by the Group’s management for compensating the probable losses of the current loan portfolio, by evaluating the quality of loan portfolio, risk factors and considering the economic conditions, other facts and related regulations.

Specific reserves are provided for Group III, IV and V loans in accordance with the regulation on “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” published in the Official Gazette No. 26333 dated 1 November 2006. These provisions are reflected in the income statement under “Provision and Impairment Expenses - Special Provision Expense”. The collections made regarding these loans are first deducted from the principal amount of the loan and the remaining collections are deducted from interest receivables.

The collections made related to loans for which provision is made in the current period are reversed from the “Provision for Loan Losses and Other Receivables” account in the income statement, and related interest income is credited to the “Interest Received from Non-performing Loans” account.

Current period provisions are booked in “Provision for Loan Losses and Other Receivables” account. Reversals of specific provisions which are allocated in earlier periods are booked in “Other Operating Income”. Income realized through the sale of non-performing loans is booked in “Other Operating Income” account.

In addition to specific loan loss provisions, within the framework of the regulation and principles referred to above; the Parent Bank records general loan loss provisions for loans and other receivables.

The Parent Bank has reflected in related period financial statements the general provision difference calculated for standard and under close monitoring loans with the mentioned ratios and provided until 31 December 2015 according to change in paragraph 7, article 1 of Communiqué on “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” dated 21 September 2012, numbered 28418.

Specific provisions are provided by TEB Faktoring based on the Communiqué on “Uniform Accounting Plan and Registration Statement to be applied by Financial Leasing, Factoring and Financing Companies” published in the Official Gazette No: 28861 on 24 December 2013.

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(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

VIII. Explanations on Impairment of Financial Assets

At each balance sheet date, the Group evaluates the carrying amounts of its financial asset or a group of financial assets to determine whether there is an objective indication that those assets have suffered an impairment loss or not. If any such indication exists, the Group determines the related impairment.

A financial asset or a financial asset group incurs impairment loss only if there is an objective indicator related to the occurrence (or nonoccurrence) of one or more than one event (“loss event”) after the first recognition of that asset; and such loss event (or events) causes, an impairment as a result of the effect on the reliable estimate of the expected future cash flows of the related financial asset and asset group. Irrespective of high probability the expected losses caused by the future events are not journalized.

IX. Explanations on Offsetting of Financial Assets and Liabilities

Financial assets and liabilities are offset when a party has a legally enforceable right to set off, the intention of collecting or paying the net amount of related assets and liabilities or the right to offset the assets and liabilities simultaneously.

X. Explanations on Sales and Repurchase Agreements and Lending of Securities

The sales and purchase of government securities under repurchase agreements made with the customers are recorded in balance sheet accounts in accordance with the Uniform Chart of Accounts by the Group. Accordingly in the financial statements, the government bonds and treasury bills sold to customers under repurchase agreements are classified under securities held for trading, available for sale and held to maturity depending on the portfolio they are originally included in and are valued according to the valuation principles of the related portfolios. Funds obtained from repurchase agreements are classified as a separate sub-account under money markets borrowings account in the liabilities.

These transactions are short-term and consist of domestic public sector debt securities.

The income and expenses from these transactions are reflected to the “Interest Income on Marketable Securities” and “Interest Expense on Money Market Borrowings” accounts in the income statement.

As of 31 December 2015, the Group has reverse repo amounting to TL206 (31 December 2014: TL550,207).

As of 31 December 2015, the Group does not have any marketable securities lending transaction (31 December 2014: None).

XI. Explanations on Assets Held for Sale, Discontinued Operations and Liabilities Related to Those Assets

Assets held for sale are those under a plan prepared by the management regarding the sale of the asset to be disposed (or else the group of assets), together with an active program for determination of buyers as well as for the completion of the plan. Also the asset (or else the group of assets) shall be actively marketed in conformity with its fair value. On the other hand, the sale is expected to be journalized as a completed sale within one year after the classification date; and the necessary transactions and procedures to complete the plan should demonstrate the fact that the possibility of making significant changes or canceling the plan is low.

As of 31 December 2015, assets held for sale and discontinued operations of the Group are TL71,874 (31 December 2014: TL79,466). As per the appraisals performed for the real estate’s held for sale included “Assets Held for Sale” in the financial statements, TL1,480 (31 December 2014: TL2,064) has been reserved as provision for impairment losses.

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XII. Explanations on Goodwill and Other Intangible Assets

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. In the merger transaction where acquirer and acquiree exchange equity instruments, it is taken into account the fair value of equity shares exchanged and the difference between such amount and fair value of the acquiree's identifiable net asset value is accounted as goodwill. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the acquirer shall report in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the acquirer shall retrospectively adjust the provisional amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date. During the measurement period, the acquirer shall also recognize additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date. The measurement period shall not exceed one year from the acquisition date.

Goodwill arising on an acquisition of a business or a merger is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Bank's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the income statement. An impairment loss recognized for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Following announcement of the Banking Regulation and Supervision Agency approval dated 10 February 2011 at the Official Gazette dated 12 February 2011 and numbered 27844, merger of two bank by means of transfer of all rights, receivables, liabilities and obligations to the Parent Bank by dissolution of Fortis Bank A.Ş. has been effectuated with the relevant registration dated 14 February 2011 to Istanbul Trade Registry.

Within the framework of TFRS 3 “Business Combination”, identifiable assets and liabilities acquired at the merger date are measured at their acquisition date fair value. The resulting difference of TL48,783 is shown in related assets and liability section, the equity impact is shown under other shareholder's equity section. The amount of TL421,124, which is the difference between TL2,385,482 which is the fair value of transferred amount and TL1,964,358 which is the identifiable net asset value is accounted as goodwill in the financial statements of the Bank and the equity impact is shown under other shareholder's equity section.

Intangible assets are accounted for at restated cost until 31 December 2004 in accordance with inflation accounting and are amortized with straight-line method, after 31 December 2004 the acquisition cost and any other cost incurred so as to prepare the intangible asset ready for use less reserve for impairment, if any, and are amortized on a straight-line method. The cost of assets subject to amortization is restated after deducting the exchange differences, capitalized financial expenses and revaluation increases, if any, from the cost of the assets.

The other intangible assets of the Group comprise mainly software. The useful lives of such assets acquired are determined as 3-5 years by taking into consideration the expected utilization period, technical, technological or any other impairment and maintenance expenses necessary for the economic use of such assets. Software's used are mainly developed within the Parent Bank by the Bank's personnel and the related expenses are not capitalized.

There are no anticipated changes in the accounting estimates about the amortization rate and amortization method and residual values that would have a significant impact in the current and future periods.

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XIII. Explanations on Tangible Fixed Assets

Properties are accounted for at their restated costs until 31 December 2004; afterwards the acquisition cost and any other cost incurred so as to prepare the fixed asset ready for use are reflected, less reserve for impairment, if any. The straight-line method of depreciation is used for buildings and useful life is considered as fifty years.

Other tangible fixed assets are accounted for at their restated costs until 31 December 2004; afterwards the acquisition cost and any other cost incurred so as to prepare the fixed asset ready for use are reflected less reserve for impairment, if any, and depreciated on a straight-line method. Depreciation of assets held less than one year as of the balance sheet date is accounted proportionately. No amendment has been made to the depreciation method in the current period. The annual rates used, which approximate rates based on the estimated economic useful lives of the related assets, are as follows:

	%
Buildings	2
Motor vehicles	10-20
Furniture, fixtures and office equipment and others	2-50

Gain or loss resulting from disposals of the tangible fixed assets is reflected to the income statement as the difference between the net proceeds and net book value.

Maintenance costs of tangible fixed assets are capitalized if they extend the economic useful life of the related asset. Other maintenance costs are expensed.

There are no pledges, mortgages or other restrictions on the tangible fixed assets.

There are no purchase commitments related to the tangible fixed assets.

There are no anticipated changes in the accounting estimates, which could have a significant impact in the current and future periods.

The Parent Bank employs independent appraisers in determining the current fair values of its real estate's when there is any indication of impairment in value of real estates.

XIV. Explanations on Leasing Transactions

Tangible fixed assets acquired by financial leases are accounted for in accordance with TAS No:17. In accordance with this standard, the leasing transactions, which consist of only foreign currency liabilities, are translated to Turkish Lira with the exchange rates prevailing at the transaction dates and they are recorded as an asset or a liability. The foreign currency liabilities are translated to Turkish Lira with the Parent Bank's period end exchange rates. The increases/decreases resulting from the differences in the foreign exchange rates are recorded as expense/income in the relevant period. The financing cost resulting from leasing is distributed through the lease period to form a fixed interest rate.

In addition to the interest expense, depreciation expense is recorded for the depreciable leased assets in each period. The depreciation rate is determined in accordance with TAS No:16 "Accounting Standard for Tangible Fixed Assets" by taking the useful lives into account.

Operating lease payments are recognized as expense in the income statement on a straight line basis over the lease term.

The Group does not have any leasing transactions as "Lessor".

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XV. Explanations on Provisions and Contingent Liabilities

Provisions are recognized when there is a present obligation, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by using the Group’s best expectation of expenses in fulfilling the obligation as of the balance sheet date, and discounted to present value if material. Provisions and contingent liabilities, excluding Specific and general provisions for loans and other receivables, are recognized in accordance with the Turkish Accounting Standards (“TAS 37”) regarding “Provisions, Contingent Liabilities and Contingent Assets”.

The inspection of the Competition Board that was conducted to determine whether active 12 banks in Turkey are in agreement and concerted practice in loan and credit card services sector and thus violated Article 4 of the Law on Protection of Competition, no 4054 was completed on March 8, 2013. As a result of inspection, it has been agreed by a majority to impose an administrative fine of TL10,669 to the Parent Bank on the condition that the decision can be appealed against before Ankara Administrative Court. The penalty paid as TL8,002 on 22 July 2013 as three fourths of the main penalty as per Article 17 of the Misdemeanors Law, no 5326, was paid on 16 August 2013. The Parent Bank filed the annulment action over the file no.2014/7E Ankara 2nd Administrative Court against the decision about the administrative fines imposed by Competition Board at Ankara Administrative Court on 19 September 2013 and the case has been rejected and dismissed and it has been lodged an appeal with the supreme court in time.

XVI. Explanations on Liabilities Regarding Employee Benefits

Defined Benefit Plans

In accordance with existing social legislation in Turkey, the Bank is required to make lump-sum termination indemnities over a 30 day salary to each employee who has completed over one year of service, whose employment is terminated due to retirement or for reasons other than resignation or misconduct, and due to marriage, female employees terminating their employments within a year as of the date of marriage, or male employees terminating their employments due to their military service. The Bank is also required to make a payment for the period of notice calculated over each service year of the employee whose employment is terminated for reasons other than resignation or misconduct. Total benefit is calculated in accordance with TAS No:19 “Turkish Accounting Standard on Employee Benefits”.

Such benefit plans are unfunded since there is no funding requirement in Turkey. The cost of providing benefits to the employees for the services rendered by them under the defined benefit plan is determined by independent actuaries annually using the projected unit credit method.

In calculating the related liability to be recorded in the financial statements for these defined benefit plans, the Parent Bank uses independent actuaries and also makes assumptions and estimation relating to the discount rate to be used, turnover of employees, future change in salaries/limits, etc. These estimations are reviewed annually. The carrying value of provision for employee termination benefits as of 31 December 2015 is TL102,153 (31 December 2014: TL101,658).

	31 December 2015	31 December 2014
Discount Rate (%)	10.30	8.60
Expected Inflation Rate (%)	5.00	5.00
Salary Increase Rate above Inflation Rate (%)	1.00	1.00

Communiqué on “Turkish Accounting Standard (“TAS 19”) about Benefits for Employee (No:9)” published in Official Gazette by Public Oversight Accounting and Auditing Standards Authority (POA) on 12 March 2013 numbered 28585, was entered into force for the account periods starting after 31 December 2012 on accounting treatment of actuarial profit and loss resulting from changes in actuarial assumptions or differences between actual and actuarial assumptions. For the period of 1 January - 31 December 2015, actuarial income amounting to TL17,815 (1 January - 31 December 2014: TL11,171) was classified as “Other Comprehensive Income” and as of 31 December 2015, a total of TL37,366 (31 December 2014: TL19,553) actuarial profit was accounted under “Other Reserves”.

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XVI. Explanations on Liabilities Regarding Employee Benefits (continued)

Employees transferred to the Bank following the business combination defined in “General Information” of the Parent Bank and Fortis Bank A.Ş. are the members of “Türk Dış Ticaret Bankası Mensupları Pension Fund Foundation” (the “Pension Fund”) which was established in May 1964 under the Provisional Article 20 of Social Insurance Law No: 506. Technical financial statements of the Pension Fund are reviewed by a licensed actuary in accordance with Article 38 of the Insurance Supervisory Law and the “Actuary Regulations” issued based on the same article. As of 31 December 2015, the Pension Fund has 2,006 employees and 997 pensioners (31 December 2014: 2,166 employees and 959 pensioners).

Provisional Article 23 (1) of Banking Law No: 5411 (the “Banking Law”) published in the Official Gazette repeated no: 25983 on 1 November 2005 requires the transfer of bank funds to the Social Security Institution (the “SSI”) within 3 years after the effective date of the Banking Law and the related paragraph also sets out the basis for the related transfer. However, Article 23 (1) of Banking Law No: 5411 was annulled based on the Constitutional Court’s ruling issued on 22 March 2007 and ruled for the stay of execution as of 31 March 2007. The related Court ruling and its basis were published in the Official Gazette No: 26731 on 15 December 2007.

Following the publication of the said decree of the Constitutional Court, the Turkish Grand National Assembly (the “TGNA”) initiated its studies on the development of new regulations in regards to the transfer of bank pension participations to the SSI and the related articles of the Social Security Law that are set out to determine the basis of fund transfers and new regulations became effective with its publication in the Official Gazette No: 26870 on 8 May 2008 and the completion of the transfer within 3 years starting from 1 January 2008. Upon the Council of Ministers’ resolution issued in the Official Gazette, the transfer period has been extended for 2 years as of 14 March 2011. According to amendment on the social security and general health insurance law published in the Official Gazette dated 8 March 2012 numbered 6283, mentioned 2-year transfer period has been increased to 4 years. Upon the Council of Ministers’ resolution dated 24 February 2014 issued in the Official Gazette No:28987 on 30 April 2014, mentioned transfer period has been extended for one more year while it has been extended for one year upon the Council of Ministers’ resolution dated 08 April 2013 issued in the Official Gazette No:28636 on 3 May 2013.

The technical financial statements of the Pension Fund are prepared by an independent actuary company considering related regulation and the Fund is not required to provide any provisions for any technical or actual deficit in the financial statements based on the actuarial report prepared as of 31 December 2014. Since the Parent Bank has no legal rights to carry the economic benefits arising from repayments of Pension Funds and/or decreases in future contributions at present value; no asset has been recognized in the balance sheet.

Since the Parent Bank management anticipates that any potential liability that may be incurred during or after the transfer within the above-mentioned limits will be likely recoverable, they believe such liabilities will not bring any additional liability to the Bank.

Defined Contribution Plans

Based on the decision of the Foundation’s Extraordinary General Assembly and approval by the Board of Directors of the Bank, Güvenlik Vakfı a second foundation whose members joined the bank after the merger with Fortis Bank, transferred the retirement commitments to Individual Pension System after necessary legal procedures has been completed at 31 March 2014. From this date on, contributions by the bank to the Güvenlik Vakfı has been ended.

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XVII. Explanations on Taxation

Corporate tax

According to the Article 32 of the Corporate Tax Law No. 5520, announced in the Official Gazette dated 21 June 2006, the corporate tax rate is 20%.

The corporate tax in the Netherlands is 25% for Economy Bank.

The tax legislation requires advance tax of 20% to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset from the final tax liability for the year. On the other hand, corporate tax and any related taxes paid to foreign tax offices for the income obtained from foreign branches are offset against the corporate tax levied in Turkey.

75% of participation shares held at least for two years and 75% of sale proceeds of real estate, to the extent that they are included in capital as required in Corporate Tax Law or they are retained in a special fund liability account for 5 years, and 75% of sale proceeds of real estate received from bank receivables are exempt from corporate taxation.

Tax returns are required to be filed between the first and twenty-fifth day of the fourth month following the balance sheet date and paid in one installment until the end of the related month.

According to the Corporate Tax Law, tax losses can be carried forward for a maximum period of five years following the year in which the losses are incurred. Tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

Deferred Tax Liability / Asset

The Group calculates and reflects deferred tax asset or liability on timing differences which will result in taxable or deductible amounts in determining taxable profit of future periods.

As of 31 December 2015 and 31 December 2014, in accordance with TAS No: 12 “Turkish Accounting Standard on Income Taxes” and the changes in the circular of BRSA numbered BDDK.DZM.2/13/1-a-3 dated 8 December 2004, the Parent Bank calculated deferred tax asset on all deductible temporary differences except for general loan reserves, if sufficient taxable profit in future periods to recover such amounts is probable; as well as deferred tax liability on all taxable temporary differences. Deferred tax assets and liabilities are shown in the accompanying financial statements on a net basis in the standalone financial statements of the consolidated subsidiaries.

After net off, the net deferred tax asset is presented as deferred tax asset on the balance sheet and net deferred tax liability presented as deferred tax liability on balance sheet. Deferred tax benefit has been presented on deferred tax provision for continued operations and deferred tax provision for discontinued operations amounting to TL30,329 (31 December 2014: TL62,820). Portion of deferred tax accounted for under equity related to valuation differences which is presented in the table below has been netted and presented within relevant accounts in statement of profit and loss accounted for under equity.

	Current Period	Prior Period
Available-for-sale financial assets	(3,980)	(19,789)
Cash flow hedge	(35,265)	23,076
Actuarial profit or loss	(4,454)	(2,793)
Total	(43,699)	494

Furthermore, as per the above circular of BRSA, deferred tax benefit balance resulting from netting of deferred tax assets and liabilities should not be used in dividend distribution and capital increase.

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XVIII. Additional Explanations on Borrowings

The borrowing costs related to purchase, production, or construction of qualifying assets that require significant time to be prepared for use and sale are included in the cost of assets until the relevant assets become ready to be used or to be sold. Financial investment income obtained by temporary placement of undisbursed investment loan in financial investments is offset against borrowing costs qualified for capitalization.

All other borrowing costs are recorded to the income statement in the period they are incurred.

Debt securities issued by the Parent Bank are accounted at amortized cost using effective interest rate method.

The Group has not issued convertible bonds.

XIX. Explanations on Issued Share Certificates

Following announcement of the Banking Regulation and Supervision Agency approval dated 10 February 2011 at the Official Gazette dated 12 February 2011 and numbered 27844, merger of two bank by means of transfer of all rights, receivables, liabilities and obligations to the Parent Bank by dissolution of Fortis Bank A.Ş. has been effectuated with the relevant registration dated 14 February 2011 to Istanbul Trade Registry. Due to the merger, ceiling for the registered capital of the Parent Bank is increased from TL1,400,000 to TL2,204,390, and the issued capital of the Parent Bank is increased by TL1,104,390 from TL1,100,000 to TL2,204,390.

XX. Explanations on Acceptances

Acceptances are realized simultaneously with the payment dates of the customers and they are presented as probable commitments in off-balance sheet accounts.

XXI. Explanations on Government Incentives

There are no government incentives utilized by the Group.

XXII. Explanations on Reporting According to Segmentation

The details of the income statement and the balance sheet which the group operates as a business lane according to organizational:

Current Period	Retail	Corporate	SME	Treasury/ Head Office	Elimination	Total
Net interest income	473,816	299,704	1,077,191	1,284,703	3,437	3,138,851
Net fees and commissions income and other operating income	288,131	198,304	569,549	307,862	(3,515)	1,360,331
Trading profit/loss	1,695	(719)	(75)	(555,103)	-	(554,202)
Dividend income	-	-	-	21,440	(20,328)	1,112
Impairment provision for loans and other receivables (-)	174,242	137,043	492,639	132,046	-	935,970
Other operating expenses (-)	405,636	75,685	517,767	1,209,187	(3,408)	2,204,867
Profit from continued operations before taxes	183,764	284,561	636,259	(282,331)	(16,998)	805,255
Tax provision for continued operations(-)	-	-	-	185,971	-	185,971
Profit from discontinued operations before taxes	(8,515)	46,838	-	243,119	(161,333)	120,109
Tax provision for discontinued operations(-)	-	-	-	12,353	-	12,353
Net profit for the period	175,249	331,399	636,259	(237,536)	(178,331)	727,040

Current Period	Retail	Corporate	SME	Treasury/ Head Office	Elimination	Total
Segment assets	12,348,571	13,290,889	24,743,720	22,847,915	(18,612)	73,212,483
Investments in associates, subsidiaries and jointly controlled entities	-	6,932	-	115,991	(122,918)	5
Total Assets	12,348,571	13,297,821	24,743,720	22,963,906	(141,530)	73,212,488
Segment liabilities	26,925,671	10,115,656	8,354,559	20,814,062	(18,967)	66,190,981
Shareholders' equity	-	-	-	7,141,922	(120,415)	7,021,507
Total Liabilities	26,925,671	10,115,656	8,354,559	27,955,984	(139,382)	73,212,488

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XXII. Explanations on Reporting According to Segmentation (continued)

Prior Period	Retail	Corporate	SME	Treasury/ Head Office	Elimination	Total
Net interest income	389,246	256,318	893,452	1,084,542	2,062	2,625,620
Net fees and commissions income and other operating income	245,411	175,030	430,871	284,047	(2,078)	1,133,281
Trading profit/loss	269	755	(1,005)	(356,538)	-	(356,519)
Dividend income	-	-	-	20,528	(19,189)	1,339
Impairment provision for loans and other receivables (-)	145,306	37,745	283,474	105,173	-	571,698
Other operating expenses (-)	353,185	77,048	458,668	1,135,424	(1,895)	2,022,430
Profit from continued operations before taxes	136,435	317,310	581,176	(208,018)	(17,310)	809,593
Tax provision for continued operations(-)	-	-	-	178,540	-	178,540
Profit from discontinued operations before taxes	(14,423)	60,147	-	(26,836)	(1,880)	17,008
Tax provision for discontinued operations(-)	-	-	-	5,607	-	5,607
Net profit for the period	122,012	377,457	581,176	(419,001)	(19,190)	642,454

Prior Period	Retail	Corporate	SME	Treasury/ Head Office	Elimination	Total
Segment assets	11,335,554	12,557,264	20,839,272	21,016,717	(56,950)	65,691,857
Investments in associates, subsidiaries and jointly controlled entities	-	-	-	184,177	(184,172)	5
Total Assets	11,335,554	12,557,264	20,839,272	21,200,894	(241,122)	65,691,862
Segment liabilities	23,050,692	11,876,649	6,826,822	17,800,445	(57,306)	59,497,302
Shareholders' equity	-	76,941	297,028	6,004,407	(183,816)	6,194,560
Total Liabilities	23,050,692	11,953,590	7,123,850	23,804,852	(241,122)	65,691,862

XXIII. Explanations on Other Matters

It has been resolved in the Ordinary General Assembly dated 30 March 2015 of the Parent Bank, TL622,560 that constitutes the 2014 net balance sheet profit shall be transferred to the extraordinary reserves after setting aside, in accordance with the proposal in the resolution of the Board of Directors, TL31,128 as legal reserves, TL0.50(full TL) as profit distributed to the holders of the founder jouissance certificates, TL0.06(full TL) as legal reserves and TL5,033 as tangible and intangible assets revaluation funds.

XXIV. Classifications

None.

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SECTION FOUR

INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE OF THE GROUP

I. Explanations Related to the Consolidated Capital Adequacy Standard Ratio

The method used for risk measurement in determining capital adequacy standard ratio; Capital Adequacy Standard Ratio is calculated in accordance with "Communiqué on Measurement and Assessment of Capital Adequacy of Banks", "Communiqué on Credit Risk Mitigation Techniques", "Communiqué on Calculation of Risk Weighted Amounts for Securitizations" published on 6 September 2014 and Official Gazette numbered 29111 and "Communiqué on Equities of Banks" published on 5 September 2013 in the Official Gazette numbered 28756. The Group's consolidated capital adequacy ratio is occurred 13.71% (31 December 2014: 13.79%) in accordance with the related Communiqué as of 31 December 2015.

In the computation of capital adequacy standard ratio, information prepared in accordance with statutory accounting data which is included in the calculation of credit and market risks classified as "Trading Accounts" and "Banking Accounts" according to the Regulation, is used.

The values deducted from the capital base in the shareholders' equity computation are excluded in calculation of risk-weighted assets, non-cash loans and contingent liabilities. Assets subject to depreciation and impairment among risk-weighted assets are included in the calculations over their net book values after deducting the relative depreciations and provisions.

Counterparty receivables related to non-cash loans is multiplied with the loan conversion rates presented in article 5 of "Communiqué on Measurement and Assessment of Capital Adequacy of Banks" and risk mitigation is applied in accordance with "Communiqué on Credit Risk Mitigation Techniques", calculated by applying the risk weights presented in the article 6 of the Regulation and weighted as per Appendix-1 of the Regulation.

In calculation of the basis of the value at credit risk for the derivative financial instruments and the receivables from counterparties indicated on the bank accounting are multiplied by the rates presented in the Appendix-2 of the "Communiqué on Measurement and Assessment of Capital Adequacy of Banks", is subjected to risk reduction presented in "Communiqué on Credit Risk Mitigation Techniques" and then included in the relevant exposure category presented in the article 6 of the "Communiqué on Measurement and Assessment of Capital Adequacy of Banks" and weighted to risk weight classification indicated as per Appendix-1 of the Regulation.

According to the Clause 7 of the "Communiqué on Measurement and Assessment of Capital Adequacy of Banks" presented in the article 5 of the regulation, "Counterparty Credit Risk" is calculated for repurchase transactions, marketable securities and commodity market transactions.

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I. Explanations Related to the Consolidated Capital Adequacy Standard Ratio (continued)

Information related to the capital adequacy ratio:

Current Period - 31.12.2015	Risk Weight									
	0%	10%	20%	50%	75%	100%	150%	200%	250%	1250%
Value at Credit Risk Exposure Categories										
Conditional and unconditional receivables from central governments or central bank	16,080,397	-	-	-	-	151,167	-	-	88,367	-
Conditional and unconditional receivables from regional or local Governments	-	-	341,371	-	-	58	-	-	-	-
Conditional and unconditional receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from international Organizations	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage Houses	-	-	2,488,448	1,271,895	-	630,382	2,128	-	-	-
Conditional and unconditional receivables from corporate	-	-	-	-	-	25,472,436	-	-	-	-
Conditional and unconditional retail Receivables	-	-	-	-	21,279,494	432,691	-	-	-	-
Conditional and unconditional receivables secured by mortgages	-	-	-	9,824,854	-	-	-	-	-	-
Past due receivables	-	-	-	45,586	-	284,318	75,605	-	-	-
Receivables defined in high risk category by BRSA	-	-	-	7,104	-	1,657	1,744,068	2,484,779	3,576	-
Securities collateralized by mortgages	-	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporate	-	-	-	-	-	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-
Other receivables	793,893	-	37,571	-	-	926,472	-	-	-	-
Total Value at Risk	16,874,290	-	2,867,390	11,149,439	21,279,494	27,899,181	1,821,801	2,484,779	91,943	-
Total Risk Weighted Assets	-	-	573,478	5,574,720	15,959,621	27,899,181	2,732,702	4,969,558	229,858	-

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I. Explanations Related to the Consolidated Capital Adequacy Standard Ratio (continued)

Information related to the capital adequacy ratio: (continued)

Prior Period - 31.12.2014	Risk Weight									
	0%	10%	20%	50%	Consolidated		150%	200%	250%	1250%
					75%	100%				
Value at Credit Risk Exposure Categories										
Conditional and unconditional receivables from central governments or central bank	14,075,631	-	59,095	63,839	-	215,542	-	-	105,252	-
Conditional and unconditional receivables from regional or local Governments	-	-	346,119	-	-	-	-	-	-	-
Conditional and unconditional receivables from administrative units and non-commercial enterprises	-	-	-	-	-	2	-	-	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from international Organizations	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage Houses	-	-	1,667,866	1,073,242	-	917,224	6,854	-	-	-
Conditional and unconditional receivables from corporate	-	-	-	-	-	22,008,952	-	-	-	-
Conditional and unconditional retail Receivables	-	-	-	-	19,804,474	407,034	-	-	-	-
Conditional and unconditional receivables secured by mortgages	-	-	-	5,848,221	-	-	-	-	-	-
Past due receivables	-	-	-	20,149	-	263,983	125,331	-	-	-
Receivables defined in high risk category by BRSA	-	-	-	7,753	-	2,127	1,526,331	2,715,622	1,705	-
Securities collateralized by mortgages	-	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporate	-	-	-	-	-	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-
Other receivables	770,711	-	29,849	-	2	1,161,546	-	-	-	-
Total Value at Risk	14,846,342	-	2,102,929	7,013,204	19,804,476	24,976,410	1,658,516	2,715,622	106,957	-
Total Risk Weighted Assets	-	-	420,586	3,506,602	14,853,357	24,976,410	2,487,774	5,431,244	267,393	-

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I. Explanations Related to the Consolidated Capital Adequacy Standard Ratio (continued)

Summary information related to the consolidated capital adequacy ratio:

	Consolidated		Parent Bank	
	Current Period	Prior Period	Current Period	Prior Period
Capital Requirement for Credit Risk (Value at Credit Risk*0.08) (CRCR)	4,635,129	4,155,469	4,539,535	3,965,965
Capital Requirement for Market Risk (CRMV)	65,557	78,051	65,397	59,032
Capital Requirement for Operational Risk (CROR) (*)	432,477	357,590	411,557	337,591
Total Capital	8,796,158	7,914,108	8,740,676	7,614,824
Total Capital /(((CRCR+CRMV+CROR)*12.5)*100)	13.71	13.79	13.94	13.96
Tier 1 Capital/(((CRCR+CRMV+CROR)*12.5)*100)	10.26	10.25	10.42	10.26
Common Equity Tier 1 Capital/(((CRCR+CRMV+CROR)*12.5)*100)	10.26	10.25	10.42	10.26

(*) Operational risk has been calculated by using the Basic Indicator Approach.

Information related to the components of shareholders' equity:

	Current Period 31.12.2015	Prior Period 31.12.2014
Common Equity Tier 1 Capital		
Paid-in Capital to be Entitled for Compensation after All Creditors	2,404,652	2,404,652
Share Premium	2,565	2,565
Share Cancellation Profits	-	-
Reserves	3,683,030	3,072,305
Income recognized under equity in accordance with TAS	97,024	91,991
Profit	735,577	651,043
Current Period's Profit	726,080	641,546
Prior Period's Profit	9,497	9,497
General Reserves for Possible Losses	-	-
Bonus Shares from Associates, Subsidiaries and Joint-Ventures not Accounted in Current Period's Profit	527	527
Minority Shares	4,401	5,763
Common Equity Tier 1 Capital Before Deductions	6,927,776	6,228,846
Deductions from Common Equity Tier 1 Capital		
Net loss for the prior year losses and uncovered portion of the total reserves and losses that are recognized under equity in accordance with TAS (-)	8,264	24,578
Leasehold Improvements on Operational Leases (-)	75,674	80,037
Goodwill and intangible asset and the related deferred tax liability (-)	258,558	241,105
Net Deferred Tax Asset / Liability (-)	-	-
Excess amount expressed in the law (Article 56 4th paragraph) (-)	-	-
Bank's direct or indirect investments on its own Tier 1 Capital (-)	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions (amount above 10% threshold) of Tier 1 Capital	-	-
Mortgage servicing rights (amount above 10% threshold) of Tier 1 Capital	-	-
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-
Amounts exceeding 15% of Tier 1 Capital according to Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (2nd article temporary second paragraph (-)	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	-
Amounts related to mortgage servicing rights (-)	-	-
Excess amount of deferred tax assets from temporary differences (-)	-	-
Other Items Determined by BRSA (-)	-	-
The amount to be deducted from common equity tier 1 capital (-)	-	-
Total Deductions from common equity tier 1 Capital	342,496	345,720
Total Common Equity Tier 1 Capital	6,585,280	5,883,126

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I. Explanations Related to the Consolidated Capital Adequacy Standard Ratio (continued)

Information related to the components of shareholders' equity: (continued)

	Current Period 31.12.2015	Prior Period 31.12.2014
ADDITIONAL TIER 1 CAPITAL		
Premiums that are not included in Common Equity Tier 1 capital	-	-
Bank's borrowing instruments and related issuance premium (issued/procured after 1.1.2014)	-	-
Bank's borrowing instruments and related issuance premium (issued/procured before 1.1.2014)	210,420	232,440
Third parties shares in Additional Tier 1 Capital	37	41
Additional Tier 1 Capital before Deductions	210,457	232,481
Deductions from Additional Tier 1 Capital		
Banks a direct or indirect investment in Tier 1 Capital (-)	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of Common Equity Tier I Capital (-)	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital (-)	-	-
Other Items Determined by BRSA(-)	-	-
The amount to be deducted from Additional Tier 1 Capital (-)	-	-
Total Deductions from Additional Tier 1 Capital	-	-
Total Additional Tier 1 Capital	210,457	232,481
Deductions From Tier 1 Capital		
The amount related to goodwill or other intangible assets not deducted from Common Equity Tier 1 Capital (-)	210,420	232,440
The amount related to deferred tax assets not deducted from Common Equity Tier 1 Capital (-)	-	-
Tier 1 Capital	6,585,317	5,883,167
TIER 2 CAPITAL		
Bank's borrowing instruments and related issuance premium (issued after 1.1.2014)	-	-
Bank's borrowing instruments and related issuance premium (issued before 1.1.2014)	1,526,571	1,419,147
Pledged assets of the shareholders to be used for the Bank's capital increases	-	-
General Provisions	699,098	621,294
Third parties share in Tier 2 capital	49	55
Tier 2 Capital Before Deductions	2,225,718	2,040,496
Deductions From Tier 2 Capital		
Bank's direct or indirect investment in Tier 2 capital (-)	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of Common Equity Tier I Capital (-)	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Core Capital and Tier II Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of Tier I Capital (-)	-	-
Other Items Determined by BRSA(-)	-	-
Total Deductions From Tier 2 Capital	-	-
Total Tier 2 Capital	2,225,718	2,040,496

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I. Explanations Related to the Consolidated Capital Adequacy Standard Ratio (continued)

Information related to the components of shareholders' equity: (continued)

	Current Period 31.12.2015	Prior Period 31.12.2014
CAPITAL	8,811,035	7,923,663
Loan granted to Customer against the Articles 50 and 51 of the Banking Law (-)	11,651	6,347
Net Book Values of Immovable Exceeding 50% of the Equity and of Assets Acquired against Overdue Receivables and Held for Sale as per the Article 57 of the Banking Law but Retained More Than Five Years(-)	3,188	3,192
Loans extended to banks, financial institutions (domestic and abroad) and qualified shareholders, like secondary subordinated loan and debt instruments purchased from these institutions issued, like primary and secondary subordinated loan (-)	-	-
Securitization positions that is deducted -preferably- from the shareholders' equity (Article 20 paragraph 2) (-)	-	-
Other items to be defined by BRSA (-)	38	16
Portion of the total of net long positions of investments made in Common Equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank not to be deducted from the Common Equity, Additional Tier I Capital, Tier II Capital as per the 1st clause of the Provisional Article 2 of the Regulation on the Equity of Banks. (-)	-	-
Portion of the total of net long positions of direct or indirect investments made in Additional Tier I and Tier II Capital items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank not to be deducted from the Additional Tier I Capital and Tier II Capital as per the 1st clause of the Provisional Article 2 of the Regulation on the Equity of Banks. (-)	-	-
Portion of the total of net long positions of investments made in Common Equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital, deferred tax assets based on temporary differences and mortgage servicing rights not deducted from Common Equity as per the 1st and 2nd Paragraph of the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks (-)	-	-
TOTAL CAPITAL	8,796,158	7,914,108
Amounts below deduction thresholds		
Amounts arising from the net long positions of investments made in Total Capital items of banks and financial institutions where the Bank owns 10% or less of the issued common share capital	84,269	9,226
Amounts arising from the net long positions of investments made in Tier I Capital items of banks and financial institutions where the Bank owns 10% or more of the issued common share capital	-	-
Mortgage servicing rights	-	-
Deferred tax assets arising from temporary differences (net of related tax liability)	88,723	105,608

Information related to the components of shareholders' equity:

	Parent Bank		Consolidated	
	Amount to be considered in equity calculation in current period	Total	Amount to be considered in equity calculation in current period	Total
Minority shares in Common Equity Tier 1 Capital	-	-	4,401	7,347
Third parties in Additional Tier 1 Capital	-	-	-	-
Third parties in Tier 2 Capital	-	-	-	-
Bank's borrowing instruments and related premium (issued before 01.01.2015) (*)	483,966	667,483	483,966	667,483

(*) Borrowing instruments that are not compliant with the article 7&8 of the Communiqué on Equities of Banks will be deducted 10% for each year starting from 1 January 2015.

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I. Explanations Related to the Consolidated Capital Adequacy Standard Ratio (continued)

Information related to the components of shareholders' equity:

All of the debt securities included in the equity calculation are issued by the Parent Bank.

Investor	IFC	BNP Paribas	BNP Paribas	EBRD	BNP Paribas	EBRD
Unique identifier (e.g. CUSIP, ISIN)	-	XS0700889081	XS0808626013	XS0780562665	XS0947781315	XS0947781828
Governing law(s) of the instrument	Turkey	Turkey	Turkey	Turkey	Turkey	Turkey
Regulatory treatment						
Subject to 10% deduction as of 1/1/2015	Yes	No	No	Yes	No	Yes
Eligible at solo/group/group & solo	Available	Available	Available	Available	Available	Available
Instrument type	Credit	Borrowing	Borrowing	Borrowing	Borrowing	Borrowing
Amount recognized in regulatory capital (TL Currency in mil, as of most recent reporting date)	210.4	542.7	315.7	136.8	394.7	136.8
Par value of instrument(TL Currency in mil)	290.2	552.5	315.7	188.6	394.7	188.6
Accounting classification	34700001	34701100	34701100	34701100	34701100	34701100
Original date of issuance	31.07.2007	04.11.2011	20.07.2012	14.05.2012	27.06.2013	28.06.2013
Perpetual or dated	Demand	Time	Time	Time	Time	Time
Original maturity date	Demand	04.11.2023	20.07.2024	14.05.2024	27.06.2023	28.06.2023
Issuer call subject to prior supervisory approval	Available	Available	Available	Available	Available	Available
Optional call date, contingent call dates and redemption amount	31.07.2017	04.11.2018	20.07.2019	14.05.2019	27.06.2018	28.06.2018
Subsequent call dates, if applicable	-	-	-	-	-	-
Coupons / dividends						
Fixed or floating dividend/coupon	Floating	Floating	Floating	Floating	Floating	Floating
Coupon rate and any related index	LIBOR + 3.5%	Euribor+4.75%	Euribor+4.75%	LIBOR + 5.75%	Euribor + 2.10%	LIBOR + 3.40%
Existence of a dividend stopper	Nil	Nil	Nil	Nil	Nil	Nil
Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	Available	Nil	Nil	Nil	Nil	Nil
Noncumulative or cumulative	Nil	Nil	Nil	Nil	Nil	Nil
Convertible or non-convertible						
Repayment option(*)		-	-	-	-	-
If convertible, fully or partially	Total	-	-	-	-	-
If convertible, conversion rate	(*)	-	-	-	-	-
If convertible, mandatory or optional conversion	Optional	-	-	-	-	-
If convertible, specify instrument type convertible into	Share	-	-	-	-	-
If convertible, specify issuer of instrument it converts into	TEB	-	-	-	-	-
Write-down feature						
If write-down, write-down trigger(s)	-	-	-	-	-	-
If write-down, full or partial	-	-	-	-	-	-
If write-down, permanent or temporary	-	-	-	-	-	-
If temporary write-down, description of write-up mechanism	-	-	-	-	-	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	tier 2 debt instruments	Deposit and other receivables	Deposit and other receivables	Deposit and other receivables	Deposit and other receivables	Deposit and other receivables
Whether conditions which stands in article of 7 and 8 of Banks' shareholder equity law are possessed or not (***)	Not Possess	Possess	Possess	Not Possess	Possess	Not Possess
According to article 7 and 8 of Banks' shareholders equity law that are not possessed (**)	Article 7/2 (ç), (f), (i), (j)	Article 8/2 (ğ)	Article 8/2 (ğ)	Article 8/2 (ğ)	Article 8/2 (ğ)	Article 8/2 (ğ)

(*) The additional Tier 1 borrowing obtained from IFC on 31 July 2007 was structured in such a manner that entitle IFC to convert the borrowing to common shares in case of not paying back on 31 July 2017, at call option date. Conversion ratio will be calculated through valid market data if right is exercised.

(**) Under article 7/2; in subsection (ç), clauses on step-up and incentive to redeem; in subsection (f) delegating to the bank about cancellation of interest and dividend payment; in subsection i and j conditions of conversion to common shares and write-down are stated. Under article 8/2 in subsection (ğ) mechanism of write-down or conversion to common shares are stated.

(***) Debt instruments issued by BNP Paribas, have been amended in 2015 to comply with article 8/2 which includes clauses such as write-down or conversion to common shares. After the approval of the BRSA, debt instruments have complied with the regulation without changing their issue dates.

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I. Explanations Related to the Consolidated Capital Adequacy Standard Ratio (continued)

Information on applied approaches in order to evaluate internal capital adequacy within the scope of internal capital adequacy evaluation of internal capital requirement in terms of future and current activities:

According to definition and evaluation not to be exposed to risk at present or in the future , The Bank has created “Internal Capital Adequacy Evaluation Process” in order to provide development and implementation of proper risk management techniques aimed at reviewing and managing risks at issue , and providing sufficient capitalization to compensate risks at issue. Planning and performing the Evaluation Process responsibilities belongs to Group Risk Management (GRM) in accordance with article 56 of “Communiqué on Banks’ Internal Control and Risk Management Systems ”. GRM includes contribution of Internal Audit, Internal Control and Department of Financial Affairs to demand and process to provide optimum comprehensive approach of Evaluation process. Evaluation process that is included countable and uncountable risks is risk-oriented and prudential, and constitutes a clearly connection between risk types and required capital level. Risk types considered on Evaluation Process is defined on the Evaluation Report and Risk Management Regulation.

Process and Evaluation Report is submitted to Board of Directors after being approved by Risk Policies Committee and Audit Committee.

II. Explanations Related to the Consolidated Credit Risk

Credit risk is the risk that the Bank is a party in a contract whereby the counterparty fails to meet its obligation and causes to incur a financial loss.

The credit allocation is performed on a debtor and a debtor group basis within the limits. In the credit allocation process, many financial and non-financial criteria are taken into account within the framework of the internal rating procedures of the Bank. These criteria include geographical and sector concentrations. The sector concentrations for loans are monitored closely. In accordance with the Bank’s loan policy, the rating of the companies, credit limits and guarantees are considered together, and credit risks incurred are monitored.

The credit risks and limits related to treasury activities, the limits of the correspondent banks that are determined by their ratings and the control of the maximum acceptable risk level in relation to the equity of the Bank are monitored daily. Risk limits are determined in connection with these daily transactions, and risk concentration is monitored systematically concerning off-balance sheet operations.

As prescribed in the Communiqué on “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves”, the credit worthiness of the debtors of the loans and other receivables is monitored regularly. Most of the statements of accounts for the loans are derived from audited financial statements. The unaudited documents result from the timing differences between the loan allocation and the audit dates of the financial statements of the companies and subsequently the audited financial statements are obtained from the companies. Credit limits are determined according to the audited statement of accounts, and guarantee factors are developed in accordance with the decision of the credit committee considering the characteristics of the transactions and the financial structures of the companies.

According to the “Communiqué on Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” published in the Official Gazette numbered 26333 dated 1 November 2006 which was amended with the communiqué published in the Official Gazette numbered 28906 dated 7 February 2014; Non-required delay time Loans that is not classified as Group III Loans, whose principal and interest payment collection delayed more than 30 days are considered as Non-Performing Loan in the Accounting Practice; group III, IV and V loans defined on the mentioned communiqué are considered as impaired receivables without considering refinancing or addition accrued interest and quasi-interest loading to principal.

The Parent Bank provides specific reserves to Group III, IV and V loans in accordance with “Communiqué on Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves”

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II. Explanations Related to the Consolidated Credit Risk (continued)

Total amount of exposures after offsetting transactions but before applying credit risk mitigations and the average exposure amounts that are classified in different risk groups and types for the relevant period:

Exposure classifications	Current Period Risk Amount (*)	Average Risk Amount (*,**)
Conditional and unconditional receivables from central governments or central banks	15,990,416	14,090,150
Conditional and unconditional receivables from regional or local governments	378,578	356,734
Conditional and unconditional receivables from administrative units and non-commercial enterprises	-	929
Conditional and unconditional receivables from multilateral development banks	-	-
Conditional and unconditional receivables from international organizations	-	-
Conditional and unconditional receivables from banks and brokerage houses	4,378,708	4,024,448
Conditional and unconditional corporate receivables	26,715,388	24,729,750
Conditional and unconditional retail receivables	22,364,109	18,052,433
Conditional and unconditional secured mortgage receivables	9,824,854	6,240,090
Past due receivables	415,392	395,393
Receivables in high risk category defined by BRSA	4,241,184	4,180,877
Securities collateralised by mortgages	-	-
Securitisation positions	-	-
Short-term receivables from banks, stockbrokers and corporate	-	-
Investments of natured collective investment enterprise	-	-
Other receivables	1,757,937	1,851,917

(*) Risk amounts after conversion rate to credit are given before credit risk mitigation.

(**) Average risk amount is calculated by taking the average of balances on quarterly prepared to the end of the month.

For the forward transactions and other similar positions of the Bank, operational limits are set by the Board of Directors and the transactions take place within these limits.

The fulfillment of the benefits and proceeds related to forward transactions is realized at maturity. However, in order to minimize the risk, counter positions of existing risks are entered into in the market due to necessity.

Indemnified non-cash loans are subject to the same risk weight as outstanding loans matured but not yet paid.

Since the volume of the restructured loans is not material to the financial statements of the Parent Bank, no additional follow up methodology is developed, except as stated in the regulations.

Financial institutions abroad and country risks of the Parent Bank are generally taken for the financial institutions and countries that are rated at investment level by international rating agencies and which do not have the risk of failing to meet minimum obligations. Therefore, the probable risks are not material when the financial structure of the Parent Bank is concerned.

The Bank does not have a material credit risk concentration as an active participant in the international banking market when the financial operations of the other financial institutions are concerned.

As of 31 December 2015, the receivables of the Bank from its top 100 and top 200 cash loan customers amount to TL6,084,237 and TL8,522,711 and share in total cash loans respectively 11.50% and 16.11%.

As of 31 December 2015, the receivables of the Group from its top 100 and top 200 non-cash loan customers amount to TL6,354,502 and TL7,855,435 with a share of 43.83% and 54.18% respectively in the total non-cash loans.

As of 31 December 2015, the share of cash and non-cash receivables of the Bank from its top 100 ve top 200 loan customers in total balance sheet and off-balance sheet assets is 5.17% and 7.27% respectively.

As of 31 December 2015, the general loan loss provision related with the credit risk taken by the Bank is TL699,098 (31 December 2014: TL621,294).

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II. Explanations Related to the Consolidated Credit Risk (continued)

The table below shows the maximum exposure to credit risk for the components of the financial statements:

	Current Period	Prior Period
Central Bank of Turkey	9,084,464	7,666,370
Due from banks	1,337,452	1,005,149
Other money markets	206	550,207
Trading financial assets	205,828	90,434
Derivative financial instruments held for trading	494,117	597,302
Derivative financial instruments for hedging purposes	58,309	60,800
Financial assets available-for-sale	4,130,624	4,488,271
Held-to-maturity investments	339,417	317,360
Loans (*)	54,507,425	47,842,110
Total	70,157,842	62,618,003
Contingent liabilities	14,498,821	12,099,635
Commitments	13,335,226	12,744,713
Total	27,834,047	24,844,348
Total credit risk exposure	97,991,889	87,462,351

(*) Loans included factoring receivables amounting to TL1,208,323 (31December 2014: TL1,332,922) .

Credit quality per class of financial assets as of 31 December 2015 and 31 December 2014 is as follows:

Current Period	Neither past due nor impaired	Past due or individually impaired	Total
Loans and receivables			
Commercial loans	35,303,922	1,638,853	36,942,775
Consumer loans	12,516,249	869,462	13,385,711
Credit cards	2,685,186	199,161	2,884,347
Other loans	86,269	-	86,269
Total	50,591,626	2,707,476	53,299,102

Prior Period	Neither past due nor impaired	Past due or individually impaired	Total
Loans and receivables			
Commercial loans	30,323,337	1,372,120	31,695,457
Consumer loans	11,451,372	710,433	12,161,805
Credit cards	2,386,647	143,513	2,530,160
Other loans	121,766	-	121,766
Total	44,283,122	2,226,066	46,509,188

Carrying amount per class of financial assets whose terms have been renegotiated:

	Current Period	Prior Period
Loans and receivables		
Commercial loans	897,747	740,105
Consumer loans	79,201	233,525
Credit cards	44,203	2,295
Total	1,021,151	975,925

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II. Explanations Related to the Consolidated Credit Risk (continued)

Credit Rating System

The credit risk is assessed through the internal rating system of the TEBCORE, by classifying loans from highest grade to lowest grade according to the probability of default. As of 31 December 2015, consumer loans and business loans are excluded from the internal rating system of the Parent Bank and those loans are about 37.50% of total loan portfolio.

The risks that are subject to rating models can be allocated as follows:

Category	Description of Category	Share in the Total % 31.12.2015	Share in the Total % 31.12.2014
1 st Category	The borrower has a very strong financial structure	35.82	35.54
2 nd Category	The borrower has a good financial structure	28.23	27.68
3 rd Category	The borrower has an intermediate level of financial structure	29.86	31.96
4 th Category	The financial structure of the borrower has to be closely monitored in the medium term	6.09	4.82
	Total	100.00	100.00

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II. Explanations Related to the Consolidated Credit Risk (continued)

Profile of significant exposures in major regions:

	Exposure Categories (***)														Total		
	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	Conditional and unconditional exposures to multilateral development banks	Conditional and unconditional exposures to international organisations	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional retail exposures	Conditional and unconditional exposures secured by real estate property	Past due items	Items in regulatory high-risk categories	Exposures in the form of bonds secured by mortgages	Securitization Positions	Short term exposures to banks, brokerage houses and corporates		Exposures in the form of collective investment undertakings	Others
Current Period																	
Domestic	235,459	75,147	-	-	-	1,188,586	18,374,264	14,526,996	4,789,438	459,449	7,450,552	-	-	-	-	657,824	47,757,715
European Union (EU) Countries	-	-	-	-	-	210,454	517,061	16,299	3,637	890	6,253	-	-	-	-	339	754,933
OECD Countries (*)	-	-	-	-	-	27,468	75,167	1,617	1,652	3	2,918	-	-	-	-	-	108,825
Off-Shore Banking Regions (***)	136,626	-	-	-	-	7	195,360	21,298	53,993	1,517	117,124	-	-	-	-	13	525,938
USA, Canada	-	-	-	-	-	-	43,306	6	-	-	-	-	-	-	-	-	43,312
Other Countries	-	-	-	-	-	9,252	67,274	760	998	8	1,273	-	-	-	-	-	79,565
Associates, Subsidiaries and Joint – Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated Assets/Liabilities (**)	-	615	-	-	-	327,926	7,442,957	2,316,147	62,711	-	21,688	-	-	-	-	275,811	10,447,855
Total	372,085	75,762	-	-	-	1,763,693	26,715,389	16,883,123	4,912,429	461,867	7,599,808	-	-	-	-	933,987	59,718,143

(*) Includes OECD countries other than EU countries, USA and Canada.

(**) Includes assets and liability items that cannot be allocated on a consistent basis.

(***) Risk amounts after conversion rate to credit are given before Credit Risk Mitigation.

(****) Northern Cyprus Turkish Republic balances are included in Off-Shore Banking Regions.

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II. Explanations Related to the Consolidated Credit Risk (continued)

Profile of significant exposures in major regions: (continued)

	Exposure Categories (***)																
	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	Conditional and unconditional exposures to multilateral development banks	Conditional and unconditional exposures to international organisations	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional exposures to retail exposures	Conditional and unconditional exposures secured by real estate property	Past due items	Items in regulatory high-risk categories	Exposures in the form of bonds secured by mortgages	Securitization Positions	Short term exposures to banks, brokerage houses and corporates	Exposures in the form of collective investment undertakings	Others	Total
Prior Period																	
Domestic	370,604	75,622	-	-	-	1,322,636	16,791,629	13,512,717	2,854,301	478,321	7,615,519	-	-	-	-	1,067,822	44,089,171
European Union (EU) Countries	43,738	-	-	-	-	168,757	421,606	11,831	1,708	9	6,659	-	-	-	-	29,741	684,049
OECD Countries (*)	-	-	-	-	-	64,787	72,814	2,008	460	-	1,248	-	-	-	-	-	141,317
Off-Shore Banking Regions (****)	108,069	-	-	-	-	3,990	181,699	30,948	26,710	2,245	76,211	-	-	-	-	326	430,198
USA, Canada	-	-	-	-	-	-	44,609	173	-	-	-	-	-	-	-	-	44,782
Other Countries	-	-	-	-	-	22,040	73,442	933	1,137	-	1,797	-	-	-	-	-	99,349
Associates, Subsidiaries and Joint –Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets/Liabilities (**)	-	636	2	-	-	235,767	5,496,540	2,037,006	39,794	-	29,573	-	-	-	-	69,687	7,909,005
Total	522,411	76,258	2	-	-	1,817,977	23,082,339	15,595,616	2,924,110	480,575	7,731,007	-	-	-	-	1,167,576	53,397,871

(*) Includes OECD countries other than EU countries, USA and Canada.

(**) Includes assets and liability items that cannot be allocated on a consistent basis.

(***) Risk amounts after conversion rate to credit are given before Credit Risk Mitigation.

(****) Northern Cyprus Turkish Republic balances are included in Off-Shore Banking Regions.

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II. Explanations Related to the Consolidated Credit Risk (continued)

Risk profile by Sectors or Counterparties:

Current Period	Exposure Categories (**)														Others	TL(*)	FC	Total	
	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	Conditional and unconditional exposures to multilateral development banks	Conditional and unconditional exposures to international organisations	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional retail exposures	Conditional and unconditional exposures secured by real estate property	Past due items	Items in regulatory high-risk categories	Exposures in the form of bonds secured by mortgages	Securitization Positions	Short term exposures to banks, brokerage houses and corporates					Exposures in the form of collective investment undertakings
Agriculture	-	-	-	-	-	-	965,005	1,111,462	296,598	30,488	1,127	-	-	-	-	-	2,240,733	163,947	2,404,680
Farming and Stockbreeding	-	-	-	-	-	-	943,809	1,095,028	292,725	30,373	1,095	-	-	-	-	-	2,199,380	163,650	2,363,030
Forestry	-	-	-	-	-	-	4,551	1,803	-	-	22	-	-	-	-	-	6,376	-	6,376
Fishery	-	-	-	-	-	-	16,645	14,631	-	-	93	32	-	-	-	-	34,977	297	35,274
Manufacturing	-	1	-	-	-	-	10,675,961	3,524,531	489,074	88,710	11,740	-	-	-	-	608	8,273,508	6,517,117	14,790,625
Mining and Quarrying	-	-	-	-	-	-	776,760	273,508	37,117	6,860	556	-	-	-	-	-	605,197	489,604	1,094,801
Production	-	1	-	-	-	-	9,618,881	3,232,661	450,531	81,324	11,141	-	-	-	-	608	7,530,044	5,865,103	13,395,147
Electricity, Gas and Water	-	-	-	-	-	-	280,320	18,362	1,426	526	43	-	-	-	-	-	138,267	162,410	300,677
Construction	-	-	-	-	-	-	2,963,999	1,098,875	368,552	45,603	5,176	-	-	-	-	-	2,976,247	1,505,958	4,482,205
Services	372,085	75,761	-	-	-	1,763,693	11,564,365	6,074,906	1,186,141	123,163	18,170	-	-	-	908,581	15,048,612	7,038,253	22,086,865	
Wholesale and Retail Trade	-	10,498	-	-	-	-	6,088,653	3,415,008	519,226	63,301	11,496	-	-	-	594	7,753,724	2,355,052	10,108,776	
Accommodation and Dining	-	-	-	-	-	-	861,191	311,210	198,029	7,530	991	-	-	-	-	667,344	711,607	1,378,951	
Transportation and Telecom.	-	-	-	-	-	-	1,750,646	1,168,199	167,562	29,194	2,222	-	-	-	5	2,330,357	787,471	3,117,828	
Financial Institutions	372,085	-	-	-	-	1,763,693	566,103	40,520	4,102	316	760	-	-	907,963	2,214,519	1,441,023	3,655,542		
Real Estate and Rental Services	-	1	-	-	-	-	1,583,189	776,926	233,774	15,226	1,626	-	-	-	-	1,053,855	1,556,887	2,610,742	
Self-Employment Services	-	500	-	-	-	-	587,982	255,328	40,449	6,007	732	-	-	19	712,643	178,374	891,017		
Educational Services	-	1	-	-	-	-	13,721	44,120	9,942	482	118	-	-	-	-	64,933	3,451	68,384	
Health and Social Services	-	64,761	-	-	-	-	112,880	63,595	13,057	1,107	225	-	-	-	-	251,237	4,388	255,625	
Other	-	-	-	-	-	-	546,059	5,073,349	2,572,064	173,903	7,563,595	-	-	-	-	24,798	15,456,337	497,431	15,953,768
Total	372,085	75,762	-	-	-	1,763,693	26,715,389	16,883,123	4,912,429	461,867	7,599,808	-	-	-	933,987	43,995,437	15,722,706	59,718,143	

(*) Foreign Currency oriented credits are shown in TL column.

(**) Risk amounts after conversion rate to credit are given before credit risk mitigation.

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II. Explanations Related to the Consolidated Credit Risk (continued)

Risk profile by Sectors or Counterparties: (continued)

Prior Period	Exposure Categories (**)																		
	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	Conditional and unconditional exposures to multilateral development banks	Conditional and unconditional exposures to international organisations	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional retail exposures	Conditional and unconditional exposures secured by real estate property	Past due items	Items in regulatory high-risk categories	Exposures in the form of bonds secured by mortgages	Securitization Positions	Short term exposures to banks, brokerage houses and corporates	Exposures in the form of collective investment undertakings	Others	TL(*)	FC	Total
Agriculture	-	-	-	-	-	-	1,090,987	1,052,885	219,959	27,406	1,953	-	-	-	-	-	2,202,810	190,380	2,393,190
Farming and Stockbreeding	-	-	-	-	-	-	1,059,745	1,038,581	216,788	27,257	1,612	-	-	-	-	-	2,161,911	182,072	2,343,983
Forestry	-	-	-	-	-	-	8,470	1,381	-	80	-	-	-	-	-	-	9,590	341	9,931
Fishery	-	-	-	-	-	-	22,772	12,923	3,171	69	341	-	-	-	-	-	31,309	7,967	39,276
Manufacturing	-	1	-	-	-	-	12,906,569	4,996,388	472,910	142,911	70,506	-	-	-	-	-	11,906,733	6,682,552	18,589,285
Mining and Quarrying	-	-	-	-	-	-	638,474	293,229	28,197	12,065	4,395	-	-	-	-	-	571,005	405,355	976,360
Production	-	1	-	-	-	-	12,106,174	4,674,853	441,108	130,536	65,411	-	-	-	-	-	11,216,967	6,201,116	17,418,083
Electricity, Gas and Water	-	-	-	-	-	-	161,921	28,306	3,605	310	700	-	-	-	-	-	118,761	76,081	194,842
Construction	-	-	-	-	-	-	2,580,141	962,336	193,648	37,868	13,486	-	-	-	-	-	2,473,902	1,313,577	3,787,479
Services	522,411	76,257	2	-	-	1,817,977	5,538,889	3,323,894	466,391	121,612	183,295	-	-	-	-	986,999	9,562,167	3,475,560	13,037,727
Wholesale and Retail Trade	-	10,510	-	-	-	-	2,193,363	1,210,179	136,897	37,288	9,595	-	-	-	-	838	2,848,626	750,044	3,598,670
Accommodation and Dining	-	-	-	-	-	-	556,578	225,305	87,488	4,302	15,304	-	-	-	-	-	533,176	355,801	888,977
Transportation and Telecom.	-	-	-	-	-	-	1,240,196	722,991	68,246	47,516	10,781	-	-	-	-	5	1,575,964	513,771	2,089,735
Financial Institutions	522,411	-	-	-	-	1,817,977	179,077	39,734	7,245	444	10,519	-	-	-	-	985,782	2,515,603	1,047,586	3,563,189
Real Estate and Rental Services	-	2,906	-	-	-	-	758,793	606,889	110,127	19,474	3,986	-	-	-	-	-	826,745	675,430	1,502,175
Self-Employment Services	-	1,937	2	-	-	-	271,100	330,865	33,303	9,158	109,377	-	-	-	-	19	681,684	74,077	755,761
Educational Services	-	1	-	-	-	-	33,968	52,777	8,809	445	9,544	-	-	-	-	180	92,033	13,691	105,724
Health and Social Services	-	60,903	-	-	-	-	305,814	135,154	14,276	2,985	14,189	-	-	-	-	175	488,336	45,160	533,496
Other	-	-	-	-	-	-	965,753	5,260,113	1,571,202	150,778	7,461,767	-	-	-	-	180,577	14,493,841	1,096,349	15,590,190
Total	522,411	76,258	2	-	-	1,817,977	23,082,339	15,595,616	2,924,110	480,575	7,731,007	-	-	-	-	1,167,576	40,639,453	12,758,418	53,397,871

(*) Foreign Currency oriented credits are shown in TL column.

(**) Risk amounts after conversion rate to credit are given before credit risk mitigation.

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II. Explanations Related to the Consolidated Credit Risk (continued)

Analysis of maturity-bearing exposures according to remaining maturities:

Current Period	Term To Maturity				
	Up to 1Month	1-3 Months	3-6 Months	6-12 Months	Over 1 year
Exposure Categories					
Conditional and unconditional exposures to central governments or central banks	136,626	-	-	-	14,228
Conditional and unconditional exposures to regional governments or local authorities	102	119	732	3,035	71,158
Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	-	-	-	-	-
Conditional and unconditional exposures to multilateral development banks	-	-	-	-	-
Conditional and unconditional exposures to international organisations	-	-	-	-	-
Conditional and unconditional exposures to banks and brokerage houses	782,359	81,237	67,995	68,398	151,140
Conditional and unconditional exposures to corporates	6,226,082	1,578,428	1,546,206	3,348,655	6,568,312
Conditional and unconditional retail exposures	5,914,084	1,151,300	865,295	1,535,714	5,094,783
Conditional and unconditional exposures secured by real estate property	724,526	85,415	112,591	236,030	3,690,822
Past due receivables	-	-	-	-	-
Items in regulatory high-risk category defined by BRSA	-	-	-	76,929	7,501,192
Exposures in the form of bonds secured by mortgages	-	-	-	-	-
Securitization Positions	-	-	-	-	-
Short term exposures to banks, brokerage houses and corporate	-	-	-	-	-
Exposures in the form of collective investment undertakings	-	-	-	-	-
Others	90,691	195	863	-	15,680
Total	13,874,470	2,896,694	2,593,682	5,268,761	23,107,315

Prior Period	Term To Maturity				
	Up to 1Month	1-3 Months	3-6 Months	6-12 Months	Over 1 year
Exposure Categories					
Conditional and unconditional exposures to central governments or central banks	139,057	879	830	7,251	129,850
Conditional and unconditional exposures to regional governments or local authorities	47	252	591	669	74,062
Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	-	-	-	-	-
Conditional and unconditional exposures to multilateral development banks	-	-	-	-	-
Conditional and unconditional exposures to international organizations	-	-	-	-	-
Conditional and unconditional exposures to banks and brokerage houses	1,030,752	106,911	70,949	122,587	77,928
Conditional and unconditional exposures to corporates	6,019,520	1,460,898	1,333,002	2,934,178	5,750,657
Conditional and unconditional retail exposures	5,080,254	974,422	720,265	1,320,173	5,458,896
Conditional and unconditional exposures secured by real estate property	430,679	44,912	61,265	127,019	2,220,311
Past due receivables	-	-	-	-	-
Items in regulatory high-risk category defined by BRSA	-	-	-	85,483	7,615,951
Exposures in the form of bonds secured by mortgages	-	-	-	-	-
Securitization Positions	-	-	-	-	-
Short term exposures to banks, brokerage houses and corporate	-	-	-	-	-
Exposures in the form of collective investment undertakings	-	-	-	-	-
Others	39,826	845	100	-	87
Total	12,740,135	2,589,119	2,187,002	4,597,360	21,327,742

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II. Explanations Related to the Consolidated Credit Risk (continued)

Information about the risk exposure categories:

As explained on the 6. Article of the "Communiqué on Measurement and Assessment of Capital Adequacy of Banks ", receivables from central governments or central banks are calculated according to the OECD's published country risks.

Receivables from unrated nonresident banks and brokerage houses may receive a risk weight lower than that applied to claims on its sovereign of incorporation. Unrated bank with a days to maturity less than 3 months subject to a floor of 20%, days to maturity more than 3 months subject to a floor of 50%. Receivables from corporate is subject to a floor of 100% or a higher country risk applied to sovereign of incorporation.

Credit quality step and risk weight matching table is shown below which is based on the OECD's published country risk classifications;

OECD Credit Quality Level	Receivables from Central Governments or Central Banks	Receivables from Banks and Brokerage Houses		Corporate Receivables
		DTM less than 3 months	DTM higher than 3 months	
0	0%	20%	50%	100%
1	0%	20%	50%	100%
2	20%	20%	50%	100%
3	50%	50%	50%	100%
4	100%	100%	100%	100%
5	100%	100%	100%	100%
6	100%	100%	100%	100%
7	150%	150%	150%	150%

Exposures by risk weights:

Current Period

Risk Weights	0%	10%	20%	50%	75%	100%	150%	200%	250%	1250%	Deductions from Equity
Exposures before											
Credit Risk Mitigation	16,544,776	-	2,904,542	11,083,234	21,923,946	29,193,555	1,839,789	2,484,779	91,943	-	559,529
Exposures after											
Credit Risk Mitigation	16,874,290	-	2,867,390	11,149,439	21,279,494	27,899,181	1,821,801	2,484,779	91,943	-	559,529

Prior Period

Risk Weights	0%	10%	20%	50%	75%	100%	150%	200%	250%	1250%	Deductions from Equity
Exposures before											
Credit Risk Mitigation	14,755,181	-	2,119,054	7,018,622	20,245,207	26,072,053	1,673,436	2,715,622	106,957	-	563,137
Exposures after											
Credit Risk Mitigation	14,846,342	-	2,102,929	7,013,204	19,804,477	24,976,410	1,658,516	2,715,622	106,957	-	563,137

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II. Explanations Related to the Consolidated Credit Risk (continued)

Informations in terms of major sectors and type of counterparties:

Current Period Major Sectors / Counterparties	Credits		Value Adjustments	Provisions
	Impaired Credits	Past Due Credits		
Agriculture	63,650	118,218	581	37,199
Farming and Stockbreeding	54,831	110,074	541	32,392
Forestry	8,370	5,591	27	4,407
Fishery	449	2,553	13	400
Manufacturing	379,610	499,995	2,455	282,956
Mining and Quarrying	16,258	24,158	119	10,652
Production	362,642	475,768	2,336	271,932
Electricity, Gas and Water	710	69	-	372
Construction	118,695	110,997	545	78,586
Services	293,091	425,427	2,089	204,827
Wholesale and Retail Trade	118,736	135,909	667	83,865
Accommodation and Dining	15,795	43,542	214	8,867
Transportation and Telecom.	100,537	119,396	586	73,984
Financial Institutions	965	2,105	10	676
Real Estate and Rental Services	35,085	89,413	439	21,916
Professional Services	15,454	24,801	122	10,753
Educational Services	1,279	2,416	12	885
Health and Social Services	5,240	7,845	39	3,881
Other	377,481	1,149,659	5,646	225,779
Total	1,232,527	2,304,296	11,316	829,347

Prior Period Major Sectors / Counterparties	Credits		Value Adjustments	Provisions
	Impaired Credits	Past Due Credits		
Agriculture	59,304	184,683	1,947	37,178
Farming and Stockbreeding	58,944	178,991	1,887	36,868
Forestry	-	4,912	52	-
Fishery	360	780	8	310
Manufacturing	398,767	500,114	5,247	288,743
Mining and Quarrying	23,526	24,544	259	16,594
Production	366,713	473,253	4,964	263,742
Electricity, Gas and Water	8,528	2,317	24	8,407
Construction	70,669	106,228	1,120	42,585
Services	252,667	388,578	4,090	161,414
Wholesale and Retail Trade	81,914	124,056	1,308	55,257
Accommodation and Dining	29,123	44,256	467	25,445
Transportation and Telecom.	89,051	93,867	990	53,342
Financial Institutions	960	3,253	27	592
Real Estate and Rental Services	25,904	62,907	663	10,663
Professional Services	16,915	33,447	353	10,132
Educational Services	948	4,839	51	599
Health and Social Services	7,852	21,953	231	5,384
Other	425,127	642,937	6,781	273,088
Total	1,206,534	1,822,540	19,185	803,008

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II. Explanations Related to the Consolidated Credit Risk (continued)

Information about Value Adjustment and Change in Provisions

	31.12.2014 Balance	Provision for Period	Provision Reversals	Write off from Asset	Other Adjustments(*)	31.12.2015 Balance
Specific Provisions	803,008	809,147	(171,439)	(521,233)	(90,136)	829,347
General Provisions	621,294	99,596	(14,165)	-	(7,627)	699,098

(*) Determined according to currency differences, business merger, acquisition and disposition of affiliate company

	31.12.2013 Balance	Provision for Period	Provision Reversals	Write off from Asset	Other Adjustments(*)	31.12.2014 Balance
Specific Provisions	598,841	518,222	(145,982)	(174,477)	6,404	803,008
General Provisions	554,607	78,624	(8,295)	-	(3,642)	621,294

(*) Determined according to currency differences, business merger, acquisition and disposition of affiliate company

III. Explanations Related to the Consolidated Market Risk

The Group’s risk management activities are managed under the responsibility of the Board of Directors in compliance with the “Communiqué on Banks’ Internal Control and Risk Management Systems” and “Communiqué on Measurement and Assessment of Capital Adequacy Ratios of Banks”.

The Board of Directors determines the limits for the basic risk that the Parent Bank is exposed to. Those limits are revised periodically in line with the market forces and strategies of the Parent Bank. Additionally, the Board of Directors has ensured that the risk management division and senior management has taken necessary precautions to describe, evaluate, control and manage risks faced by the Parent Bank.

Interest rate and exchange rate risks, arising from the volatility in the financial markets, of the financial positions taken by the Parent Bank related to balance sheet and off-balance sheet accounts are measured and while calculating the capital adequacy and the amount subject to Value at Risk (VAR), as summarized below, is taken into consideration by the standard method. Beside the standard method, VAR is calculated by using internal model as supported by scenario analysis and stress tests. VAR is calculated daily by historic simulation. These results are also reported daily to the management.

a) i) Information Related to Market Risk:

	Consolidated	Parent Bank
(I) Capital Requirement to be Employed For General Market Risk – Standard Method	14,602	14,602
(II) Capital Requirement to be Employed For Specific Risk – Standard Method	900	900
Capital requirement against Specific Risks of Securitization Positions – Standard Method	-	-
(III) Capital Requirement to be Employed For Currency Risk – Standard Method	10,959	10,799
(IV) Capital Requirement to be Employed For Commodity Risk – Standard Method	-	-
(V) Capital Requirement to be Employed For Settlement Risk – Standard Method	-	-
(VI) Total Capital Requirement to be Employed For Market Risk Resulting From Options – Standard Method	918	918
(VII) Capital requirement against Counterparty Credit Risks – Standard Method	38,178	38,178
(VIII) Total Capital Requirement to be Employed For Market Risk	-	-
(IX) Total Capital Requirement against Market Risk (I+II+III+IV+V+VI+VII)	65,557	65,397
(X) Amount Subject to Market Risk (12.5 x VIII) or (12.5 x IX)	819,463	817,463

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III. Explanations Related to the Consolidated Market Risk (continued)

ii) Average market risk table calculated at month ends during the period:

	Current Period			Prior Period		
	Average	Maximum	Minimum	Average	Maximum	Minimum
Interest Rate Risk	22,456	28,765	15,502	20,796	25,017	16,766
Common Stock Risk	-	-	-	-	-	-
Currency Risk	23,868	40,941	2,202	23,024	30,941	6,681
Commodity Risk	-	-	-	-	-	-
Exchange Risk	-	-	-	-	-	-
Counterparty Credit Risk	1,157	1,472	800	851	1,131	525
Option Risk	48,774	63,591	38,178	35,252	56,594	28,126
Total Value Subject to Risk (*)	1,203,194	1,534,050	819,463	999,034	1,327,771	709,975

(*) “Total Value Subject to Risk” is calculated as the total amount of capital requirements for the market risk multiplied by 12.5.

b) Information on Counterparty Credit Risk:

Limit requests of clients demanding derivative transaction are evaluated based on the related line of business in different credit committees. Limit amounts approved by credit committee are risk weighted limits. In calculation of risk amount traced to risk weighted limits is multiplied by ratios based on each factor’s historical movement and that change according to transaction’s nominal amount, transaction’s maturity, type, currency and purpose. Updates are generally conducted on a yearly basis except for the times of strict market fluctuations. In other words, if current tables do not cover risk calculations efficiently in case of strict market fluctuations, all tables are reviewed without waiting for annual period.

In table calculations, different time periods are considered while making analyses. If there is a period in data set with strictly fluctuating period, historical period after this period might be crucial. Also, in historical fluctuations, similar work meant for a data is organized separately. References provided by BNPP are also considered in the process. Eventually, all results are discussed firstly among line of business and then in the Market Risk Committee. Final decision is made by Risk Policy Committee and one of the alternatives is chosen.

Customers demanding derivative transactions are separated into two based on the purpose of the transaction. Decision of allocating the client to a group is given with taking into consideration client’s all transactions. Related Credit Department decides on the evaluation of client either in trading derivative transaction limit or in hedging derivative transaction limit.

In principle, all individual customers are evaluated as in trading portfolio, and The Bank works with 100% cash and cash equivalent collaterals. Commercial and corporate customers are evaluated different for each firm and based on the decision given, are subject to different collateral conditions. Risks are monitored daily based on the collateral conditions set with the client, and additional collaterals are demanded when a necessity arises according to internally set principles.

For derivative transactions made with banks, ISDA, CSA and GMRA agreements are requested from counterparties. In principle, derivative transactions are not made with banks that do not sign these agreements. Collateral management is made on a daily basis with banks considering agreement conditions so that counterparty risk is minimized.

All open derivative transactions are evaluated daily by using market data, and resulting evaluation amount is installed to system. As a new transaction is made, risk amount calculated with risk weights is reflected automatically to the system. In other words, counterparty risk regarding all derivative transactions is monitored on banking system. Collateral amount required for customer transactions, transaction evaluation amount and risk weighted nominal amount is monitored daily by considering collateral condition and limit monitoring principles set up by the Bank.

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III. Explanations Related to the Consolidated Market Risk (continued)

b) Information on Counterparty Credit Risk: (continued)

Simulations of transactions are conducted in order to be able to see the level of capital consumption on transaction basis. Ratings and Basel II portfolios of derivative customers and banks are reviewed and updated monthly. These are considered in the calculation of capital requirement and evaluation of collateral conditions.

Quantitative Information on Counterparty Risk:

	Trading Book	Banking Book	Total
Agreement Based on Interest Rate	6,961	11,794	18,755
Agreement Based on Foreign Exchange Currency	329,177	121,029	450,206
Agreement Based on Commodity	-	-	-
Agreement Based on Marketable Securities	-	-	-
Other	-	-	-
Gross Positive Fair Value	407,276	145,019	552,295
Benefits of Netting	-	-	-
Current Net Risk Amount	-	-	-
Reserved Guarantee	-	-	-
Net Position of Derivatives	743,414	277,842	1,021,256

c) Capital Requirement is not calculated with a measurement model permitted by Banking Regulation and Supervision Agency.

IV. Explanations Related to the Consolidated Operational Risk

a) Operational risk has been calculated using the basic indicator approach. Market risk measurements are performed monthly.

b) In case of application of the standard method:

	31.12.2012	31.12.2013	31.12.2014	Total/Positive Year	Rate (%)	Total
GROSS Income	2,510,493	2,835,960	3,303,079	2,883,177	15	432,477
Amount subject to Operational Risk (Total*12,5)						5,405,958

	31.12.2011	31.12.2012	31.12.2013	Total/Positive Year	Rate (%)	Total
GROSS Income	1,805,354	2,510,493	2,835,960	2,383,936	15	357,590
Amount subject to Operational Risk (Total*12,5)						4,469,879

c) The Group does not use the standard method

d) The Group does not use any alternative approach in standard method

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V. Explanations Related to the Consolidated Currency Risk

Foreign currency risk indicates the probability of loss that the Group is subject to due to the exchange rate movements in the market. While calculating the share capital requirement, all foreign currency assets, liabilities and forward transactions of the Group are taken into consideration and risk is calculated by using the standard method.

The Board of Directors of the Parent Bank sets limits for the positions, which are followed up daily. Any possible changes in the foreign currency transactions in the Parent Bank’s positions are also monitored.

As an element of the Group’s risk management strategies, foreign currency liabilities are hedged against exchange rate risk by derivative instruments.

The Treasury Department of the Parent Bank is responsible for the management of Turkish Lira or foreign currency price, liquidity and affordability risks that could occur in the domestic and international markets within the limits set by the Board of Directors. The monitoring of risk and risk related transactions occurring in the money markets is performed daily and reported to the Parent Bank’s Asset-Liability Committee on a weekly basis

As of 31 December 2015, the Group’s short position is TL6,303,503 (31 December 2014: TL4,567,111 short position) off-balance sheet long position is TL6,888,848 (31 December 2014: TL4,032,889 long position) and as a result net foreign currency long position is TL585,345 (31 December 2014: net TL534,222 short position).

The announced current foreign exchange buying rates of the Parent Bank at 31 December 2015 and the previous five working days in full TL are as follows:

	24.12.2015	25.12.2015	28.12.2015	29.12.2015	30.12.2015	31.12.2015
USD	2.9098	2.9079	2.9043	2.9019	2.9132	2.9021
JPY	0.0242	0.0240	0.0241	0.0241	0.0242	0.0241
EURO	3.1874	3.1783	3.1872	3.1744	3.1821	3.1572

The simple arithmetic averages of the major current foreign exchange buying rates of the Parent Bank for the thirty days before 31 December 2015 are as follows:

	Monthly Average Foreign Exchange Rate
USD	2.9122
JPY	0.0239
EURO	3.1746

Foreign currency sensitivity:

The Parent Bank is mainly exposed to EUR and USD currency risks.

The following table details the Parent Bank’s sensitivity to a 10% change in the TL against USD and EUR. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the possible change in foreign exchange rates. A positive number indicates an increase in profit or loss and other equity in the case of short position and a decrease in the case of long position where the TL strengthens against USD and EUR.

	Change in currency rate in %	Effect on profit or loss		Effect on equity (*)	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
		USD	10 increase	3,722	11,166
USD	10 decrease	(3,722)	(11,166)	52	(2)
EURO	10 increase	2,679	(995)	6,005	1
EURO	10 decrease	(2,679)	995	(6,005)	(1)

(*) The effect on equity does not include the effect of changes in foreign exchange rate on the income statement.

The Group’s sensitivity to foreign currency rates have not changed significantly during the current period. The positions taken in line with market expectations can increase the foreign currency sensitivity from period to period.

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V. Explanations Related to the Consolidated Currency Risk (continued)

Information on the foreign currency risk of the Group:

The table below shows the Group's distribution of balance sheet and derivative foreign exchange transactions taking into account the options transactions with nominal values as indicated in the BRSA regulation on foreign currency position. Besides taking into account this position by monitoring legal limits, the Group also monitors the delta-adjusted position of the option transactions. As of 31 December 2015, the Parent Bank has net TL15,872 USD long position and net TL39,394 EUR long position.

Current Period	EUR	USD	OTHER	TOTAL
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	2,038,069	5,509,886	1,165,666	8,713,621
Banks	133,349	388,131	194,924	716,404
Financial Assets at Fair Value Through Profit and Loss (*****)	13,390	9,049	-	22,439
Money Market Placements	-	-	-	-
Available-For-Sale Financial Assets	75,331	16,093	7,449	98,873
Loans (**)	6,325,306	4,895,712	1,248,177	12,469,195
Subsidiaries, Associates and Entities Under Common Control	-	-	-	-
Held-To-Maturity Investments	-	-	-	-
Derivative Financial Assets for Hedging Purposes	-	-	-	-
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets (***)	804,272	136,277	28,348	968,897
Total Assets	9,389,717	10,955,148	2,644,564	22,989,429
Liabilities				
Bank Deposits	166	94	6,774	7,034
Foreign Currency Deposits (*)	4,578,499	10,139,954	1,036,731	15,755,184
Money Market Borrowings	-	-	-	-
Funds Provided From Other Financial Institutions	6,482,991	4,604,106	1,928,353	13,015,450
Marketable Securities Issued	-	86,553	-	86,553
Sundry Creditors	168,698	80,068	43,937	292,703
Derivative Financial Liabilities for Hedging Purposes	-	677	-	677
Other Liabilities (**)	17,276	117,008	1,047	135,331
Total Liabilities	11,247,630	15,028,460	3,016,842	29,292,932
Net Balance Sheet Position	(1,857,913)	(4,073,312)	(372,278)	(6,303,503)
Net Off-Balance Sheet Position	2,371,886	4,088,485	428,477	6,888,848
Financial Derivative Assets (*****)	7,641,536	17,261,527	844,456	25,747,519
Financial Derivative Liabilities (*****)	5,269,650	13,173,042	415,979	18,858,671
Non-Cash Loans (*****)	3,345,601	4,663,116	214,521	8,223,238
Prior Period				
Total Assets	7,088,440	11,248,244	1,894,471	20,231,155
Total Liabilities	10,450,188	12,145,450	2,202,628	24,798,266
Net Balance Sheet Position	(3,361,748)	(897,206)	(308,157)	(4,567,111)
Net Off-Balance Sheet Position	3,394,046	430,800	208,043	4,032,889
Financial Derivative Assets	8,145,626	14,293,467	1,030,272	23,469,365
Financial Derivative Liabilities	4,751,580	13,862,667	822,229	19,436,476
Non-Cash Loans (*****)	2,613,474	3,936,175	140,526	6,690,175

(*) Precious metal accounts amounting to TL445,509 (31 December 2014: TL477,622) are included in the foreign currency deposits.

(**) Foreign currency indexed loans amounting to TL2,769,548 (31 December 2014: TL2,641,281) are included in the loan portfolio.

(***) TL43,800 (31 December 2014: TL59,584) foreign currency indexed factoring receivables is included in other assets, while TL45,264 (31 December 2014: TL107,973) expense accruals from derivative financial instruments, and TL10,443 provision for general loan losses as of 31 December 2014 are deducted from other liabilities (31 December 2015: None). TL314 (31 December 2014: TL506) foreign currency indexed factoring payables is included in the other liabilities. Foreign currency indexed liabilities are included in funds provided from other financial institutions.

(****) Forward asset and marketable securities purchase-sale commitments of TL654,815 (31 December 2014: TL472,776) are added to derivative financial assets and TL564,464 (31 December 2014: TL432,243) has been added to derivative financial liabilities.

(*****) TL78,194 (31 December 2014: TL66,674) income accruals from derivative financial instruments is deducted from Financial Assets at Fair Value through Profit and Loss.

(*****) There is no effect on the net off-balance sheet position.

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VI. Explanations Related to Consolidated Interest Rate Risk

Interest rate risk shows the probability of loss related to the changes in interest rates depending on the Parent Bank’s position, and it is managed by the Asset-Liability Committee. The interest rate sensitivity of assets, liabilities and off-balance sheet items related to this risk are measured by using the standard method and included in the market risk for capital adequacy.

The priority of the risk management department is to avoid the impact of the fluctuations in interest rates. In this context, duration, maturity and sensitivity analysis are calculated by the Risk Management Department and presented to both Liquidity Risk Committee and Asset-Liability Committee.

Simulations on interest income are performed in connection with the forecasted economic indicators used in the budget of the Group.

The Parent Bank management monitors the market interest rates on a daily basis and revises the interest rates of the Parent Bank when necessary.

Since the Group does not allow maturity mismatches or imposes limits on the mismatch, no significant interest rate risk exposure is expected.

Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates):

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non- interest Bearing	Total
Current Period							
Assets							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	8,254,065	-	-	-	-	1,661,863	9,915,928
Banks	948,524	37	-	-	-	388,891	1,337,452
Financial Assets at Fair Value Through Profit and Loss	1,785	19,725	91,395	150,949	23,029	413,062	699,945
Money Market Placements	206	-	-	-	-	-	206
Available-For-Sale Financial Assets	413,754	781,833	1,789,707	977,744	70,892	96,694	4,130,624
Loans and Receivables (*)	15,844,396	3,051,500	8,798,330	18,635,638	6,555,149	414,089	53,299,102
Factoring Receivables	512,887	514,329	168,895	-	-	12,212	1,208,323
Held-To-Maturity Investments	33,980	93,973	211,464	-	-	-	339,417
Other Assets	2,586	-	39,748	18,560	-	2,220,597	2,281,491
Total Assets	26,012,183	4,461,397	11,099,539	19,782,891	6,649,070	5,207,408	73,212,488
Liabilities							
Bank Deposits	107,735	5,744	-	-	-	1,078	114,557
Other Deposits	27,955,055	8,752,579	565,888	10,215	14	6,979,324	44,263,075
Money Market Borrowings	2,413,098	-	-	-	-	-	2,413,098
Sundry Creditors	-	-	-	-	-	1,295,983	1,295,983
Marketable Securities Issued	193,517	77,146	-	-	-	-	270,663
Funds Provided From Other Financial Institutions	3,090,053	3,319,944	7,740,870	90,865	433,597	-	14,675,329
Factoring Payables	-	-	-	-	-	15,356	15,356
Other Liabilities	6,866	46,392	43,537	69,180	3,029	9,995,423	10,164,427
Total Liabilities	33,766,324	12,201,805	8,350,295	170,260	436,640	18,287,164	73,212,488
Balance Sheet Long Position	-	-	2,749,244	19,612,631	6,212,430	-	28,574,305
Balance Sheet Short Position	(7,754,141)	(7,740,408)	-	-	-	(13,079,756)	(28,574,305)
Off-Balance Sheet Long Position	6,910,210	-	-	-	-	-	6,910,210
Off-Balance Sheet Short Position	-	(137,238)	(4,204,032)	(2,464,456)	-	-	(6,805,726)
Total Position	(843,931)	(7,877,646)	(1,454,788)	17,148,175	6,212,430	(13,079,756)	104,484

(*) Revolving loans amounting to TL8,779,628 are included in “Up to 1 Month” while mark to market differences from terminated hedged loans amounting to TL282, TL846 and TL785 are included in “Up to 1 Month”, “1-3 Months” and “3-12 Months” respectively.

The other assets line in the non-interest bearing column consists of tangible assets amounting to TL285,508, intangible assets amounting to TL473,474, assets held for resale amounting to TL71,874, entities under common control (joint vent.) amounting to TL5, and the other liabilities line includes the shareholders’ equity of TL7,021,507.

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VI. Explanations Related to Consolidated Interest Rate Risk (continued)

Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates):

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non-interest Bearing	Total
Prior Period							
Assets							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	-	532,270	-	-	-	7,934,659	8,466,929
Banks	792,752	8,540	8,317	-	-	195,540	1,005,149
Financial Assets at Fair Value Through Profit and Loss	46,909	24,359	56,716	63,864	67,510	428,378	687,736
Money Market Placements	550,207	-	-	-	-	-	550,207
Available-For-Sale Financial Assets	581,136	1,011,391	1,739,495	1,065,431	69,687	21,131	4,488,271
Loans and receivables (*)	13,780,022	3,111,131	7,483,882	16,640,941	5,055,750	437,462	46,509,188
Factoring Receivables	689,041	372,816	264,141	-	-	6,924	1,332,922
Held-To-Maturity Investments	31,583	87,344	198,433	-	-	-	317,360
Other Assets	838	-	10,370	50,383	48	2,272,461	2,334,100
Total Assets	16,472,488	5,147,851	9,761,354	17,820,619	5,192,995	11,296,555	65,691,862
Liabilities							
Bank Deposits	725,475	603,921	2,122	-	-	40,299	1,371,817
Other Deposits	28,310,143	4,880,585	280,179	131,174	683	5,456,469	39,059,233
Money Market Borrowings	1,796,098	-	-	-	-	-	1,796,098
Sundry Creditors	-	-	-	-	-	1,134,903	1,134,903
Marketable Securities Issued	165,887	262,196	563,500	-	-	-	991,583
Funds Provided From Other Financial Institutions	3,416,171	4,983,523	3,494,009	145,006	112,671	-	12,151,380
Factoring Payables	-	-	-	-	-	7,832	7,832
Other Liabilities	11,608	2,721	48,229	332,145	9,294	8,775,019	9,179,016
Total Liabilities	34,425,382	10,732,946	4,388,039	608,325	122,648	15,414,522	65,691,862
Balance Sheet Long Position	-	-	5,373,315	17,212,294	5,070,347	-	27,655,956
Balance Sheet Short Position	(17,952,894)	(5,585,095)	-	-	-	(4,117,967)	(27,655,956)
Off-Balance Sheet Long Position	5,377,361	1,186,195	-	-	-	-	6,563,556
Off-Balance Sheet Short Position	-	-	(1,364,462)	(5,084,500)	(26,250)	-	(6,475,212)
Total Position	(12,575,533)	(4,398,900)	4,008,853	12,127,794	5,044,097	(4,117,967)	88,344

(*) Revolving loans amounting to TL7,098,120 are included in “Up to 1 Month” while mark to market differences from hedged loans amounting to TL6,077 are included in “1-5 Years”.

The other assets line in the non-interest bearing column consists of tangible assets amounting to TL326,119, intangible assets amounting to TL477,707, assets held for resale amounting to TL79,466, entities under common control (joint vent.) amounting to TL5, and the other liabilities line includes the shareholders’ equity of TL6,194,560.

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VI. Explanations Related to Consolidated Interest Rate Risk (continued)

Average interest rates applied to monetary financial instruments:

	EURO	USD	YEN	TL
	%	%	%	%
Current Period				
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	-	0.49	-	1.81
Banks	0.25	0.13	-	10.89
Financial Assets at Fair Value Through Profit and Loss	1.84	4.69	-	10.56
Money Market Placements	-	-	-	9.67
Available-For-Sale Financial Assets	2.44	4.97	-	10.60
Loans	3.26	3.66	2.57	14.08
Factoring Receivables	1.36	1.97	-	15.06
Held-To-Maturity Investments	-	-	-	11.22
Liabilities				
Bank Deposits	0.10	-	-	4.32
Other Deposits	1.28	1.86	1.30	11.73
Money Market Borrowings	-	-	-	7.53
Sundry Creditors	-	-	-	-
Marketable Securities Issued	-	1.50	-	10.68
Funds Provided From Other Financial Institutions	1.03	1.86	1.00	11.22
	EURO	USD	YEN	TL
	%	%	%	%
Prior Period				
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	-	-	-	1.51
Banks	0.11	0.22	-	10.89
Financial Assets at Fair Value Through Profit and Loss	1.13	3.64	-	8.41
Money Market Placements	-	-	-	11.24
Available-For-Sale Financial Assets	1.09	3.72	-	9.44
Loans	3.43	3.71	2.94	12.88
Factoring Receivables	1.89	2.36	-	11.76
Held-To-Maturity Investments	-	-	-	12.58
Liabilities				
Bank Deposits	0.28	0.54	-	4.66
Other Deposits	1.31	1.92	1.75	9.91
Money Market Borrowings	-	-	-	8.36
Sundry Creditors	-	-	-	-
Marketable Securities Issued	-	1.16	-	9.10
Funds Provided From Other Financial Institutions	1.08	1.60	2.23	9.80

Interest rate risk on banking accounts:

- a) Nature of interest rate risk caused by the banking accounts, significant assumptions on the deposit movement excepting early repayment of the loans and time deposits and measurement frequency of the interest rate risk:

Interest rate risk resulting from the banking accounts whose imposed interest risk that is traced by the bank, as well as been assessing by the related committee in different angle. There is a limit to risk amount defined by the Board of Directors. According to view of market expectation of the bank in terms of currency, is taken care in order to supply balancing between assets and liabilities.

Early repayment rate of loans is determined upon reviewing to feedback of previous mortgage rate movements. Repricing days of demand deposit at the Parent Bank’s account is settled on basing of demand deposit movements in view of branches and accounts. Accepted assumptions in parallel of result are reflected to issued products in calculation of interest rate sensitivity.

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VI. Explanations Related to Consolidated Interest Rate Risk (continued)

Interest rate risk on banking accounts: (continued)

- b) The Parent Bank only economic value differences resulted from interest rate instabilities calculated according to “Regulation on measurement and evaluation of interest rate risk resulted from the banking accounts as per standard shock method”:

Type of Currency	Shock Applied (+/- x basis point)	Gains/ (Losses)	Gains/Equity– (Losses)/Equity
TL	(400)	1,024,759	11.72%
TL	500	(1,093,467)	(12.51)%
EURO	(200)	223,439	2.56%
EURO	200	(193,087)	(2.21)%
USD	(200)	57,422	0.66%
USD	200	(49,006)	(0.56)%
Total (of negative shocks)	(800)	1,305,620	14.94%
Total (of positive shocks)	900	(1,335,560)	(15.28)%

Equity share position risk in banking accounts

The Parent Bank’s equity securities which are not publicly traded are booked as their fair value, or otherwise booked as their cost value if calculation of fair value is not determinate properly.

VII. Explanations on Consolidated Liquidity Risk

- a) Information on liquidity risk management, such as the Parent Bank's risk capacity, responsibilities and the structure of liquidity risk management, Parent Bank’s internal reporting of the liquidity risk and communication of liquidity risk strategy, policy, and practises to the Board of Directors and business lines:

The Asset-Liability Management and Treasury Group is responsible for following up the Parent Bank's current liquidity position and for complying with liquidity limits approved by the Board of Directors. After evaluating the liquidity position, the Asset-Liability Management and Treasury Group uses authorised products to provide sufficient liquidity based on liquidity position:

Responsibilities for liquidity management are described in the *Liquidity Risk Policy* which is reviewed and approved by the Board of Directors annually. The various responsibilities have been shared among the appropriate departments and committees as outlined in duty descriptions. While the Asset-Liability Management and Treasury Group alone is responsible for managing liquidity and for developing short-term liquidity estimates, the Asset-Liability Management and Treasury Group works with the Asset-Liability Management Committee to jointly developing/setting short-term liquidity strategies and middle and long term liquidity estimates. The Asset-Liability Management Committee is responsible for preparing middle and long term liquidity strategies.

The Risk Management Group monitors daily all set liquidity risk limits, and periodically reports internal and legal liquidity rates and changes to the Audit Committee and Board of Directors, in addition to providing daily reports to senior management. Information about the bank's liquidity structure and policies is provided to the relevant business lines at an Assets-Liabilities Committee meeting which is held every couple of weeks, and at a Liquidity Risk Committee meeting which is held monthly

- b) Information on the centralisation degree of liquidity management and funding strategy and on operations between the Parent Bank and its partnerships:

The Assets-Liabilities Committee and the Treasury Group manage the Parent Bank's liquidity risk and performs this role only for the bank. Liquidity gap values are monitored within the limits set by the Board of Directors, and for compliance with these limits, the necessary debt instruments are used, while considering price and maturity structure. Our subsidiaries manage their own liquidity, and we provide them borrowing facilities within market conditions and legal limits.

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VII. Explanations Related to Consolidated Liquidity Risk (continued)

- c) Information about the Parent Bank's funding strategy including policies on diversification of its sources and tenor of funding:

While the Parent Bank tries to diversify its funding resources, it also tries to extend its payment terms. Customer deposits are the bank's main funding resource. Our main strategy for deposit management is to be inclusive while extending the average maturity. In addition to borrowings from money markets and collecting deposit, the Parent Bank uses instruments such as long-term syndicated loans, securities issued in TL, and foreign currency to diversify funding resources.

- d) Information on liquidity management based on currency which consists of a minimum of 5% of the Parent Bank's total liabilities:

Excluding TL, USD, and EUR, there is no foreign currency which exceeds 5% of total liabilities. For these currencies, liquidity gaps are reported on a monthly basis and the liquidity coverage ratio is calculated daily for TL and foreign currency. The Asset-Liability Management and Treasury Group is responsible for taking the necessary steps to keep ratios within the limits determined by the Board of Directors. Trend of these ratios are monitored on a monthly basis by the Liquidity Risk Committee which includes the general manager, assistant general manager in charge of Financial Control Group, Group Risk Chief Officer, and the assistant general manager in charge of the Assets-Liabilities Management and Treasury Group. Furthermore, senior management is periodically informed about the relevant ratios.

- e) Information on liquidity risk mitigation techniques:

The Parent Bank's main liquidity management strategy is to diversify funding resources and extend the maturity structure. The Parent Bank's balance sheet liquidity risk is periodically measured by Assets-Liabilities management and closely monitored with the Treasury. In accordance with market expectations, the Assets-Liabilities Management and Treasury Group carries out the actions necessary to minimize risk.

Within this framework, the Parent Bank's liquidity risk is attempted to manage efficiently by long-term structural changes (such as diversifying funding sources, extending maturity structure etc.) and short and mid-term money market and derivative transactions

In the short term, liquidity risk is minimized with FX swaps, interbank borrowings and repurchase agreements, while cross currency swap and interest rate swap transactions are used to minimize these risks in the long term.

- f) Explanation on the usage of the stress test:

The aim of the liquidity stress test is to analyze how liquidity squeeze affects bank liquidity. Cash inflows and outflows which may arise in cases of stress event are analyzed based on products with different maturities. Stress events which may arise as a result of the liquidity squeeze, both in the Parent Bank and in the whole banking system, in cases of stress event are analyzed. Also, situations where the two scenarios might coincide are considered. The analysis addresses how much of the net cash outflows of different maturities would be covered by the current liquid stock during all relevant stress events.

- g) General information on liquidity emergency and contingency plans:

The extraordinary liquidity situation is evaluated to determine;

- Whether the liquidity problem is specific to the Parent bank or applies to the whole banking system and
- Whether there is a permanent or temporary problem.

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VII. Explanations Related to Consolidated Liquidity Risk (continued)

g) General information on liquidity emergency and contingency plans: (continued)

Profitability has second degree importance in extraordinary liquidity conditions. In cases of cash shortage or cash withdrawal, the branches are responsible for informing the Asset-Liability Management and Treasury Group about withdrawn liabilities. The Asset-Liability Management and Treasury Group takes the necessary actions to cover the cash outflow which may occur in the accounts and informs the Asset-Liability Committee of any related delays.

In a liquidity crisis, the Assets-Liabilities Management and Treasury Group, the Assets-Liabilities Committee, the Liquidity Risk Committee, senior management, and the Board of Directors are responsible for solving the liquidity problem. It is predicted that, in a liquidity crisis, in order to create additional liquidity, written actions (considering the cost) must be taken within current market conditions.

Liquidity Coverage Ratio

Current Period	Total value to which the consideration ratio is not applied(*)		Total value to which the consideration ratio is applied(*)	
	TL+FC	FC	TL+FC	FC
High Quality Liquid Assets				
High Quality Liquid Assets			9,930,169	6,669,539
Cash Outflows				
Real person and retail deposits	27,338,820	11,105,780	2,249,572	1,009,564
Stable deposits	9,686,200	2,020,280	484,310	101,014
Less stable deposits	17,652,620	9,085,500	1,765,262	908,550
Unsecured debts other than real person and retail deposits	22,288,915	7,780,739	10,748,377	3,841,213
Operational deposits	3,777,468	2,167,188	944,367	541,797
Non-operational deposits	16,584,429	5,551,835	7,876,992	3,237,700
Other unsecured debts	1,927,018	61,716	1,927,018	61,716
Secured debts			-	-
Other cash outflows	11,328,317	6,606,182	11,328,317	6,606,182
Derivative liabilities and collateral completion Liabilities	11,328,317	6,606,182	11,328,317	6,606,182
Debts related to the structured financial products	-	-	-	-
Payment commitments for debts to financial markets and other off-the-balance sheet liabilities	-	-	-	-
Other off-the-balance sheet and revocable (without contingency) liabilities and other contractual liabilities	-	-	-	-
Other irrevocable or revocable (based on conditions) off-the balance sheet debts	26,124,548	8,214,470	1,969,816	722,716
Total Cash Outflows			26,296,082	12,179,674
Cash Inflows				
Secured liabilities	-	-	-	-
Unsecured liabilities	6,261,350	2,695,541	3,980,247	2,008,209
Other cash inflows	10,807,103	8,926,090	10,807,103	8,926,090
Total Cash Inflows	17,068,453	11,621,631	14,787,350	10,934,299
			Values to which the upper limit is applied	
Total High Quality Liquid Assets Inventory			9,930,169	6,669,539
Total Net Cash Outflows			11,508,732	3,044,919
Liquidity Coverage Ratio (%)			86.28	219.04

(*) Simple arithmetic average of the last 3 months data calculated by using monthly simple arithmetic averages.

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VII. Explanations Related to Consolidated Liquidity Risk (continued)

Liquidity Coverage Ratio (continued)

In accordance with the new regulation effective from 28 September 2015, all of the corporate deposits are included in the “Liquidity Coverage Ratio” calculation. Only the corporate deposits with a maturity up to 30 days or less were considered on previous calculations. Related changes effected the ratio negatively, but if the prior calculation methodology has been applied average rate in the last 3 months would be reported as 101.87% and 224.76% with an increase of 15.59% and 5.72% respectively for total and foreign currency.

Prior Period	Total value to which the consideration ratio is not applied(*)		Total value to which the consideration ratio is applied(*)	
	TL+FC	FC	TL+FC	FC
High Quality Liquid Assets				
High Quality Liquid Assets			11,869,109	6,259,747
Cash Outflows				
Real person and retail deposits	25,556,960	9,429,550	2,249,813	884,813
Stable deposits	6,117,660	1,162,840	305,883	58,142
Less stable deposits	19,439,300	8,266,710	1,943,930	826,671
Unsecured debts other than real person and retail deposits	16,151,897	6,302,212	9,342,176	3,739,765
Operational deposits	2,899,092	1,463,996	724,773	365,999
Non-operational deposits	10,923,015	4,744,227	6,287,613	3,279,777
Other unsecured debts	2,284,790	93,989	2,284,790	93,989
Secured debts			45,000	-
Other cash outflows	14,654,781	8,601,611	14,654,781	8,601,611
Derivative liabilities and warranty completion liabilities	14,654,781	8,601,611	14,654,781	8,601,611
Debts related to the structured financial products	-	-	-	-
Payment commitments for debts to financial markets and other off-the-balance sheet liabilities	-	-	-	-
Other off-the-balance sheet and revocable (without contingency) liabilities and other contractual liabilities	-	-	-	-
Other irrevocable or revocable (based on conditions) off-the balance sheet debts	22,834,145	6,572,505	1,740,089	627,273
Total Cash Outflows			27,941,859	13,853,462
Cash Inflows				
Secured liabilities	-	-	-	-
Unsecured liabilities	4,876,511	1,422,460	2,829,280	870,179
Other cash inflows	14,468,523	12,373,011	14,468,523	12,373,011
Total Cash Inflows	19,345,034	13,795,471	17,297,803	13,243,190
			Values to which the upper limit is applied	
Total High Quality Liquid Assets Inventory			11,869,109	6,259,747
Total Net Cash Outflows			10,689,056	3,463,366
Liquidity Coverage Ratio (%)			111.04	180.74

(*) Simple arithmetic average of the last 3 months data calculated by using monthly simple arithmetic averages.

Information on liquidity coverage ratio:

The amount of high quality liquid assets, distribution of deposits based on segment, maturity types of borrowings and the share of revolving loans in loan portfolio can be considered as the most important factors affecting liquidity coverage ratio.

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VII. Explanations Related to Consolidated Liquidity Risk (continued)

Liquidity Coverage Ratio (continued)

High quality liquid assets in order of their priority consist of the time accounts, bond portfolio, reserve deposit and cash. Funding sources consists of corporate customer deposits, real person deposits, borrowings and SME deposit accounts which are weighted by ratios used in Liquidity Coverage Ratio reporting considering their maturity types. Due to amount differences between buy and sell transactions, derivative products effects more FC Liquidity Coverage Ratio rather than the total. Besides, cash outflows due to withdrawal of the collaterals securing derivatives and market valuation changes on derivative transactions are considered in calculations.

There are concentration limits on funding sources approved by Board of Directors. Diversification of funding base of deposits, funding from Group, borrowing, repo and other long term liabilities; and funding limits by product type are monitored and reported.

Liquidity management of consolidated subsidiaries are managed by individual legal entities. Although liquidity coverage ratio is reported on a consolidated basis, there is no centralized liquidity management system. Finally, there is no other significant cash inflow or outflow item which are not required by section 2 of communiqué.

Consolidated Liquidity Coverage Ratio for the last three months are presented below:

	Current Period	
	TL+FC	FC
October 2015	91.60	211.19
November 2015	87.55	213.50
December 2015	81.85	234.11

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VII. Explanations Related to Consolidated Liquidity Risk (continued)

Presentation of assets and liabilities according to their remaining maturities:

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Undistributed (*)	Total
Assets								
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	1,661,863	8,254,065	-	-	-	-	-	9,915,928
Banks	388,891	948,524	37	-	-	-	-	1,337,452
Financial Assets at Fair Value Through Profit and Loss	-	78,064	83,203	242,297	252,450	43,931	-	699,945
Money Market Placements	-	206	-	-	-	-	-	206
Available-For-Sale Financial Assets	96,694	83,014	183,233	1,278,002	1,957,868	531,813	-	4,130,624
Loans (**)	-	15,823,604	2,918,770	8,756,184	18,830,796	6,566,568	403,180	53,299,102
Factoring Receivables	-	512,887	514,329	168,895	-	-	12,212	1,208,323
Held-To-Maturity Investments	-	-	-	-	211,464	127,953	-	339,417
Other Assets	-	4,115	507	40,611	18,586	-	2,217,672	2,281,491
Total Assets	2,147,448	25,704,479	3,700,079	10,485,989	21,271,164	7,270,265	2,633,064	73,212,488
Liabilities								
Bank Deposits	1,078	107,735	5,744	-	-	-	-	114,557
Other Deposits	6,979,324	27,955,055	8,752,579	565,888	10,215	14	-	44,263,075
Funds Provided From Other Financial Institutions	-	2,767,654	3,078,662	6,454,408	618,764	1,755,841	-	14,675,329
Money Market Borrowings	-	2,413,098	-	-	-	-	-	2,413,098
Marketable Securities Issued	-	193,517	77,146	-	-	-	-	270,663
Sundry Creditors	3,262	1,287,992	88	48	-	-	4,593	1,295,983
Factoring Payables	-	15,356	-	-	-	-	-	15,356
Other Liabilities	-	1,442,739	198,078	208,962	129,357	4,106	8,181,185	10,164,427
Total Liabilities	6,983,664	36,183,146	12,112,297	7,229,306	758,336	1,759,961	8,185,778	73,212,488
Liquidity Gap	(4,836,216)	(10,478,667)	(8,412,218)	3,256,683	20,512,828	5,510,304	(5,552,714)	-
Net Off-Balance Sheet Position	-	(64,709)	(65,485)	76,034	57,294	3,941	-	7,075
Financial Derivative Assets	-	10,299,489	8,555,776	13,722,793	6,845,046	603,145	-	40,026,249
Financial Derivative Liabilities	-	10,364,198	8,621,261	13,646,759	6,787,752	599,204	-	40,019,174
Non-Cash Loans	4,663,871	769,946	1,278,432	4,287,456	3,499,116	-	-	14,498,821
Prior Period								
Total Assets	2,366,123	22,404,283	3,962,471	9,177,887	18,758,779	6,341,590	2,680,729	65,691,862
Total Liabilities	5,977,963	35,553,779	9,818,897	4,614,502	975,146	1,556,008	7,195,567	65,691,862
Liquidity Gap	(3,611,840)	(13,149,496)	(5,856,426)	4,563,385	17,783,633	4,785,582	(4,514,838)	-
Net Off-Balance Sheet Position	-	6,240	50,704	104,218	12,364	171	-	173,697
Financial Derivative Assets	-	11,391,478	6,328,794	10,367,312	9,032,603	290,979	-	37,411,166
Financial Derivative Liabilities	-	11,385,238	6,278,090	10,263,094	9,020,239	290,808	-	37,237,469
Non-Cash Loans	4,337,787	678,733	1,089,193	3,547,423	2,446,499	-	-	12,099,635

(*) The assets which are necessary to provide banking services and could not be liquidated in a short term, such as tangible assets, investments in subsidiaries and associates, office supply inventory, prepaid expenses and non-performing loans, are classified as under undistributed.

(**) Revolving loans amounting to TL8,779,628 are included in "Up to 1 Month" while mark to market differences from terminated hedged loans amounting to TL282, TL846 and TL785 are included in "Up to 1 Month", "1-3 Months" and "3-12 Months" respectively. (31 December 2014: TL6,077 are included in "1-5 Year".)

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VII. Explanations Related to Consolidated Liquidity Risk (continued)

Analysis of financial liabilities by remaining contractual maturities:

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years and Over	5 Years and Over	Adjustments	Total
As of 31 December 2015,								
Money Market Borrowings	-	2,415,925	-	-	-	-	(2,827)	2,413,098
Deposit	6,979,324	28,035,778	8,866,609	581,856	10,721	16	(211,229)	44,263,075
Bank Deposit	1,078	107,788	5,765	-	-	-	(74)	114,557
Funds provided from other financial institutions	-	2,838,179	3,104,129	6,759,002	938,462	2,018,428	(982,871)	14,675,329
Total	6,980,402	33,397,670	11,976,503	7,340,858	949,183	2,018,444	(1,197,001)	61,466,059
As of 31 December 2014,								
Money Market Borrowings	-	1,797,283	-	-	-	-	(1,185)	1,796,098
Deposit	5,932,632	27,912,117	4,929,278	285,773	138,130	928	(139,625)	39,059,233
Bank Deposit	40,299	725,679	604,257	2,202	-	-	(620)	1,371,817
Funds provided from other financial institutions	-	2,763,915	3,999,797	3,509,075	735,781	1,797,708	(654,896)	12,151,380
Total	5,972,931	33,198,994	9,533,332	3,797,050	873,911	1,798,636	(796,326)	54,378,528

Analysis of contractual expiry by maturity of the Parent Bank’s derivative financial instruments:

	Up to 1 Month	1-3 Month	3-12 Month	1-5 Year	5 Year and Over	Total
As of 31 December 2015,						
Derivative financial instruments for hedging purposes						
Fair value hedge	-	-	-	-	-	-
Cash flow hedge	87,433	2,329,741	972,135	1,419,073	-	4,808,382
Held for trading transactions						
Foreign exchange forward contracts-sell	996,674	1,314,266	1,735,437	867,762	22,292	4,936,431
Currency swaps-sell	7,591,172	4,399,786	4,486,456	2,322,577	369,507	19,169,498
Interest rate swaps-sell	3,266	6,583	22,581	12,910	1,801	47,141
Foreign currency futures-sell	-	-	-	-	-	-
Foreign currency options-sell	1,693,752	1,832,303	2,975,503	66,555	-	6,568,113
Total	10,372,297	9,882,679	10,192,112	4,688,877	393,600	35,529,565
As of 31 December 2014,						
Derivative financial instruments for hedging purposes						
Fair value hedge	-	14,542	452,124	225,274	-	691,940
Cash flow hedge	23,264	99,107	365,013	543,056	68	1,030,508
Held for trading transactions						
Foreign exchange forward contracts-sell	1,017,883	1,010,757	1,238,720	761,673	34,250	4,063,283
Currency swaps-sell	7,736,262	2,913,414	3,504,691	2,240,117	117,201	16,511,685
Interest rate swaps-sell	1,226	7,676	156,261	75,159	669	240,991
Foreign currency futures-sell	-	-	-	-	-	-
Foreign currency options-sell	2,604,407	1,993,953	4,179,510	12,714	-	8,790,584
Total	11,383,042	6,039,449	9,896,319	3,857,993	152,188	31,328,991

Table above shows cash outflows of derivative instruments.

Securitization positions:

The Group does not apply securitization as of 31 December 2015 (31 December 2014: None).

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VII. Explanations Related to Consolidated Liquidity Risk (continued)

Credit Risk Mitigation Techniques:

- a) Process of net-offs of balance sheet and off-balance sheet items and net-offs made through policies and Parent Bank’s net-off usage level:

Parent Bank does not perform net-off of balance sheet and off-balance sheet items in credit risk mitigation.

- b) Applications regarding valuation and management of collaterals:

Monetary collaterals are valued at fair value as of reporting date, and are included in the risk mitigation process. Mortgages’ legal validity is sustained by mortgage’s timely and fair approval. Changes considered important in market conditions are monitored.

- c) Types of collaterals received:

In terms of credit risk mitigation, the Parent bank uses cash, government and treasury bonds, fund, gold, bank guarantee, stock and derivatives as main collateral type. Mortgages on dwelling and commercial real estate reported under different risk class are other main types of collaterals.

- d) Main Guarantor and credit derivatives’ counter party and their credit valuableness:

Guarantor entity’s credit risk value is to be considered in credit risk mitigation process in cases where Parent bank credit customers obtained guarantee from other entities.

- e) Information on Credit mitigation in market or credit risk concentration:

Parent Bank mostly prefers cash, securities such as government and Treasury bond for collateral which have low market and credit risk mitigation risk.

- f) Collaterals in terms of Risk Categories:

Current Period

Exposure classifications	Amount	Financial Collaterals	Other/Physical Collaterals	Guarantees and Credit Derivatives
Conditional and unconditional receivables from central governments or central banks	372,085	-	-	-
Conditional and unconditional receivables from regional or local governments	68,332	37,336	-	-
Conditional and unconditional receivables from administrative units and non-commercial enterprises	-	-	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	1,767,211	86,072	-	-
Conditional and unconditional corporate receivables	25,472,436	1,224,233	-	-
Conditional and unconditional retail receivables	16,392,312	466,671	-	-
Conditional and unconditional secured mortgage Receivables	4,912,427	-	-	-
Past due receivables	420,519	382	-	-
Receivables in high risk category defined by BRSA	7,599,809	-	-	-
Securities collateralized by mortgages	-	-	-	-
Securitization positions	-	-	-	-
Short-term receivables from banks, stockbrokers and corporate	-	-	-	-
Investments of natured collective investment enterprise	-	-	-	-
Other receivables	933,987	-	-	-
Total	57,939,118	1,814,694	-	-

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VII. Explanations Related to Consolidated Liquidity Risk (continued)

Credit Risk Mitigation Techniques: (continued)

Prior Period

Exposure classifications	Amount	Financial Collaterals	Other/Physical Collaterals	Guarantees and Credit Derivatives
Conditional and unconditional receivables from central governments or central banks	522,411	-	-	-
Conditional and unconditional receivables from regional or local governments	69,224	35,494	-	-
Conditional and unconditional receivables from administrative units and non-commercial enterprises	2	-	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	1,797,699	95,365	-	-
Conditional and unconditional corporate receivables	22,008,952	1,171,642	-	-
Conditional and unconditional retail receivables	15,260,390	461,735	-	-
Conditional and unconditional secured mortgage receivables	2,924,110	-	-	-
Past due receivables	462,054	364	-	-
Receivables in high risk category defined by BRSA	7,731,007	-	-	-
Securities collateralized by mortgages	-	-	-	-
Securitization positions	-	-	-	-
Short-term receivables from banks, stockbrokers and corporate	-	-	-	-
Investments of natured collective investment enterprise	-	-	-	-
Other receivables	1,167,517	58	-	-
Total	51,943,366	1,764,658	-	-

Risk management objectives and policies

a) Strategies and practices on risk management:

The objective of the Risk Management system is to provide that the risks that are derived from the bank’s activities are defined, measured, monitored and controlled through policies, procedures and limits established.

Risk Management functions of the Parent Bank and all of its subsidiaries have been gathered under the Risk Management Group. Group Risk Management reports to the Boards of Directors of TEB through the Audit Committee within the Bank and is responsible for fulfilling its duties of general supervision, notification and recommendation on behalf of the Boards of Directors in line with the principles laid down in this Regulation.

Risk policies and the procedures related there to contain written standards set by the Board of Directors and the “Senior Management” consisting of General Manager, Assistant General Managers and Chief Risk Officer.

Risk policies and related procedures are prepared in compliance with the Banking Law, external legislation and general banking practices and presented to the Senior Management / Board of Directors for approval.

It is the principal duty of all managers of Parent Bank to provide compliance with risk policies containing the criteria required for each unit and to provide that TEB Group risk culture is adopted by all employees.

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VII. Explanations Related to Consolidated Liquidity Risk (continued)

Risk management objectives and policies (continued)

b) Risk management system’s structure and organization:

Risk management operations consist of risk measurement, monitoring of risks, control of risks and reporting operations. Risk management operations are conducted by group risk management and personnel.

Group risk management head reports to the Board of Directors via Audit Committee.

c) Risk reporting and measurement systems’ scope and qualification:

In order to ensure that the results of risk measurement and monitoring are regularly and timely reported to the Board of Directors and to the Senior Management, realization of the following shall be monitored:

- The risks of the Parent Bank are reported in a detailed and reliable manner to the Board of Directors, to the Audit Committee, to the Senior Management, to the auditors, to the banking authorities, to the rating organizations and finally to the public; and more generally, to keep relations with legal authorities, supervisory and rating organizations in matters related to risk management.
- The quantifiable risks are kept within prescribed limits; excesses are identified, stress tests and scenario analyses are performed to evaluate the effect of unexpected market conditions on basic activities and the results are reported to the Board of Directors or to the Senior Management timely and regularly.
- Data on positions and prices is monitored, risk balances are monitored, excesses are identified and monitored, various scenario analyses are performed, value at risk amounts are determined and reported, coordination with other activity fields and units is ensured,
- Daily reports from risk measurement models used by the Parent Bank are generated, these reports are analyzed, it’s ensured that quantifiable risks comply with prescribed limits and the conformity with the limits is monitored,
- Limits defined for each risk on unit/organization basis are aggregated and monitored on a consolidated basis.

The Group Risk Management follows the consequences of the results of risk measurement and monitoring and submits them to the Board of Directors either directly or through the Audit Committee.

i. Credit Risk

The Parent Bank has internal rating models for corporate and SME segments. Application and Behavioral score cards are used for entity and individual segments.

ii. Market Risk

For FX position, limits in different breakdowns are determined by Board of Directors and option operations are considered with delta conjugates.

In regular analysis, net interest income effects originating from interest rates changes are calculated for all interest rates sensitive products and the results are monitored in limits determined by Board of Directors. The shocks which are given to interest rates are changes by each currency and in linear scenario analysis, not only linear but also sudden shocks are evaluated. These analyses may be performed for both current and targeted financial figures.

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VII. Explanations Related to Consolidated Liquidity Risk (continued)

Risk management objectives and policies (continued)

c) Risk reporting and measurement systems’ scope and qualification: (continued)

ii. Market Risk (continued)

According to economic cost approach, changes in market interest rates may affect the Parent Bank’s assets, liabilities and off balance sheet items values. The Parent Bank’s economic value’s sensitivity to interest rate is an important issue for stockholders, management and auditors.

Economic value of a product is net present value that is calculated by discounting expected cash flow.

Economic value of the Parent Bank is the net present value of the cash flows that is subtracting expected cash flows of liabilities from net present value of assets and adding off balance sheet items expected cash flows. Economic value approach represents Bank’s value’s sensitivity to interest rate fluctuations.

Market value of equity is defined as the difference between the market value of assets and liabilities. The Board of Directors predefines a limit for market value of equity; shock method is applied to all items to be able to see equity’s influence on market value. Shocks applied may vary based on currencies.

As Economical Value approach considers effects of interest rate changes on all future cash flows, it enables to comprehensively understand effects of interest rate changes in the long run.

In addition to these analyses, Group Risk Management, based on current position, conducts stress testing to be able to predict possible losses as a consequence of exceptional fluctuations. Stress testings prepared by BNP Paribas and TEB Group Risk Management measure the sensitivity created as a result of market price changes based on scenarios. Scenario analysis both on historical and hypothetical basis are conducted.

Scenario analysis is applied both to currency and interest rates to be able to understand the effects on current portfolio.

Other than scenario analysis, various stress testings are applied to current portfolio; motive behind which is to see the effects of prior events on current position.

Nominal amount limits defined for bond portfolio, VAR (value at risk) limit for trading portfolio, and PV01 limits set for tracking interest rate risk are calculated daily, tracked and reported to the management. Both interest rate and liquidity gap calculations are made for each item of the balance sheet. For both calculations, as product based cash flows are formed, repricing, maturity and product based acceptances are also considered.

Monthly reports are prepared for Market and Liquidity Risk Committees. Reports include end of the day positions, monthly/annual cumulative profit/loss balances and some positions taken in that month.

All limit and risk positions are represented to Audit Committee and to The Board of Directors.

d) Procedures on risk management and risk mitigation policies with regular control of their effectiveness:

The Parent Bank maintains legal validations of collaterals are used for credit risk mitigation and complies with operational standards which are required for capital adequacy regulation. Market values of collaterals are regularly updated. All physical collaterals are insured. Collateral deficiency in amount or quality is determined by monitoring system and actions are taken by related groups.

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VII. Explanations Related to Consolidated Liquidity Risk (continued)

Information on the leverage ratio

a) Information on issues that cause differences between current period and previous period leverage ratios:

In 2015, there is an increase in cash and non-cash loan portfolio, due from banks and reserve deposit accounts. There is no significant change in leverage ratio since core capital got stronger. The increase in the asset size has been offset by retaining the profit for the period within the bank.

b) Summary comparison table of the total risk amount and the total asset amount in the financial statements prepared as per TAS:

	Prior Period(**)	Current Period(**)
Total asset amount in the consolidated financial statements prepared as per TAS(*)	64,587,747	74,393,093
The difference between the total asset amount in the consolidated financial statements prepared as per TAS and the asset amount in the consolidated financial statements prepared as per the <i>Communiqué on the Preparation of the Consolidated Financial Statements of Banks</i>	443,937	505,032
The difference between the derivative financial instruments and the loan derivatives amount in the consolidated financial statements prepared as per the <i>Communiqué on the Preparation of the Consolidated Financial Statements of Banks</i> and the risk amounts	449,836	490,775
The difference between the financial transactions with securities or goods warranty amounts in the consolidated financial statements prepared as per the <i>Communiqué on the Preparation of the Consolidated Financial Statements of Banks</i> and the risk amounts	-	-
The difference between the off-the-balance sheet transactions amount in the consolidated financial statements prepared as per the <i>Communiqué on the Preparation of the Consolidated Financial Statements of Banks</i> and the risk amounts	26,623,643	28,719,146
Other differences between the amount in the consolidated financial statements prepared as per the <i>Communiqué on the Preparation of the Consolidated Financial Statements of Banks</i> and the risk amounts	(535,903)	(535,087)
Total risk amount	91,569,260	103,572,959

(*) Consolidated financial statements prepared as per the sixth paragraph of Article 5 of the *Communiqué on the Preparation of the Consolidated Financial Statements of Banks*.

(**) The quarterly average of the amounts in the table is calculated.

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VII. Explanations Related to Consolidated Liquidity (continued)

Information on the leverage ratio (continued)

c) Leverage Ratio:

	Prior Period(*)	Current Period(*)
Assets On the Balance Sheet		
Assets on the balance sheet (excluding derivative financial instruments and loan derivatives, including collaterals)	64,544,839	74,287,673
(Assets deducted from core capital)	(535,903)	(535,087)
Total risk amount for assets on the balance sheet	64,008,936	73,752,586
Derivative Financial Instruments and Loan Derivatives		
Renewal cost of derivative financial instruments and loan derivatives	486,845	610,452
Potential credit risk amount of derivative financial instruments and loan derivatives	449,836	490,775
Total risk amount of derivative financial instruments and loan derivatives	936,681	1,101,227
Financing Transactions With Securities Or Goods Warranties		
Risk amount of financial transactions with securities or goods warranties (excluding those in the balance sheet)	-	-
Risk amount arising from intermediated transactions	-	-
Total risk amount of financing transactions with securities or goods warranties	-	-
Off-the-Balance Sheet Transactions		
Gross nominal amount of the off-the-balance sheet transactions	26,623,643	28,719,146
Adjustment amount arising from multiplying by the credit conversion rate	-	-
Total risk amount for off-the-balance sheet transactions	26,623,643	28,719,146
Capital and Total Risk		
Core capital	5,845,049	6,583,437
Total risk amount	91,569,260	103,572,959
Leverage Ratio		
Leverage ratio	6.38%	6.36%

(*) The quarterly average of the amounts in the table is calculated.

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VIII. Explanations Related to Presentation of Financial Assets and Liabilities at Fair Value

	Book Value		Fair Value	
	Current Period	Prior Period	Current Period	Prior Period
Financial Assets	60,315,124	54,203,097	60,454,739	54,292,137
Money Market Placements	206	550,207	206	550,207
Banks	1,337,452	1,005,149	1,337,452	1,005,149
Available-For-Sale Financial Assets	4,130,624	4,488,271	4,130,624	4,488,271
Held-To-Maturity Investments	339,417	317,360	344,096	341,671
Loans(**)	54,507,425	47,842,110	54,642,361	47,906,839
Financial Liabilities	63,032,705	56,505,014	63,254,472	56,490,894
Bank Deposit	114,557	1,371,817	114,557	1,371,888
Other Deposit	44,263,075	39,059,233	44,484,842	39,064,041
Funds Borrowed From Other Financial (*)	17,088,427	13,947,478	17,088,427	13,947,489
Marketable Securities Issued	270,663	991,583	270,663	972,573
Sundry Creditors	1,295,983	1,134,903	1,295,983	1,134,903

(*) Funds provided under repo transactions and subordinated loans are included in funds borrowed from other financial institutions.

(**) Factoring receivables are included in loans.

The table above shows the book value and the fair value of the financial assets and liabilities which are not disclosed at their fair value in the financial statements of the Bank.

Current period investment securities are comprised of interest-bearing assets held-to-maturity and interest-bearing assets available-for-sale. The fair value of the held to maturity assets is determined by market prices or quoted market prices of other marketable securities which are subject to redemption with same characteristics in terms of interest, maturity and other similar conditions when market prices cannot be determined.

The book value of demand deposits, money market placements with floating interest rate and overnight deposits represents their fair values due to their short-term nature. The estimated fair value of deposits and funds provided from other financial institutions with fixed interest rate is calculated by determining their cash flows discounted by the current interest rates used for other liabilities with similar characteristics and maturity structure. The fair value of loans is calculated by determining the cash flows discounted by the current interest rates used for receivables with similar characteristics and maturity structure. The book value of the sundry creditors reflects their fair values since they are short-term.

The fair values of financial assets and financial liabilities are determined 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 inputs other than quoted prices included within Level 1, that are observable either directly or indirectly in the market.
- Level 3: The fair value of the financial assets and financial liabilities where there is no observable market data.

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VIII. Explanations Related to Presentation of Financial Assets and Liabilities at Fair Value (continued)

The following table shows an analysis of financial instruments recorded at fair value, between those whose fair value is recorded on quoted market prices, those involving valuation techniques where all model inputs are observable in the market and, those where the valuation techniques involves the use of non-observable inputs.

31 December 2015	Level 1	Level 2	Level 3	Total
Financial Assets	4,230,120	571,290	75,043	4,876,453
Financial assets at fair value through profit and loss	205,828	494,117	-	699,945
<i>Public sector debt securities</i>	205,828	-	-	205,828
<i>Derivative financial assets held for trading</i>	-	494,117	-	494,117
Derivative financial assets for hedging purposes	-	58,309	-	58,309
Available-for-sale financial assets	4,024,292	18,864	75,043	4,118,199
<i>Public sector debt securities</i>	4,024,292	9,638	-	4,033,930
<i>Other available-for-sale financial assets(*)</i>	-	9,226	75,043	84,269
Financial Liabilities	-	678,613	-	678,613
Derivative financial liabilities held for trading	-	519,397	-	519,397
Derivative financial liabilities for hedging purposes	-	159,216	-	159,216
31 December 2014	Level 1	Level 2	Level 3	Total
Financial Assets	4,549,789	675,113	-	5,224,902
Financial assets at fair value through profit and loss	90,434	597,302	-	687,736
<i>Public sector debt securities</i>	90,434	-	-	90,434
<i>Derivative financial assets held for trading</i>	-	597,302	-	597,302
Derivative financial assets for hedging purposes	-	60,800	-	60,800
Available-for-sale financial assets	4,459,355	17,011	-	4,476,366
<i>Public sector debt securities</i>	4,392,990	7,785	-	4,400,775
<i>Other available-for-sale financial assets(*)</i>	66,365	9,226	-	75,591
Financial Liabilities	-	762,528	-	762,528
Derivative financial liabilities held for trading	-	448,658	-	448,658
Derivative financial liabilities for hedging purposes	-	313,870	-	313,870

(*) All unquoted share certificates of TL12,425 which are recorded at fair value and at cost since its fair value cannot be reliably estimated are not included. (31 December 2014: TL11,905).

There is no transition between the levels in the current year.

IX. Explanations Related to Transactions Carried out on Behalf of Other Parties and Fiduciary Assets

The Group performs trading transactions on behalf of customers, and gives custody, administration and consultancy services.

The Group does not deal with fiduciary transactions.

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SECTION FIVE

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS

I. Explanations and Disclosures Related to the Consolidated Assets

1.a) Information on Cash and Balances with the Central Bank of Turkey:

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL/Foreign Currency	371,908	399,615	329,518	437,126
Balances with the Central Bank of Turkey	830,399	8,254,065	532,270	7,134,100
Other	-	59,941	-	33,915
Total	1,202,307	8,713,621	861,788	7,605,141

b) Information related to the account of the Central Bank of Turkey:

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted demand deposit	830,399	-	532,270	-
Unrestricted time deposit	-	935,820	-	661,489
Restricted time deposit	-	7,318,245	-	6,472,611
Total	830,399	8,254,065	532,270	7,134,100

Foreign currency unrestricted deposit amounting to TL935,820 (31 December 2014: TL661,489), foreign currency restricted deposit amounting to TL7,318,245 (31 December 2014: TL6,472,611) and unrestricted deposit balance amounting to TL830,399 (31 December 2014: TL532,270) comprises of reserve deposits. As of 31 December 2015, the Turkish lira required reserve ratios are determined to be within the range of 5%-11.50% depending on the maturity structure of deposits denominated in Turkish lira (31 December 2014: 5%-11.50% for all Turkish lira liabilities), and the required reserve ratios for foreign currency deposits and other liabilities within the range of 5%-25% (31 December 2014: 6%-13% for all foreign currency liabilities).

2. Information on financial assets at fair value through profit and loss (net):

a.1) Information on financial assets at fair value through profit and loss given as collateral or blocked: None (31 December 2014: None).

a.2) Financial assets at fair value through profit and loss subject to repurchase agreements: None.

Net book value of unrestricted financial assets at fair value through profit and loss is TL205,828 (31 December 2014: TL90,434).

a.3) Positive differences related to derivative financial assets held-for-trading:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	107,066	13,265	49,328	7,934
Swap Transactions	238,210	62,956	388,667	52,559
Futures Transactions	-	-	-	-
Options	59,215	13,405	73,940	24,874
Other	-	-	-	-
Total	404,491	89,626	511,935	85,367

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I. Explanations and Disclosures Related to the Consolidated Assets (continued)

3. Information on banks:

a) Information on banks :

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic	586,753	281,689	545,021	59,573
Foreign	34,295	434,715	50,882	349,673
Branches and head office abroad	-	-	-	-
Total	621,048	716,404	595,903	409,246

b) Information on foreign banks:

	Unrestricted Amount		Restricted Amount	
	Current Period	Prior Period	Current Period	Prior Period
EU Countries	294,308	193,379	-	-
USA and Canada	23,878	94,122	-	-
OECD Countries(*)	8,638	4,832	-	-
Off-Shore Banking Regions	127,136	104,274	-	-
Other	15,050	3,948	-	-
Total	469,010	400,555	-	-

(*) OECD countries other than the EU countries, USA and Canada.

4. Information on financial assets available-for-sale:

a) a.1) Information on financial assets available-for-sale given as collateral or blocked:

	Current Period		Prior Period	
	TL	FC	TL	FC
Share certificates	-	-	-	-
Bond, Treasury bill and similar investment securities	403,320	-	391,750	-
Other	-	-	-	-
Total	403,320	-	391,750	-

a.2) Financial assets available-for-sale subject to repurchase agreements:

	Current Period		Prior Period	
	TL	FC	TL	FC
Government bonds	2,395,729	-	1,761,323	-
Treasury bills	-	-	-	-
Other public sector debt securities	-	-	-	-
Bank bonds and bank guaranteed bonds	-	-	-	-
Asset backed securities	-	-	-	-
Other	-	-	-	-
Total	2,395,729	-	1,761,323	-

Net book value of debt securities and share certificates in unrestricted financial assets available-for-sale is TL1,331,575 (31 December 2014: TL2,335,198).

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I. Explanations and Disclosures Related to the Consolidated Assets (continued)

4. Information on financial assets available-for-sale: (continued)

b) Information on financial assets available for sale portfolio:

	Current Period	Prior Period
Debt securities	4,033,930	4,467,140
Quoted on a stock exchange	4,033,930	4,467,140
Not quoted	-	-
Share certificates	96,694	21,131
Quoted on a stock exchange	-	-
Not quoted	96,694	21,131
Impairment provision (-)	-	-
Total	4,130,624	4,488,271

All unquoted available for sale equities of the Group are recorded at fair value except for the investment of TL12,425 which is recorded at cost since its fair value cannot be reliably estimated (31 December 2014: TL11,905).

5. Information on loans:

a) Information on all types of loans and advances given to shareholders and employees of the Bank:

	Current Period		Prior Period	
	Cash Loans	Non-Cash Loans	Cash Loans	Non-Cash Loans
Direct loans granted to shareholders	1,255	300,347	64,387	175,997
Corporate shareholders	1,255	300,347	63,843	175,997
Real person shareholders	-	-	544	-
Indirect loans granted to shareholders	-	-	-	-
Loans granted to employees	65,773	-	60,593	-
Total	67,028	300,347	124,980	175,997

b) Information on the first and second group loans and other receivables including restructured or rescheduled loans:

	Standard Loans and Other Receivables			Loans and Other Receivables Under Close Monitoring (*)			
	Cash Loans	Loans and Other Receivables (Total)	Restructured or Rescheduled	Other	Loans and Other Receivables (Total)	Restructured or Rescheduled	Other
Non-specialized loans		50,591,626	360,314	-	2,304,296	660,837	-
Working Capital Loans		-	-	-	-	-	-
Export loans		4,741,079	11,382	-	37,885	6,982	-
Import loans		-	-	-	-	-	-
Loans given to financial sector		875,218	-	-	-	-	-
Consumer loans (**)		12,516,249	56,573	-	605,750	22,628	-
Credit cards		2,685,186	17,246	-	147,689	26,957	-
Other		29,773,894	275,113	-	1,512,972	604,270	-
Specialized loans		-	-	-	-	-	-
Other receivables		-	-	-	-	-	-
Total		50,591,626	360,314	-	2,304,296	660,837	-

(*) The total principal amount of the loans under close monitoring, in accordance with the requirements of the regulation on “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves”.

(**) TL1,913 income accrual resulting from the fair value difference of the hedged item loans is included in the loan balance.

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5. Information on loans: (continued)

- b) Information on the first and second group loans and other receivables including restructured or rescheduled loans: (continued)

Number of extensions	Performing Loans and Other Receivables (*)	Loans and Other Receivables under Follow-up (*)
1 or 2 times	355,395	659,056
3, 4 or 5 times	2,894	884
Over 5 times	2,025	897
Total	360,314	660,837

Extension Periods	Performing Loans and Other Receivables (*)	Loans and Other Receivables under Follow-up(*)
0-6 months	301,345	563,775
6-12 months	20,283	32,711
1-2 years	13,433	30,481
2-5 years	21,174	27,396
5 years and over	4,079	6,474
Total	360,314	660,837

(*) Amounts indicated in tables above was calculated based on criteria stated in "Specific and general allowances for loan and other receivables classified in accordance with the Regulation on Identification of and Provision against Non-Performing Loans and Other Receivables" published on the Official Gazette no. 27947 dated 28 May 2011 5th paragraph of the provisional Article 4a.

- c) Loans and other receivables according to their maturity structure:

	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	Loans and Other Receivables	Restructured or Rescheduled	Loans and Other Receivables	Restructured or Rescheduled
Cash Loans				
Short-term loans and other receivables	21,915,804	136,694	804,785	164,845
Non-specialized loans	21,829,535	136,694	804,785	164,845
Specialized loans	-	-	-	-
Other Receivables	86,269	-	-	-
Medium and long-term loans and other receivables	28,675,822	223,620	1,499,511	495,992
Non-specialized loans	28,675,822	223,620	1,499,511	495,992
Specialized loans	-	-	-	-
Other Receivables	-	-	-	-
Total	50,591,626	360,314	2,304,296	660,837

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5. Information on loans: (continued)

d) Information on consumer loans, individual credit cards, personnel loans and credit cards given to personnel:

	Short Term	Medium and Long Term	Total
Consumer Loans-TL	197,783	12,405,515	12,603,298
Housing Loans	5,060	7,778,827	7,783,887
Vehicle Loans	5,186	445,329	450,515
General Purpose Loans	187,537	4,181,359	4,368,896
Other	-	-	-
Consumer Loans –Indexed to FC	-	28,542	28,542
Housing Loans	-	27,266	27,266
Vehicle Loans	-	-	-
General Purpose Loans	-	1,276	1,276
Other	-	-	-
Consumer Loans-FC (**)	-	29,952	29,952
Housing Loans	-	8,386	8,386
Vehicle Loans	-	7,690	7,690
General Purpose Loans	-	13,876	13,876
Other	-	-	-
Individual Credit Cards-TL	1,848,888	-	1,848,888
With Installments	614,727	-	614,727
Without Installments	1,234,161	-	1,234,161
Individual Credit Cards-FC	7,984	-	7,984
With Installments	1,127	-	1,127
Without Installments	6,857	-	6,857
Personnel Loans-TL	5,004	31,855	36,859
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	5,004	31,855	36,859
Other	-	-	-
Personnel Loans- Indexed to FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	23,634	-	23,634
With Installments	8,571	-	8,571
Without Installments	15,063	-	15,063
Personnel Credit Cards-FC	340	-	340
With Installments	60	-	60
Without Installments	280	-	280
Overdraft Accounts-TL(Real Persons) (*)	422,367	-	422,367
Overdraft Accounts-FC(Real Persons)	981	-	981
Total	2,506,981	12,495,864	15,002,845

(*) Overdraft accounts include personnel loans amounting to TL4,940.

(**) Loans granted via branches abroad.

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5. Information on loans: (continued)

e) Information on commercial loans with installments and corporate credit cards:

	Short Term	Medium and Long Term	Total
Commercial loans with installment facility-TL	586,202	8,402,979	8,989,181
Business Loans	1,441	351,968	353,409
Vehicle Loans	33,236	1,019,155	1,052,391
General Purpose Loans	551,525	7,031,856	7,583,381
Other	-	-	-
Commercial loans with installment facility - Indexed to FC	23,115	605,748	628,863
Business Loans	-	23,844	23,844
Vehicle Loans	3,581	173,106	176,687
General Purpose Loans	19,534	408,798	428,332
Other	-	-	-
Commercial loans with installment facility –FC	14	-	14
Business Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	14	-	14
Other	-	-	-
Corporate Credit Cards-TL	949,937	-	949,937
With Installments	258,678	-	258,678
Without Installments	691,259	-	691,259
Corporate Credit Cards-FC	2,092	-	2,092
With Installments	-	-	-
Without Installments	2,092	-	2,092
Overdraft Accounts-TL(Legal Entities)	1,326,467	-	1,326,467
Overdraft Accounts-FC(Legal Entities)	72	-	72
Total	2,887,899	9,008,727	11,896,626

f) Allocation of loans by customers:

	Current Period	Prior Period
Public sector	492,540	533,265
Private sector	52,403,382	45,572,397
Total	52,895,922	46,105,662

g) Domestic and foreign loans:

	Current Period	Prior Period
Domestic Loans	52,285,880	45,433,238
Foreign Loans	610,042	672,424
Total	52,895,922	46,105,662

h) Loans granted to subsidiaries and associates:

Eliminated in consolidated financial statements.

i) Specific provisions provided against loans:

	Current Period	Prior Period
Loans and receivables with limited collectability	24,038	30,950
Loans and receivables with doubtful collectability	88,327	117,053
Uncollectible loans and receivables	716,982	655,005
Total	829,347	803,008

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I. Explanations and Disclosures Related to the Consolidated Assets (continued)

5. Information on loans: (continued)

j) Information on non-performing loans (Net):

j.1) Information on loans and other receivables included in non-performing loans which are restructured or reschedule:

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectable loans and receivables
Current Period			
(Gross amount before specific provisions)			
Non-performing loans and receivables which are restructured	-	-	-
Non-performing loans and receivables which are rescheduled	17,210	11,015	9,271
Prior period			
(Gross amount before specific provisions)			
Non-performing loans and receivables which are restructured	-	-	-
Non-performing loans and receivables which are rescheduled	18,258	10,121	3,140

j.2) The movement of non-performing loans:

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectable loans and receivables
Prior period end balance	182,224	268,489	755,821
Additions (+)	1,092,554	29,860	18,059
Transfers from other categories of non-performing loans (+)	-	992,799	947,100
Transfers to other categories of non-performing loans (-) (**)	1,001,375	947,476	137
Collections (-) (***)	134,367	151,138	295,628
Write-offs (-) (*)	127	24	524,107
Corporate and commercial loans	-	-	153,587
Retail loans	125	22	239,530
Credit cards	2	2	130,990
Other	-	-	-
Current period end balance	138,909	192,510	901,108
Specific provision (-)	24,038	88,327	716,982
Net Balances on Balance Sheet	114,871	104,183	184,126

(*) Past due receivables portfolio amounting to TL250,007 for which TL249,854 provision and TL14,225 for which TL14,225 provision had been allocated is sold to TURKASSET Varlık Yönetim A.Ş. respectively for TL29,800 at 26 March 2015 and TL2,850 at 23 June 2015. Also, amounting to TL215,335 for which TL215,331 provision and TL41,823 for which TL41,823 provision had been allocated is sold to Final Varlık Yönetim A.Ş. respectively for TL27,310 at 27 October 2015 and TL7,511 at 29 December 2015. After completion of the necessary procedures and collection of the sale price, such past due receivables have been written off from the accounts.

(**) In compliance with the related communique, retail loans amounting to TL9,089 are classified from non-performing loan to performing loan.

(***) The disposed amount in the current period through the sale of “TEB NV” amounting to TL86,123 is presented under V. Group.

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I. Explanations and Disclosures Related to the Consolidated Assets (continued)

5. Information on loans: (continued)

j) Information on non-performing loans (Net): (continued)

j.3) Information on foreign currency non-performing loans and other receivables:

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectable loans and receivables
31 December 2015			
Current period end balance	245	572	25,012
Specific provision (-)	29	85	18,297
Net Balance on Balance Sheet	216	487	6,715
31 December 2014			
Prior period end balance	497	1,974	99,159
Specific provision (-)	49	328	95,122
Net Balance on Balance Sheet	448	1,646	4,037

The foreign currency loans in the table above are stated in TL in the financial statements of the Parent Bank.

j.4) Information regarding gross and net amounts of non-performing loans with respect to user groups:

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current Period (Net)			
Loans to Real Persons and Legal Entities (Gross)	138,909	192,510	901,108
Specific provision (-)	24,038	88,327	716,982
Loans to Real Persons and Legal Entities (Net)	114,871	104,183	184,126
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific provision (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-
Prior Period (Net)			
Loans to Real Persons and Legal Entities (Gross)	182,224	268,489	755,821
Specific provision (-)	30,950	117,053	655,005
Loans to Real Persons and Legal Entities (Net)	151,274	151,436	100,816
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific provision (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-

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I. Explanations and Disclosures Related to the Consolidated Assets (continued)

5. Information on loans: (continued)

k) Main principles of liquidating non-performing loans and receivables:

According to the “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” published on Official Gazette No. 26333 dated 1 November 2006; loans and other receivables for which the collection is believed to be impossible are classified as nonperforming loans by complying with the requirements of the Tax Procedural Law in accordance with the decision of the upper management of the Bank.

l) Explanations on write-off policy:

Unrecoverable non-performing loans can be written off with the decision of the Board of Directors.

m) Other explanations and disclosures:

Current Period	Commercial	Consumer	Credit Cards	Other	Total
Neither past due nor impaired	35,303,922	12,516,249	2,685,186	86,269	50,591,626
Past due not impaired	1,550,857	605,750	147,689	-	2,304,296
Individually impaired	364,590	721,976	145,961	-	1,232,527
Total	37,219,369	13,843,975	2,978,836	86,269	54,128,449
Specific Provision (-)	276,594	458,264	94,489	-	829,347
Total	276,594	458,264	94,489	-	829,347
Total allowance for impairment	36,942,775	13,385,711	2,884,347	86,269	53,299,102

Prior Period	Commercial	Consumer	Credit Cards	Other	Total
Neither past due nor impaired	30,323,337	11,451,372	2,386,647	121,766	44,283,122
Past due not impaired	1,127,792	608,991	85,757	-	1,822,540
Individually impaired	756,261	263,494	186,779	-	1,206,534
Total	32,207,390	12,323,857	2,659,183	121,766	47,312,196
Specific Provision (-)	511,933	162,052	129,023	-	803,008
Total	511,933	162,052	129,023	-	803,008
Total allowance for impairment	31,695,457	12,161,805	2,530,160	121,766	46,509,188

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I. Explanations and Disclosures Related to the Consolidated Assets (continued)

5. Information on loans: (continued)

m) Other explanations and disclosures: (continued)

Based on classification, movement of allowance for loan losses and other receivables is presented as follows;

	Commercial	Consumer	Credit Cards	Total
1 January 2015	511,933	162,052	129,023	803,008
Change for the period	170,166	512,115	126,866	809,147
Recoveries	(75,725)	(64,987)	(30,727)	(171,439)
Amounts written-off(*)	(239,644)	(150,916)	(130,673)	(521,233)
Foreign Currency Differences	(20,110)	-	-	(20,110)
Due to sale of subsidiary	(70,026)	-	-	(70,026)
31 December 2015 Balance	276,594	458,264	94,489	829,347

	Commercial	Consumer	Credit Cards	Total
1 January 2014	396,758	99,643	102,440	598,841
Change for the period	271,406	144,957	101,859	518,222
Recoveries	(65,617)	(54,288)	(26,077)	(145,982)
Amounts written-off(**)	(97,018)	(28,260)	(49,199)	(174,477)
Foreign Currency Differences	6,404	-	-	6,404
31 December 2014 Balance	511,933	162,052	129,023	803,008

(*) Past due receivables portfolio amounting to TL250,007 for which TL249,854 provision and TL14,225 for which TL14,225 provision had been allocated is sold to TURKASSET Varlık Yönetim A.Ş. respectively for TL29,800 at 26 March 2015 and TL2,850 at 23 June 2015. Also, amounting to TL215,335 for which TL215,331 provision and TL41,823 for which TL41,823 provision had been allocated is sold to Final Varlık Yönetim A.Ş. respectively for TL27,310 at 27 October 2015 and TL7,511 at 29 December 2015 After completion of the necessary procedures and collection of the sale price, such past due receivables have been written off from the accounts.

(**) Past due receivables portfolio amounting to TL174,635 for which TL174,477 provision had been allocated is sold to TURKASSET Varlık Yönetim A.Ş. to TL19,800 After completion of the necessary procedures and collection of the sale price on 26 August 2015, such past due receivables have been written off from the accounts.

The fair value of collaterals, capped with the respective outstanding loan balance, that the Bank holds relating to loans individually determined to be impaired at 31 December 2015 is TL318,767 (31 December 2014: TL236,874).

The fair value of collaterals, capped with the respective outstanding loan balance relating to loans individually determined to be impaired:

	Current Period	Prior Period
Mortgage	225,357	176,746
Vehicle	78,774	56,043
Cash	312	201
Other	14,324	3,884
Total	318,767	236,874

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I. Explanations and Disclosures Related to the Consolidated Assets (continued)

5. Information on loans: (continued)

m) Other explanations and disclosures: (continued)

As of 31 December 2015 and 31 December 2014, detail of commodities and properties held for sale related to loan receivables of the Bank is as follows:

31 December 2015	Commercial	Consumer	Total
Residential, commercial or industrial property	66,588	5,247	71,835
Other	39	-	39
Total	66,627	5,247	71,874

31 December 2014	Commercial	Consumer	Total
Residential, commercial or industrial property	72,087	6,988	79,075
Other	391	-	391
Total	72,478	6,988	79,466

Aging analysis of past due but not impaired loans per classes of financial statements is as follows:

31 December 2015	Less than 30 Days	31-60 Days	61-90 Days	Total
Loans and Receivables				
Commercial Loans	938,291	374,515	238,051	1,550,857
Consumer Loans	206,593	272,130	127,027	605,750
Credit Cards	86,142	42,471	19,076	147,689
Total	1,231,026	689,116	384,154	2,304,296

31 December 2014	Less than 30 Days	31-60 Days	61-90 Days	Total
Loans and Receivables				
Commercial Loans	715,205	231,125	181,462	1,127,792
Consumer Loans	275,799	239,728	93,464	608,991
Credit Cards	83,641	107	2,009	85,757
Total	1,074,645	470,960	276,935	1,822,540

Total aggregate amount of gross past due but not yet impaired loans and advances to customers, the fair value of collaterals, capped with the respective outstanding total loan balance of the customer, that the Group held as at TL1,906,005 (31 December 2014 is TL861,640).

The fair value of collaterals, capped with the respective outstanding loan balance relating to those that are past due but not impaired:

	Current Period	Prior Period
Mortgage	536,022	611,346
Vehicle	82,831	117,862
Cash	10,112	14,267
Other	1,277,040	118,165
Total	1,906,005	861,640

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6. Information on held-to-maturity investments:

a) a.1) Held-to-maturity investments subject to repurchase agreements: None (31 December 2014: None).

a.2) Information on held-to-maturity investments given as collateral or blocked:

	Current Period		Prior Period	
	TL	FC	TL	FC
Share Certificates	-	-	-	-
Bond, Treasury bill and similar securities	312,654	-	271,749	-
Other	-	-	-	-
Total	312,654	-	271,749	-

Unrestricted financial assets held-to maturity amounting to TL26,763(31 December 2014: TL45,611).

a.3) Information on held to maturity debt securities:

	Current Period	Prior Period
Government bonds	339,417	317,360
Treasury bills	-	-
Other public sector debt securities	-	-
Total	339,417	317,360

a.4) Information on held to maturity investments:

	Current Period	Prior Period
Debt securities	339,417	317,360
Quoted on a stock exchange	339,417	317,360
Unquoted	-	-
Impairment provision(-)	-	-
Total	339,417	317,360

b) Movement of investments held-to-maturity:

	Current Period	Prior Period
Beginning balance	317,360	292,956
Foreign currency differences on monetary assets	-	-
Purchases during the year (*)	22,057	24,404
Disposals through sales and redemptions	-	-
Impairment provision (-)	-	-
Closing Balance	339,417	317,360

(*) Accruals are included in purchases during the year.

7. Information on associates (Net):

a.1) Information on consolidated associates according to Communiqué on Preparing Banks’ Consolidated Financial Statements and related Turkish Accounting Standard: None (31 December 2014: None).

a.2) Information on the unconsolidated associates: None (31 December 2014: None).

a.3) Information on the consolidated associates: None (31 December 2014: None).

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7. Information on associates (Net): (continued)

- a.4) Valuation of consolidated associates: None (31 December 2014: None).
a.5) Consolidated associates which are quoted on the stock exchange: None (31 December 2014: None).

8. Information on subsidiaries (Net):

- a) Information on shareholders' equity of significant subsidiaries:

There is no necessity of capital that arises from subsidiaries included in parent bank's consolidated capital adequacy standard ratio.

- b) If there is any unconsolidated subsidiary, total equity amount that is lack of subjection to the reasonable justifications of non-consolidate and minimum capital requirements: None (31 December 2014: None).
c) Information on the unconsolidated subsidiaries: None (31 December 2014: None).
d) Information on the consolidated subsidiaries:
d.1) Information on the consolidated subsidiaries:

Description	Address (City/ Country)	Group's share percentage-If different voting percentage (%)	Other shareholders' share percentage (%)
TEB Faktoring A.Ş.	İstanbul/Turkey	100.00	-
TEB Yatırım Menkul Değerler A.Ş.	İstanbul/Turkey	100.00	-
TEB Portföy Yönetimi A.Ş.	İstanbul/Turkey	54.74	45.26

Information on the consolidated subsidiaries with the order as presented in the table above:

Total Assets	Shareholder' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit / Loss	Prior Period Profit / Loss (*)	Fair Value
1,240,129	72,684	1,363	108,352	-	8,301	15,831	-
134,651	93,115	2,919	15,394	17	14,644	7,966	-
18,896	16,447	289	1,685	98	2,122	2,006	-

(*) These figures are shown per BRSA financial statements as of 31 December 2014.

- d.2) Information on consolidated subsidiaries:

	Current Period	Prior Period
Balance at the beginning of the period	208,643	199,281
Movements during the period	(61,657)	9,362
Purchases	-	-
Bonus shares obtained	-	9,379
Share in current year income	-	-
Sales (*)	(61,657)	-
Revaluation increase	-	-
Value Increase/(Decrease)	-	(17)
Balance at the end of the period	146,986	208,643
Capital commitments	-	-
Share percentage at the end of the period (%)	-	-

(*) The Parent Bank has sold the entire 100% of its shares in The Economy Bank N.V. to BNP Paribas Fortis S.A./N.V. amounting to EUR107,769 thousand. The sales revenue is collected after completion of procedures on 11 December 2015. The Economy Bank N.V. is consolidated until 31 December 2015 and consolidated sales revenue arising from those transactions amounting to TL127,510 and is presented under "Income from discontinued operations" in financial statements.

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8. Information on subsidiaries (Net):

d.3) Sectoral information on the consolidated subsidiaries and the related carrying amounts:

		Current Period	Prior Period
Banks	/ The Economy Bank N.V. (*)	-	61,254
Factoring Companies	/ TEB Faktoring A.Ş.	68,691	68,691
Other Financial Subsidiaries	/ TEB Yatırım Menkul Değerler A.Ş.	72,941	72,941
	TEB Portföy Yönetimi A.Ş.	5,354	5,354
	Stichting Effecten Dienstverlening (*),(**)	-	352
	Kronenburg Vastgoed B.V. (*),(**)	-	51
Total		146,986	208,643

(*) The Parent Bank has sold the entire 100% of its shares in The Economy Bank N.V. to BNP Paribas Fortis S.A./N.V. amounting to EUR107,769 thousand. The sales revenue is collected after completion of procedures on 11 December 2015. The Economy Bank N.V. is consolidated until 31 December 2015 and consolidated sales revenue arising from those transactions amounting to TL127,510 and is presented under "Income from discontinued operations" in financial statements.

(**) Fully consolidated to The Economy Bank NV.

The carrying amounts of the subsidiaries above have been eliminated in the consolidated financial statements.

d.4) Consolidated subsidiaries quoted on the stock exchange: None (31 December 2014: None).

9. Information on entities under common control (Joint Vent.):

a) Information on entities under common control (joint ventures):

Entities under common control (joint ventures)	Share of the Parent Bank (%)	Share of the Group (%)	Current Asset	Non-current asset	Long-term receivable	Profit	Loss
Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş.	0.1	33.3	18,710	14,180	1,331	72,116	(64,620)

b) Accounting method of the reasonable justification of unconsolidated in Joint Ventures that booked on the unconsolidated parent bank's financial statements.

The Parent Bank owns 0.1% but the Group owns 33.3% share of Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş., it is presented as joint venture in financial statements however, and it is carried by cost value since necessary requirements for consolidation is not met.

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10. Information on finance lease receivables (Net): None (31 December 2014: None).

11. Information on derivative financial assets for hedging purposes:

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair value hedge	-	-	1,681	-
Cash flow hedge	58,309	-	59,119	-
Hedge of net investment in foreign operations	-	-	-	-
Total	58,309	-	60,800	-

In case of termination of fair value hedge, all manner of adjustment on financial instrument’s book value determined by using effective interest rate is amortized as loss or profit up to maturity date. According to the related terminated fair value hedge accounting as of 31 December 2015, accumulated valuation difference traced on balance sheet is negatively amounted to TL1,913.

According to cash flow hedges terminated by the Parent Bank, accumulated valuation differences negatively amounted TL2,766 is recorded under equity and these accumulated differences are transferred into income statement by considering maturity date of hedged items.

12. Information on investment property: None (31 December 2014: None).

	31 December 2014	Additions	Disposals	Other (*)	31 December 2015
Cost:					
Land and buildings	116,556	-	-	(11,423)	105,133
Leased tangible assets	36,804	-	(50)	-	36,754
Other	866,487	63,308	(80,425)	(4,510)	844,860
Total Cost	1,019,847	63,308	(80,475)	(15,933)	986,747
		Period			
	31 December 2014	Charge	Disposals	Other	31 December 2015
Accumulated Depreciation:					
Land and buildings	40,606	3,148	(58)	(2,830)	40,866
Leased tangible assets	36,765	6	(50)	-	36,721
Other	616,357	91,132	(79,787)	(4,050)	623,652
Total Accumulated Depreciation	693,728	94,286	(79,895)	(6,880)	701,239
Net Book Value	326,119				285,508

(*) The balance consists of costs amounting to TL15,493 and accumulated depreciation amounting to TL6,880 arising from the sale of TEB NV in current period.

- a) The impairment provision set or cancelled in the current period according to the asset groups not individually significant but materially affecting the overall financial statements, and the reason and conditions for this: None.
- b) Pledges, mortgages and other restrictions on the tangible fixed assets, expenses arising from the construction for tangible fixed assets, commitments given for the purchases of tangible fixed assets: None.

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I. Explanations and Disclosures Related to the Consolidated Assets (continued)

13. Information on intangible assets:

	31 December 2014	Additions	Disposals	Other (*)	31 December 2015
Cost:					
Other intangible assets	205,180	29,431	-	(4,780)	229,829
Total Cost	205,180	29,431	-	(4,780)	229,829
		Period			
	31 December 2014	Charge	Disposals	Other	31 December 2015
Accumulated Depreciation:					
Other intangible assets	148,597	33,514	-	(4,629)	177,479
Total Accumulated Depreciation	148,597	33,514	-	(4,629)	177,479
Net Book Value	56,583				52,350

(*) The balance consists of cost of TL4,780 and accumulated depreciation of TL4,629 due to the sale of TEB NV in current period.

- Disclosures for book value, description and remaining useful life for a specific intangible fixed asset that is material to the financial statements: None.
- Disclosure for intangible fixed assets acquired through government grants and accounted for at fair value at initial recognition: None.
- The method of subsequent measurement for intangible fixed assets that are acquired through government incentives and recorded at fair value at the initial recognition : None.
- The book value of intangible fixed assets that are pledged or restricted for use: None.
- Amount of purchase commitments for intangible fixed assets: None
- Information on revalued intangible assets according to their types: None.
- Amount of total research and development expenses recorded in income statement within the period if any: None.
- Positive or negative consolidation goodwill on entity basis: None
- Information on goodwill:

After the publishing 10 February 2011 dated permission of BRSA in official gazette on 12 February 2011, with recording to Istanbul Trade Registration Office by means of the expire of Fortis Bank A.Ş legal entity, by assigning all rights, receivables, payables and obligations to Bank, the merging of Fortis Bank A.Ş. with TEB A.Ş. was occurred. Due to the merging, in exchange for every TL1 amounted dissolved share of Fortis Bank A.Ş. changed with 1.0518 unit nominative TEB shares. Due to that the Bank is not managed by the same person and persons before and after merging, this operation was evaluated in the scope of IFRS 3. In merging operation, Fortis Bank was decided as acquired management, 14 February 2011 dated fair value of shareholders equity subjected to merging was decided as transfer cost and the difference between this decided value and the fair value of acquired net identifiable assets of Fortis Bank A.Ş. was recorded as goodwill.

- Beginning and ending balance of the goodwill and movements on goodwill in the current period:

	Current Period	Prior Period
Beginning balance	421,124	421,124
Foreign Currency Differences	-	-
Acquired	-	-
End Balance	421,124	421,124

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14. Information on investment property: None (31 December 2014: None).

15. Information on held deferred tax asset:

- a) As of 31 December 2015, deferred tax asset computed on the temporary differences and reflected to the balance sheet is TL88,723 (31 December 2014: TL105,608). There are no tax exemptions or deductions over which deferred tax asset is computed.
- b) Temporary differences over which deferred tax asset is not computed and recorded in the balance sheet in prior periods: None.
- c) Allowance for deferred tax and deferred tax assets from reversal of allowance: None.
- d) Movement of deferred tax asset:

	Current Period	Prior Period
At January 1	104,452	41,103
Deferred tax benefit / (charge)	30,329	62,820
Deferred tax accounted for under equity	(43,699)	494
Other	(2,359)	35
Deferred Tax Asset	88,723	104,452

16. Information on held for sale fixed assets and discontinued operations:

	Current Period	Prior Period
Beginning of Period Cost	83,187	86,505
Beginning of Period Accumulated Depreciation (-)	3,721	3,288
Net Book Value	79,466	83,217
Opening Balance	79,466	83,217
Acquired	58,547	64,855
Disposed (-)	62,786	64,167
Impairment (-)	1,499	2,087
Depreciation Value (-)	1,854	2,352
End of Period Cost	74,768	83,187
End of Period Accumulated Depreciation (-)	2,894	3,721
Closing Net Book Value	71,874	79,466

17. Information on factoring receivables of Group:

- a) Maturity Analysis:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short term (*)	574,497	654,302	907,446	449,121
Medium and Long Term	-	-	-	-
Specific provisions (-)	18,812	1,664	22,812	833
Total	555,685	652,638	884,634	448,288

(*) Amounting to TL32,688 (31 December 2014: TL30,568) impaired factoring receivable included.

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17. Information on factoring receivables of Group: (continued)

b) Other explanations and disclosures:

Current Period	Commercial	Consumer	Total
Neither past due nor impaired	1,172,280	-	1,172,280
Past due not impaired	23,831	-	23,831
Individually impaired	32,688	-	32,688
Total	1,228,799	-	1,228,799
Specific Provision (-)	20,476	-	20,476
Total allowance for impairment	20,476	-	20,476
Net credit balance on balance sheet	1,208,323	-	1,208,323
Prior Period	1,208,323	-	1,208,323
Neither past due nor impaired	1,312,975	-	1,312,975
Past due not impaired	13,024	-	13,024
Individually impaired (*)	30,568	-	30,568
Total	1,356,567	-	1,356,567
Specific Provision (-)	23,645	-	23,645
Total allowance for impairment	23,645	-	23,645
Net credit balance on balance sheet	1,332,922	-	1,332,922

(*) Past due receivables portfolio of TEB Faktoring amounting to TL15,111 and for which TL15,111 provision had been allocated is sold to TURKASSET Varlık A.Ş. for TL100 on 22 October 2015. After completion of the necessary procedures and collection of the sale price, such past due receivables have been written off from the accounts.

18. Information on other assets:

Other assets item of the balance sheet is amounted to TL1,301,856 (31 December 2014: TL1,280,260) and it does not exceed 10% of total assets except off-balance commitments.

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II. Explanations and Disclosures Related to the Consolidated Liabilities

1. a) Information on maturity structure of deposits:

a.1) Current period:

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Month- 1 Year	1 Year and Over	Accumulated Deposits	Total
Saving deposits	1,205,384	-	3,944,382	9,670,953	674,131	21,286	23,176	-	15,539,312
Foreign currency deposits	3,157,354	-	3,266,373	8,374,541	310,398	83,735	117,274	-	15,309,675
Residents in Turkey	3,010,000	-	2,643,523	8,028,524	294,698	39,921	113,090	-	14,129,756
Residents abroad	147,354	-	622,850	346,017	15,700	43,814	4,184	-	1,179,919
Public sector deposits	212,261	-	44,947	57,421	-	26,416	-	-	341,045
Commercial deposits	2,193,608	-	1,168,393	3,863,724	823,014	1,676	2,558	-	8,052,973
Other institutions deposits	53,655	-	67,438	1,514,855	1,861,861	1,076,581	171	-	4,574,561
Precious metals deposits	157,062	-	42,899	188,852	10,688	46,008	-	-	445,509
Interbank deposits	1,078	-	105,838	7,641	-	-	-	-	114,557
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	51	-	-	-	-	-	-	-	51
Foreign Banks	1,027	-	105,838	7,641	-	-	-	-	114,506
Special finance houses	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	6,980,402	-	8,640,270	23,677,987	3,680,092	1,255,702	143,179	-	44,377,632

a.2) Prior period:

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Month- 1 Year	1 Year and Over	Accumulated Deposits	Total
Saving deposits	928,314	-	3,744,377	9,897,136	396,187	26,609	28,648	-	15,021,271
Foreign currency deposits	2,551,598	-	2,135,214	6,498,671	207,751	206,362	232,441	-	11,832,037
Residents in Turkey	1,969,153	-	1,840,428	6,210,638	162,519	118,822	129,515	-	10,431,075
Residents abroad	582,445	-	294,786	288,033	45,232	87,540	102,926	-	1,400,962
Public sector deposits	247,153	-	37,999	13,682	7,954	-	-	-	306,788
Commercial deposits	1,941,294	-	1,522,552	4,290,951	236,926	9,982	4,130	-	8,005,835
Other institutions deposits	41,975	-	79,699	2,973,062	319,811	1,088	45	-	3,415,680
Precious metals deposits	222,298	-	70,470	152,932	24,197	7,725	-	-	477,622
Interbank deposits	40,299	-	619,179	638,234	42,220	29,763	2,122	-	1,371,817
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	33	-	-	-	-	6,507	2,122	-	8,662
Foreign Banks	38,233	-	619,179	638,234	42,220	23,256	-	-	1,361,122
Special finance houses	2,033	-	-	-	-	-	-	-	2,033
Other	-	-	-	-	-	-	-	-	-
Total	5,972,931	-	8,209,490	24,464,668	1,235,046	281,529	267,386	-	40,431,050

1. b) Information on saving deposits under the guarantee of saving deposit insurance:

b.1) Saving deposits exceeding the limit of insurance:

i) Information on saving deposits under the guarantee of saving deposit insurance and exceeding the limit of saving deposit insurance:

Saving Deposits	Under the Guarantee of Insurance(*)		Exceeding the limit of Insurance(*)	
	Current Period	Prior Period	Current Period	Prior Period
Saving deposits	7,556,838	6,971,655	7,463,940	7,594,770
Foreign currency saving deposits	1,767,595	1,345,618	6,487,853	4,300,796
Other deposits in the form of saving deposits	95,688	184,386	313,477	250,282
Foreign branches' deposits under foreign authorities' insurance	-	-	-	-
Off-shore banking regions' deposits under foreign authorities' insurance	-	-	-	-
Total	9,420,121	8,501,659	14,265,270	12,145,848

(*) According to the BRSA's circular no 1584 dated on 23 February 2005, accruals are included in the saving deposit amounts.

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II. Explanations and Disclosures Related to the Consolidated Liabilities (continued)

1. b) Information on saving deposits under the guarantee of saving deposit insurance: (continued)

ii) Deposit of real persons not under the guarantee of saving deposit insurance:

	Current Period	Prior Period
Deposits and accounts in branches abroad	305,763	212,102
Deposits of ultimate shareholders and their close families	1,055,183	1,108,411
Deposits of chairman and members of the Board of Directors and their close families	34,583	25,856
Deposits obtained through illegal acts defined in the 282 nd Article of the 5237 numbered Turkish Criminal Code dated September 26, 2004.	-	-
Saving deposits in banks established in Turkey exclusively for off shore banking activities	-	-

2. Information on derivative financial liabilities:

a) Negative differences table related to derivative financial liabilities held-for-trading:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	56,535	12,817	83,456	15,036
Swap Transactions	355,825	23,597	173,297	107,236
Futures Transactions	-	-	-	-
Options	53,751	16,872	55,852	13,781
Other	-	-	-	-
Total	466,111	53,286	312,605	136,053

3. Information on funds borrowed and debt securities issued:

a) Information on banks and other financial institutions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Loans from Central Bank of Turkey	-	-	-	-
From Domestic Banks and Institutions	176,687	160,262	373,102	161,717
From Foreign Banks, Institutions and Funds	1,483,192	10,915,152	609,128	9,221,518
Total	1,659,879	11,075,414	982,230	9,383,235

As of 31 December 2015 the Group has borrowings from its related parties amounting to TL6,322,179 (31 December 2014: TL5,560,693).

b) Maturity analysis of borrowings:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-term	1,597,645	8,358,395	730,272	8,997,587
Medium and long-term	62,234	2,717,019	251,958	385,648
Total	1,659,879	11,075,414	982,230	9,383,235

c) Additional explanation related to the concentrations of the Parent Bank’s major liabilities:

The Parent Bank diversifies its funding sources through customer deposit and borrowings from abroad. As of 31 December 2015 foreign borrowings of the Bank includes syndication loan obtained with the agreement dated 19 August 2015, and 24 August 2016 maturity amounting to EUR15,000,000 and 29 August 2016 maturity USD175,000,000, and EUR370,000,000.

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II. Explanations and Disclosures Related to the Consolidated Liabilities (continued)

3. Information on funds borrowed and debt securities issued: (continued)

c) Additional explanation related to the concentrations of the Parent Bank’s major liabilities: (continued)

The Parent Bank makes analysis of its customers that provide the maximum amount of funds within the branches and throughout the Bank, in consideration of profitability. Bank takes short and long term preventive measures to spread its customers on a wider spectrum on the basis of customer concentration in the branches.

d) Explanations on marketable securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
From domestic transactions	2,384,787	-	1,756,987	-
Financial institutions and organizations	2,384,787	-	1,756,987	-
Other institutions and organizations	-	-	-	-
Real persons	-	-	-	-
From foreign transactions	-	-	-	-
Financial institutions and organizations	-	-	-	-
Other institutions and organizations	-	-	-	-
Real persons	-	-	-	-
Total	2,384,787	-	1,756,987	-

e) Explanations on debt securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Bank Bonds	184,110	86,553	696,679	294,904
Treasury Bills	-	-	-	-
Total	184,110	86,553	696,679	294,904

The Parent Bank, within the scope of Euro Medium Term Note Programme (“EMTN”), the issuance of debt instrument outside of Turkey amounting to USD24,600,000 with a maturity of 7 January 2016 has been completed on 30 June 2015 with the ISIN code “XS1253857376”.

The Parent Bank, within the scope of Euro Medium Term Note Programme (“EMTN”), the issuance of debt instrument outside of Turkey amounting to USD5,000,000 with a maturity of 14 January 2016 has been completed on 14 July 2015 with the ISIN code “XS1260048852”.

Bond issued by the Parent Bank on 5,6,7 October 2015 with a nominal value of TL107,538, maturity of 89 days, with due date of 6 January 2016, with an interest rate of 10.6650% and with an annual compound rate of 11.1029% has started to be publicly traded in Borsa İstanbul outright purchases and sales market with the ISIN code “TRQTEBK11611” since 12 October 2015.

Bond issued by the Parent Bank on 16-17-18 November 2015 with a nominal value of TL78,226, maturity of 89 days, with due date of 17 February 2016, with an interest rate of 10.6974% and with an annual compound rate of 11.1381% has started to be publicly traded in Borsa İstanbul outright purchases and sales market with the ISIN code “TRQTEBK21610” since 23 November 2015.

4. Other liabilities which exceed 10% of the balance sheet total (excluding off-balance sheet commitments) and the breakdown of these which constitute at least 20% of grand total: None (31 December 2014: None).

5. Explanations on financial lease obligations (Net):

a) The general explanations on criteria used in determining installments of financial lease agreements, renewal and purchasing options and restrictions in the agreements that create significant obligations to the group:

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5. Explanations on financial lease obligations (Net): (continued)

In the financial lease agreements, installments are based on useful life, usage periods and provisions of the Tax Procedural Law.

- b) The explanation on modifications in agreements and new obligations resulting from such modifications: (None)
- c) Explanation on finance lease payables: None (31 December 2014: None).
- d) Explanations regarding operational leases:

For the period ended 31 December 2015, operational lease expenses amounting to TL205,504 (31 December 2014: TL186,770) have been recorded in the profit and loss accounts. The lease periods vary between 1 and 10 years and lease agreements are cancelable subject to a certain period of notice.

- e) Explanations on the lessor and lessee in sale and lease back transactions, agreement conditions, and major agreement terms: None.

6. Information on derivative financial liabilities for hedging purposes:

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair value hedge	-	-	11,264	-
Cash flow hedge	158,539	677	302,606	-
Hedge of net investment in foreign operations	-	-	-	-
Total	158,539	677	313,870	-

In case of termination of fair value hedge, all manner of adjustment on financial instrument’s book value determined by using effective interest rate is amortized as loss or profit up to maturity date. According to the related terminated fair value hedge accounting as of 31 December 2015, accumulated valuation difference traced on balance sheet is negatively amounted to TL1,913.

According to cash flow hedges terminated by the Parent Bank, accumulated valuation differences negatively amounted TL2,766 is recorded under equity and these accumulated differences are transferred into income statement by considering maturity date of hedged items.

7. Information on provisions:

- a) Information on general provisions:

	Current Period	Prior Period
Provisions for First Group Loans and Receivables	562,743	508,156
Additional Provision for Loans and Receivables with Extended Maturities	8,005	16,595
Provisions for Second Group Loans and Receivables	85,364	74,142
Additional Provision for Loans and Receivables with Extended Maturities	3,311	2,590
Provisions for Non-Cash Loans	41,807	35,130
Other	9,184	3,866
Total	699,098	621,294

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II. Explanations and Disclosures Related to the Consolidated Liabilities (continued)

7. Information on provisions: (continued)

- b) Foreign exchange losses on the foreign currency indexed loans amounting to TL18,682 (31 December 2014: TL15,704) is offset from the loans on the balance sheet.
- c) The specific provisions provided for unindemnified non cash loans amount to TL37,680 (31 December 2014: TL42,821).
- d) Liabilities on unused vacation, bonus and employee termination benefits:

As of 31 December 2015, TL19,381 (31 December 2014: TL23,588) unused vacation provision, TL102,153 (31 December 2014: TL101,658) employee termination benefit provision, TL93,430 (31 December 2014: TL94,651) bonus for the employee are presented under “Reserve for Employee Benefit” in financial statements.

d.1) Movement of employee termination benefits:

	Current Period	Prior Period
As of January 1	101,658	89,348
Service cost	13,524	14,599
Interest cost	8,618	9,570
Settlement cost	3,361	2,900
Actuarial loss	(14,467)	(5,971)
Benefits paid	(10,541)	(8,788)
Total	102,153	101,658

(i) Retirement Benefits:

The employees who have joined the Bank as a consequence of the merger of TEB and Fortis Bank are members of the “Pension Fund Foundation” established in accordance with the Social Security Law No.506, Article No.20.

The liabilities described in the Retirement Fund Section 3 No. XV “Explanations on Liabilities related to Rights of Employees” which may arise during the transfer have been calculated by the actuary based on the principles of the related regulation, whereas the liabilities in connection with other social rights and benefits which will not be undertaken by the SSI after the transfer have been calculated by the actuary based on IAS 19 principles. The Parent Bank is not required to provide any provisions for any technical or actual deficit in the financial statements based on the actuarial report prepared as of 31 December 2015 and 31 December 2014. Since the Bank has no legal rights to carry the economic benefits arising from repayments of Pension Funds and/or decreases in future contributions at present value; no asset has been recognized in the balance sheet.

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II. Explanations and Disclosures Related to the Consolidated Liabilities (continued)

7. Information on provisions: (continued)

d) Liabilities on unused vacation, bonus and employee termination benefits: (continued)

(i) Retirement Benefits: (continued)

Based on the determined assumptions,

	31 December 2015	31 December 2014
Transferrable Retirement and Health Liabilities:		
Net Present Value of Transferrable Retirement Liabilities	(1,146,530)	(1,024,427)
Net Present Value of Transferrable Retirement and Health Contributions	505,725	528,309
General Administration Expenses	(11,465)	(10,243)
Present Value of Pension and Medical Benefits Transferable to SSF (1)	(652,270)	(506,361)
Fair Value of Plan Assets (2)	1,537,369	1,387,693
Asset Surplus over Transferable Benefits ((2)-(1)=(3))	885,099	881,332
Non-Transferable Benefits (4)	(240,435)	(206,832)
Asset Surplus over Total Benefits ((3)-(4))	644,664	674,500

Distribution of total assets of the Retirement Fund as of 31 December 2015 and 31 December 2014 is presented below:

	31 December 2015	31 December 2014
Bank placements	1,424,127	1,299,485
Tangible assets	79,720	71,266
Government Bonds and Treasury Bill, Fund and Accrual Interest Income	-	15,220
Other	33,522	1,722
Total	1,537,369	1,387,693

Actuarial assumptions used in valuation of liabilities except for transferrable liabilities based on IAS 19 are as follows:

	31 December 2015	31 December 2014
Discount Rate	10.30%	8.80%
Expected Inflation Rate	5.00%	5.00%

As of 31 December 2015, medical inflation is expected more than 20% (31 December 2014: 20%). General wage increases and Social Security Institution (the “SSİ”) increase of ceiling rate is expected in parallel to inflation rate. In order to represent the expected mortality rates before and after the retirement, CSO 2001 (31 December 2014: CSO 2001) Female/Male mortality table is used.

e) Information on other provisions:

e.1) Provisions for possible losses: None (31 December 2014: None).

e.2) The breakdown of the subsidiary accounts if other provisions exceed 10% of the grand total of provisions:

	Current Period	Prior Period
Provision for potential loan risk	112,421	37,174
Provision for legal cases	42,028	37,704
Provision for unindemnified non-cash loans	37,680	42,821
Provision for promotions of credit cards and banking services	11,284	12,625
Other	46,994	24,909
Total	250,407	155,233

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II. Explanations and Disclosures Related to the Consolidated Liabilities (continued)

8. Explanations on taxes payable:

a) Information on taxes payable:

	Current Period	Prior Period
Corporate Tax Payable	109,955	87,155
Taxation on Securities	42,538	35,744
Property Tax	2,208	2,202
Banking Insurance Transaction Tax (BITT)	44,731	36,559
Foreign Exchange Transaction Tax	35	13
Value Added Tax Payable	3,844	5,229
Other (*)	17,920	20,177
Total	221,231	187,079

(*) Others include income taxes deducted from wages amounting to TL14,619 (31 December 2014: TL14,101) and stamp taxes payable amounting to TL1,455 (31 December 2014: TL1,361).

b) Information on premiums:

	Current Period	Prior Period
Social Security Premiums-Employee	5,964	5,465
Social Security Premiums-Employer	6,826	6,310
Bank Social Aid Pension Fund Premium-Employee	-	-
Bank Social Aid Pension Fund Premium-Employer	-	-
Pension Fund Membership Fees and Provisions-Employee	-	-
Pension Fund Membership Fees and Provisions-Employer	-	-
Unemployment Insurance-Employee	519	481
Unemployment Insurance-Employer	840	769
Other	-	-
Total	14,149	13,025

c) Explanations on deferred tax liabilities, if any: Deferred tax liability of the Group is TL1,156 as of 31 December 2014 (31 December 2015: None).

9. Information on liabilities regarding assets held for sale and discontinued operations: None (31 December 2014: None).

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II. Explanations and Disclosures Related to the Consolidated Liabilities (continued)

10. Explanations on the number of subordinated loans the Parent Bank used, maturity, interest rate, institution that the loan was borrowed from, and conversion option, if any:

The Parent Bank has obtained a primary subordinated loan by issuing a bond amounting to USD 100 million as of 31 July 2007. The investor of the bond is IFC. The maturity of the borrowing is indefinite with semi-annually interest payment. The interest rate is defined as LIBOR+3.5% until 31 July 2017. In case the borrowed amount is not repaid at that date, the interest rate will be revised as LIBOR + 5.25%. Notes are issued as perpetual, notes that are not redeemed until 1 August 2017 will be converted to common share at an agreed price.

The Parent Bank has obtained secondary subordinated loans by issuing a bond amounting to EUR75 million as of 4 November 2011 and a bond amounting to EUR100 million as of 21 December 2011. The bond issue on 21 December 2011 amounting to EUR100 million is added up with the first issue of EUR75 million and together will be followed as EUR175 million. Since the coupon rate of the issue amounting to EUR100 million is semi-annual Euribor + 5.25% and two issues stated above will be merged and the merged issue will carry the coupon rate of the first issue (Euribor + 4.75% on an annual basis), the price of EUR100 million issue has been determined as 96.026% (the price determined as the 12 month interest difference between two issues discounted by new issues semi-annual coupon rate of Euribor + 5.25%). As interest payment periods of the new issue will be same with the first one, 47-day interest accrual amounting to EUR852,527.78 related to the period between 4 November 2011 and 21 December 2011 was paid to the Bank by the investor purchasing the second issue. On 21 December 2011, total net amount of EUR96,878,527.78 is transferred to the bank accounts. Debt instruments issued by BNP Paribas, have been amended in 2015 to comply with article 8/2 which includes clauses such as write-down or conversion to common shares. After the approval of the BRSA, debt instruments have complied with the regulation without changing their issue dates.

The Parent Bank, during its Board of Directors’ meeting dated 8 May 2012 has resolved to issue a debt instrument as Secondary Subordinated debt instrument with a value of USD65 million on 14 May 2012. The semi annually interest rate of the issuance is determined as USD Libor + 5.75%. The due date of the debt instrument is determined as 14 May 2024 and for the first seven years there is no option to repay before its due date. The debt instrument can be amortized on 14 May 2019 with the decision of the Board of Directors and upon the approval of Banking Regulation and Supervision Agency (BRSA).

The Parent Bank has resolved to issue a Secondary Subordinated Debt in the amount of EUR100 million on 20 July 2012. The interest rate of the issuance has been determined as semi-annually EURIBOR + 4.75%. The due date of the debt instrument is 20 July 2024 and there is no option to repay within the first seven years. The debt instrument can be amortized on 20 July 2019 with the resolution of the BoD and upon the approval of the BRSA. Debt instruments issued by BNP Paribas, have been amended in 2015 to comply with article 8/2 which includes clauses such as write-down or conversion to common shares. After the approval of the BRSA, debt instruments have complied with the regulation without changing their issue dates.

The Parent Bank has resolved to issue a Secondary Subordinated Debt in the amount of EUR125 million on 25 June 2013. The interest rate of the issuance has been determined as semi-annually EURIBOR + 2.1%. There is no option to repay within the first five years. The debt instrument can be amortized on 27 June 2018 with the resolution of the BoD and upon the approval of the BRSA. Debt instruments issued by BNP Paribas, have been amended in 2015 to comply with article 8/2 which includes clauses such as write-down or conversion to common shares. After the approval of the BRSA, debt instruments have complied with the regulation without changing their issue dates.

The Parent Bank has resolved to issue a Secondary Subordinated Debt in the amount of USD65 million on 25 June 2013. The interest rate of the issuance has been determined as semi-annually EURIBOR + 3.40%. There is no option to repay within the first five years. The debt instrument can be amortized on 28 June 2018 with the resolution of the BoD and upon the approval of the BRSA.

The above mentioned six subordinated loans are utilized in-line with the “loan capital” definition of BRSA) and will positively effect the capital adequacy ratio of the Parent Bank as well as utilizing long term fundings.

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III. Explanations and Disclosures Related to the Consolidated Liabilities (continued)

10. Explanations on the number of subordinated loans the Parent Bank used, maturity, interest rate, institution that the loan was borrowed from, and conversion option, if any: (continued)

a) Information on subordinated loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
From Domestic Banks	-	-	-	-
From Other Domestic Institutions	-	-	-	-
From Foreign Banks	-	1,266,082	-	1,128,132
From Other Foreign Institutions	-	673,954	-	657,783
Total	-	1,940,036	-	1,785,915

11. Information on Shareholders’ Equity:

a) Presentation of Paid-in capital:

	Current Period	Prior Period
Common stock	2,204,390	2,204,390
Preferred stock	-	-

b) Paid-in capital amount, explanation as to whether the registered share capital system is applicable at bank if so amount of registered share capital ceiling:

Capital System	Paid-in capital	Ceiling
Registered Capital System	2,204,390	-

c) Information on share capital increases and their sources; other information on increased capital shares in current period: None.

d) Information on share capital increases from revaluation funds: None.

e) Capital commitments in the last fiscal year and at the end of the following period, the general purpose of these commitments and projected resources required to meet these commitments: None.

f) Indicators of the Parent Bank’s income, profitability and liquidity for the previous periods and possible effects of these future assumptions due to the uncertainty of these indicators on the Parent Bank’s equity:

The income diversified with various business line and related channels/products/sectors, supported with different projects result a sustainable and relatively non-volatile profitability. Besides, interest rate, currency rate and liquidity risk under control are testing with various simulation and these test prevents the risks of effect. The profitability of the bank is followed up and estimated by the Parent Bank’s Planning and Performance Management in short and long term. It is also reported to Asset-Liability Committee and other related organs. As result, current and future negative effect on equity is not occurred and expected.

g) Information on preferred shares: None.

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11. Information on Shareholders’ Equity: (continued)

h) Information on marketable securities valuation differences:

	Current Period		Prior Period	
	TL	FC	TL	FC
From Associates, Subsidiaries, and Entities Under Common Control (Joint Vent.)	-	-	-	-
Valuation Difference	(67,787)	59,523	(25,613)	1,035
Foreign Exchange Difference	-	-	-	-
Total	(67,787)	59,523	(25,613)	1,035

12. Information on minority shares: As of 31 December 2015, part of the group equity that belongs to minority shares is TL7,444 (31 December 2014: TL7,390).

13. Information on factoring liabilities: As of 31 December 2015 group has factoring debt of TL15,356 (31 December 2014: TL7,832).

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III. Explanations and Disclosures Related to the Consolidated Off-Balance Sheet Contingencies and Commitments

1. Information on off-balance sheet liabilities:

a) Nature and amount of irrevocable loan commitments:

	Current Period	Prior Period
Commitments for credit card expenditure limits	4,580,727	4,101,473
Loan Granting Commitments	4,306,849	4,336,542
Payment commitment for checks	2,260,921	2,186,510
Forward asset purchase commitments	1,567,255	1,689,251
Tax and fund liabilities from export commitments	26,185	24,189
Commitments for promotions related with credit cards and banking activities	4,538	5,178
Forward deposit purchase commitments	-	-
Other irrevocable commitments	588,751	401,570
Total	13,335,226	12,744,713

b) Possible losses and commitments related to off-balance sheet items including items listed below:

The Group, within the context of banking activities, undertakes certain commitments, consisting of loan commitments, letters of guarantee, acceptance credits and letters of credit.

b.1) Non-cash loans including guarantees, acceptances, financial guarantee and other letters of credits:

	Current Period	Prior Period
Letters of Credit	1,406,746	1,508,547
Bank Acceptances	48,830	62,150
Other Commitments	2,642,207	1,802,337
Other Contingencies	533,908	440,207
Total	4,631,691	3,813,241

b.2) Guarantees, surety ships, and similar transactions:

	Current Period	Prior Period
Guarantee Letters	6,356,356	5,659,329
Advance Guarantee Letters	1,135,218	1,098,182
Temporary Guarantee Letters	767,473	481,798
Guarantee Letters Given for Customs	338,178	340,349
Other Guarantee Letters	1,269,905	706,736
Total	9,867,130	8,286,394

c) c.1) Total amount of non-cash loans:

	Current Period	Prior Period
Non-cash loans given against achieving cash loans	495,181	512,651
With maturity of 1 year or less than 1 year	56,260	24,310
With maturity of more than 1 year	438,921	488,341
Other non-cash loans	14,003,640	11,586,984
Total	14,498,821	12,099,635

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III. Explanations and Disclosures Related to the Consolidated Off-Balance Sheet Contingencies and Commitments (continued)

1. Information on off-balance sheet liabilities: (continued)

c.2) Information on sectoral risk breakdown of non-cash loans:

	Current Period				Prior Period			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	43,419	0.69	26,421	0.32	85,575	1.58	38,463	0.57
Farming and raising livestock	31,754	0.51	25,506	0.31	57,315	1.06	32,392	0.48
Forestry, Wood and Paper	4,657	0.07	915	0.01	21,836	0.40	6,071	0.09
Fishery	7,008	0.11	-	-	6,424	0.12	-	-
Manufacturing	2,169,528	34.57	4,255,439	51.75	2,381,505	44.03	3,680,524	55.02
Mining and Quarry	168,332	2.68	374,984	4.56	140,719	2.60	308,516	4.61
Production	1,934,948	30.83	3,775,204	45.91	2,179,276	40.29	3,303,381	49.38
Electricity, Gas and Water	66,248	1.06	105,251	1.28	61,510	1.14	68,627	1.03
Construction	1,378,245	21.96	1,208,602	14.70	1,183,909	21.89	1,287,903	19.25
Services	2,684,391	42.78	1,969,185	23.94	1,659,868	30.69	871,478	13.02
Wholesale and Retail Trade	1,163,448	18.54	382,521	4.65	695,905	12.86	109,808	1.64
Hotel, Tourism, Food and Beverage Services	57,600	0.92	43,515	0.53	46,956	0.87	48,973	0.73
Transportation and Communication	572,586	9.12	361,783	4.40	285,443	5.28	337,210	5.04
Financial Institutions	247,836	3.95	213,289	2.59	217,826	4.03	166,418	2.49
Real Estate and Renting	281,633	4.49	680,199	8.27	163,889	3.03	67,608	1.01
Self-employment Services	170,097	2.71	168,566	2.05	111,835	2.07	69,656	1.04
Education Services	7,367	0.12	30	-	6,185	0.11	1,405	0.02
Health and Social Services	183,824	2.93	119,282	1.45	131,829	2.44	70,400	1.05
Other	-	-	763,591	9.29	98,603	1.81	811,807	12.14
Total	6,275,583	100.00	8,223,238	100.00	5,409,460	100.00	6,690,175	100.00

c.3) Information on Ist and IInd Group non-cash loans:

Non-cash loans	Ist Group		IInd Group	
	TL	FC	TL	FC
Letters of guarantee	4,734,519	5,037,293	71,433	23,885
Bank acceptances	-	48,830	-	-
Letters of credit	1,419	1,405,327	-	-
Endorsements	-	-	-	-
Underwriting commitments.	-	-	-	-
Factoring commitments	-	-	-	-
Other commitments and contingencies	1,466,163	1,707,903	2,049	-
Total	6,202,101	8,199,353	73,482	23,885

The Group provided a reserve of TL63,229 (31 December 2014: TL74,447) for non-cash loans not indemnified yet amounting to TL37,680 (31 December 2014: TL42,821) and reflected that in financial statements.

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III. Explanations and Disclosures Related to the Consolidated Off-Balance Sheet Contingencies and Commitments (continued)

2. Information related to derivative financial instruments:

	Derivative transactions according to purposes			
	Trading		Hedging	
	Current Period	Prior Period	Current Period	Prior Period
Types of trading transactions				
Foreign currency related derivative transactions (I):	61,045,821	58,692,299	-	-
Forward transactions	9,743,982	7,918,769	-	-
Swap transactions	38,107,002	33,065,343	-	-
Futures transactions	-	-	-	-
Option transactions	13,194,837	17,708,187	-	-
Interest related derivative transactions (II):	4,740,964	4,866,700	-	-
Forward rate transactions	-	-	-	-
Interest rate swap transactions	4,740,964	4,864,376	-	-
Interest option transactions	-	2,324	-	-
Futures interest transactions	-	-	-	-
Marketable securities call-put options (III)	-	-	-	-
Other trading derivative transactions (IV)	-	3,425	-	-
A. Total trading derivative transactions (I+II+III+IV)	65,786,785	63,562,424	-	-
Types of hedging transactions				
Fair value hedges	-	-	-	691,940
Cash flow hedges	-	-	14,258,638	10,394,271
Net investment hedges	-	-	-	-
B. Total hedging related derivatives	-	-	14,258,638	11,086,211
Total Derivative Transactions (A+B)	65,786,785	63,562,424	14,258,638	11,086,211

Related to agreements of forward transactions and options; the information based on the type of forward and options transactions are disclosed separately, specified with related amounts, type of agreement, purpose of transaction, nature of risk, strategy of risk management, hedging relationship, possible effects on the Bank’s financial position, timing of cash flows, reasons of unrealized transactions which previously projected to be realized, income and expenses that could not be linked to income statement in the current period because of the agreements:

Forward foreign exchange and swap transactions are based on protection from interest and currency fluctuations. According to TAS, they do not qualify as hedging instruments and are remeasured at fair value by the Parent Bank.

i) Derivative instruments for fair value hedging purposes:

As of 31 December 2014, The Parent Bank applied fair value hedge accounting in order to avoid the effects of interest rate fluctuations in the market by matching its swap portfolio with its loans and marketable securities. As of 31 December 2014, nominal value of derivative instruments used for hedging purposes is TL691,940 (31 December 2015: None) and their net fair value is negative TL9,583 (31 December 2015: None) and fair value of the hedged loans is TL6,077 (31 December 2015: 1,913). The Bank accounts TL50,301 income (31 December 2014: TL8,726 expense) for derivative instruments used for hedging purposes and TL4,164 expense (31 December 2014: TL2,673 income) from hedged item loans in the financial statements. Regarding the available-for-sale securities as of 31 December 2014, the amount related to the effective portion is TL150 (31 December 2015: None) which is accounted as TL120 (31 December 2015: None) in the financial statements net-off tax.

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2. Information related to derivative financial instruments: (continued)

i) Derivative instruments for fair value hedging purposes: (continued)

	Current Period			Prior Period		
	Nominal	Fair Value		Nominal	Fair Value	
		Asset	Liability		Asset	Liability
Cross Currency Swaps	-	-	-	691,940	1,681	11,264
Interest Rate Swaps	-	-	-	-	-	-
	-	-	-	691,940	1,681	11,264

ii) Derivative instruments for cash flow hedge purposes:

The Parent Bank has applied cash flow accounting by matching its swap portfolio (Total notional amount TL14,258,638) with 1-90 days of maturity deposit portfolio and selected borrowing portfolio. Effective portion of TL101,180 (31 December 2014: TL75,147 credit) credit accounted for under equity is presented after deducting its deferred tax effect of TL20,236 (31 December 2014: TL15,029 credit) debit in the financial statements. In 2015, the ineffective portion of TL877 expense (31 December 2014: TL459 expense) is accounted for under income statement.

	Current Period			Prior Period		
	Nominal	Fair Value		Nominal	Fair Value	
		Asset	Liability		Asset	Liability
Cross Currency Swaps	1,560,678	19,354	2,082	-	-	-
Interest Rate Swaps	12,697,960	38,955	157,133	10,394,271	59,119	302,606
	14,258,638	58,309	159,215	10,394,271	59,119	302,606

3. Credit derivatives and risk exposures on credit derivatives: None.

4. Explanations on contingent liabilities and assets

- a) a.1) The Group's share in contingent liabilities arising from entities under common control (joint ventures) together with other venturer: None.
- a.2) Share of entity under common control (joint ventures) in its own contingent liabilities: None.
- a.3) The Group's contingent liabilities resulting from liabilities of other venturers in entities under common control (joint ventures): None.
- b) Accounting and presentation of contingent assets and liabilities in the financial statements:
- b.1) Contingent assets are accounted for, if probability of realization is almost certain. If probability of realization is high, then it is explained in the footnotes: As of 31 December 2015, there are no contingent assets that need to be explained (31 December 2014: None).
- b.2) A provision is made for contingent liabilities, if realization is probable and the amount can be reliably determined. If realization is remote or the amount cannot be determined reliably, then it is explained in the footnotes:

Following a resolution in favor of the Parent Bank in 2003 for the case related to deduct accumulated losses from the corporate tax base for 2002 and for subsequent periods in accordance with Corporate Tax Law article 14/7; the Ministry of Finance appealed against the decision, however, the case was again concluded in favor of the Parent Bank by Tax Supreme Court. In this context, the Parent Bank acquired the right to deduct accumulated losses amounting to TL364,501 thousand from the corporate tax base. Related accumulated losses have been deducted from tax base by the Parent Bank between the years 2003 and 2006.

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4. Explanations on contingent liabilities and assets: (continued)

- b) Accounting and presentation of contingent assets and liabilities in the financial statements:
(continued)

On the other hand, the Tax Office has not taken into consideration the deduction amount of TL144,824 which is included in the 2003/4 temporary tax declaration based on the resolution of the Tax Supreme Court, and recalculated a temporary corporate tax liability of TL15,510 and levied a fine of TL16,131 to the Parent Bank based on the declaration as of 20 April 2004. In that respect, the Parent Bank has filed a counter case against the Tax Office, and 1st Tax Office decided in favor of the Parent Bank with resolution no: K:2006/974 based on its decision related with 2002/I period explained above .

The Tax Office filed an appeal against the ruling; however, the 4th Administration of Council of State resolution no: K: 2007/4747 ruled that the defendant's claim on the Management's double loss deduction should be initially reviewed and a new ruling should be made accordingly. Therefore the tax office's resolution is overruled by the Council of State.

Although the 1st Tax Office of İstanbul had reviewed the related issues upon the Council of State's overruling and conducted the litigation in favor of the Parent Bank upon its resolution no: K:2010/2377, TL48,557 of loss amount is considered as undeductible in the basis of the resolution. Therefore, the Parent Bank has filed an appeal on 4 October 2010 for the overruling of the related resolution basis and the outcome of the appeal is still in process. As the Parent Bank management foresees no significant risk in relation to the related lawsuits, no provision is provided in the financial statements. The Parent Bank has increased the tax base by TL2,863 in regards to the related lawsuit in accordance with the requirements of the Communiqué No:6111 "Restructuring of Specific Receivables and Social Insurance and General Health Insurance Law and Amendments to Some Other Laws and Requirements".

In the decision concluded within the scope of file number 2010/9089 of the 4th Chamber of the Council of State, K.2013/5291, communicated on 31 July 2013, accepted the appeal request with justifications and stated, "it has concluded that the balance sheet loss will be deducted as an expense from the revenue when determining the corporate profit but will not be carried forward for more than five years, thus there is nothing contrary to law in the Tax Court's decision; the TL48,557,000.00 commercial balance sheet loss was reached by deducting TL203,049,000,000.00 in BRSA adjustments in the same year from the TL154,492,000.00 commercial profit; and since BRSA adjustments are also considered in the same sheet in total profits and additions, taking a commercial balance sheet loss for the same year into consideration in the total of other rebates and exemptions does not result in any duplication". It has also been decided that the Istanbul 1st Tax Court's judgement number E.2010/661, K.2010/2377 will be reversed and the loss will not be subject to a duplicate rebate. The defendant authority's request for a revision of the decision was rejected. Upon the 4th Chamber of the Council of State's decision to reject the request for a revision of the decision, the examination of file number 2015/1202 E. continues on site at the Istanbul 1st Tax Court.

5. Custodian and intermediary services:

The Group provides trading and safe keeping services in the name and account of third parties, which are presented in the consolidated statement of contingencies and commitments.

Investment fund participation certificates held in custody which belong to the customers and the portfolio are accounted for with their nominal values. As of 31 December 2015 the total nominal value and number of certificates are TL9,864,449 and TL986,439,765 thousand (31 December 2014: TL1,666,917 and TL166,682,310 thousand) and the total fair value is TL1,532,293 (31 December 2014: TL8,290,103).

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III. Explanations and Disclosures Related to the Consolidated Off-Balance Sheet Contingencies and Commitments (continued)

6. The information on the Bank’s rating by the international rating introductions (*):

The results of the ratings performed by Moody’s Investor Services and Fitch Ratings are shown below:

Moody’s Investor Services: March 2015

View	Negative
Revised Loan Valuation	Baa3
Foreign Currency Deposits	Baa3/P-3

Fitch Ratings: August 2014

Foreign Currency Commitments

Long term	BBB
Short term	F3
View	Stable

Turkish Lira Commitments

Long term	BBB+
Short term	F2
View	Stable

National AAA (tur)

View	Stable
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Individual Rating

Support Points	bbb-
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(*) Ratings above are not performed based on the “Communiqué for Authorization and Activities of Rating Institutions” published by the Capital Markets Board.

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IV. Explanations and Disclosures Related to the Consolidated Statement of Income

1. a) Information on interest on loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest on loans (*)				
Short term loans	2,863,838	141,075	2,638,020	127,720
Medium and long term loans	2,493,823	196,017	1,746,284	171,479
Interest on non-performing loans	37,436	-	34,133	-
Premiums received from Resource Utilization Support Fund	-	-	-	-
Total	5,395,097	337,092	4,418,437	299,199

(*) Includes fees and commissions obtained from cash loans amounting to TL131,385 (31 December 2014: TL110,602).

b) Information on interest received from banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
The Central Bank of Turkey	-	-	-	-
Domestic banks	32,736	395	26,766	182
Foreign banks	3,766	1,775	3,890	952
Branches and head office abroad	-	-	-	-
Total	36,502	2,170	30,656	1,134

c) Information on interest received from securities portfolio:

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets held for Trading	21,492	608	32,586	1,063
Financial Assets Valued at Fair Value through Profit or Loss	-	-	-	-
Financial Assets Available-for-Sale	339,611	520	359,702	67
Investments Held-to-Maturity	27,748	-	29,077	-
Total	388,851	1,128	421,365	1,130

d) Information on interest received from associates and subsidiaries:

Interest income received from associates and subsidiaries are eliminated in the consolidated financial statements.

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IV. Explanations and Disclosures Related to the Consolidated Statement of Income (continued)

2. a) Information on interest on funds borrowed (*):

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
The Central Bank of Turkey	-	-	-	-
Domestic banks	21,233	3,572	15,767	4,949
Foreign banks	113,350	185,879	51,201	147,231
Branches and head office abroad	-	-	-	-
Other financial institutions	-	14,896	-	13,865
Total	134,583	204,347	66,968	166,045

(*) Includes fees and commission expenses of cash loans amounting to TL7,599 (31 December 2014: TL5,617).

b) Information on interest expenses to associates and subsidiaries:

Interest expenses to associates and subsidiaries are eliminated in the consolidated financial statements.

c) Information on interest expenses on securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Expense on securities issued	41,321	1,751	54,865	656
Total	41,321	1,751	54,865	656

d) Distribution of interest expense on deposits based on maturity of deposits:

Account Name	Demand Deposits	Time Deposits					Accumulated Deposits	Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More than 1 Year		
Current Period								
TL								
Bank deposits	-	9,147	23	-	69	82	-	9,321
Saving deposits	-	412,578	838,755	38,833	1,928	2,661	-	1,294,755
Public sector deposits	-	3,986	8,048	648	349	-	-	13,031
Commercial deposits	-	110,134	482,506	52,654	182	311	-	645,787
Other deposits	-	2,708	241,595	94,069	91,668	8	-	430,048
7 days call accounts	-	-	-	-	-	-	-	-
Total	-	538,553	1,570,927	186,204	94,196	3,062	-	2,392,942
FC								
Foreign currency deposits	-	37,168	184,210	4,690	1,688	3,884	-	231,640
Bank deposits	-	414	1,576	-	-	-	-	1,990
7 days call accounts	-	-	-	-	-	-	-	-
Precious metal deposits	-	658	3,302	441	455	-	-	4,856
Total	-	38,240	189,088	5,131	2,143	3,884	-	238,486
Grand Total	-	576,793	1,760,015	191,335	96,339	6,946	-	2,631,428

Account Name	Demand Deposits	Time Deposits					Accumulated Deposits	Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More than 1 Year		
Prior Period								
TL								
Bank deposits	-	17,502	60	43	918	140	-	18,663
Saving deposits	-	307,926	802,569	43,608	2,529	2,454	-	1,159,086
Public sector deposits	1	140	1,928	3,277	-	-	-	5,346
Commercial deposits	-	100,864	372,797	29,519	725	1,239	-	505,144
Other deposits	-	13,321	196,939	100,202	566	119	-	311,147
7 days call accounts	-	-	-	-	-	-	-	-
Total	1	439,753	1,374,293	176,649	4,738	3,952	-	1,999,386
FC								
Foreign currency deposits	-	32,353	173,043	6,688	3,127	5,287	-	220,498
Bank deposits	-	503	1,390	-	-	-	-	1,893
7 days call accounts	-	-	-	-	-	-	-	-
Precious metal deposits	-	1,051	2,696	154	299	-	-	4,200
Total	-	33,907	177,129	6,842	3,426	5,287	-	226,591
Grand Total	1	473,660	1,551,422	183,491	8,164	9,239	-	2,225,977

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IV. Explanations and Disclosures Related to the Consolidated Statement of Income (continued)

3. Information on dividend income:

	Current Period	Prior Period
Trading Securities	-	-
Financial assets at fair value through profit and loss	-	-
Available-for-sale securities	1,112	1,339
Other	-	-
Total	1,112	1,339

4. Information on net trading income:

	Current Period	Prior Period
Income	19,022,214	13,189,049
Gains on capital market operations	49,594	45,344
Gains on derivative financial instruments (*)	6,309,986	3,418,651
Foreign exchange gains (**)	12,662,634	9,725,054
Losses (-)	19,576,416	13,545,568
Losses on capital market operations	47,470	37,214
Loss on derivative financial instruments (*)	5,537,350	4,240,400
Foreign exchange losses (**)	13,991,596	9,267,954

(*) As of 31 December 2015, foreign exchange profit on hedging transactions is TL40,719 (31 December 2014: TL55,932 net loss).

(**) Foreign exchange gains on derivative financial transactions are TL199,345 (31 December 2014: TL83,998).

5. Information on other operating income:

Other operating income of the bank consists of reversals of specific provisions which are booked in earlier periods amount to TL137,745 (31 December 2014: TL89,645) and amount to TL67,483 (31 December 2014: TL19,720) from selling past due receivables portfolio and all the transaction cost collected from the clients and disposal of assets.

6. Provision expenses of banks for loans and other receivables:

	Current Period	Prior Period
Specific provisions for loans and other receivables	762,491	461,393
III. Group Loans and Receivables	157,548	115,967
IV. Group Loans and Receivables	226,374	143,354
V. Group Loans and Receivables	378,569	202,072
General provision expenses	88,247	71,227
Provision expenses for possible losses	-	-
Marketable securities impairment losses	-	-
Financial assets at fair value through profit and loss	-	-
Investment securities available for sale	-	-
Impairment provision expense	-	-
Associates	-	-
Subsidiaries	-	-
Entities under common control (Joint Vent.)	-	-
Investments held to maturity	-	-
Other	85,232	39,078
Total	935,970	571,698

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7. Information on other operating expenses:

	Current Period	Prior Period
Personnel expenses	935,546	862,487
Reserve for employee termination benefits	14,962	27,740
Bank social aid fund deficit provision	-	-
Impairment expenses of fixed assets	-	-
Depreciation expenses of fixed assets	93,965	85,553
Impairment expenses of intangible assets	-	-
Impairment expense of goodwill	-	-
Amortization expenses of intangible assets	32,781	26,563
Impairment for investments accounted for under equity method	-	-
Impairment expenses of assets to be disposed	1,499	2,087
Depreciation expenses of assets to be disposed	1,854	2,352
Impairment expenses of assets held for sale and discontinued operations	-	-
Other operating expenses	790,734	699,905
Rent expenses	205,504	186,626
Maintenance expenses	22,267	22,236
Advertisement expenses	79,466	73,367
Other expenses	483,497	417,676
Loss on sales of assets	1,649	4,031
Other (*)	331,877	311,712
Total	2,204,867	2,022,430

(*) Included TL58,352 (31 December 2014: TL54,654) in other premiums paid to the Saving Deposit Insurance Fund, TL92,178 (31 December 2014: TL81,389) is other taxes and duties paid.

8. Information of the profit/(loss) on continued and discontinued operations

- a) Profit before tax of continued operations consists of net interest income amounting to TL3,138,851 (31 December 2014: TL2,625,620) and net fee and commission income amounting to TL1,069,156 (31 December 2014: TL922,239) while operational expenses are TL2,204,867 (31 December 2014: TL 2,022,430).
- b) Information of the profit/(loss) on discontinued operations:

The Parent Bank has sold the entire 100% of its shares in The Economy Bank N.V. to BNP Paribas Fortis S.A./N.V. amounting to EUR107,769 thousand. The sales revenue is collected after completion of procedures on 11 December 2015. The Economy Bank N.V. is consolidated until 31 December 2015 and consolidated sales revenue arising from those transactions amounting to TL127,510 and is presented under "Income from discontinued operations" in financial statements.

9. Information on tax provision for continued and discontinued operations:

- a) As of 31 December 2015, continuing operations' current tax charge is TL213,116 (31 December 2014: TL241,755) and deferred tax benefit is TL27,145 (31 December 2014: TL63,215), TL15,537 deferred tax charge (31 December 2014: TL5,212) and TL3,184 deferred tax benefit from discontinued operations (31 December 2014: TL395 deferred tax charge).
- b) Deferred tax benefit on temporary differences resulted from continued operations is TL27,145 (31 December 2014: TL63,215). Deferred tax benefit on temporary differences resulted from discontinued operations is TL3,184 (31 December 2014: TL395 deferred tax charge).

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9. Information on tax provision for continued and discontinued operations: (continued)

c) Tax reconciliation:

	Current Period	Prior Period
Profit on continued and discontinued operations before taxes	925,364	826,601
Additions	111,055	104,284
Disallowable	16,775	26,389
General loan loss provision	87,792	71,237
Effect of different tax rate	(400)	4,461
Other	6,888	2,197
Deductions	(22,444)	(9,889)
Dividend income	(1,025)	(1,206)
Other	(21,419)	(8,683)
Taxable Profit/ (Loss)	1,013,975	920,996
Corporate tax rate	20%	20%
Tax calculated for continued and discontinued operations	202,795	184,199
Effect of tax account adjustment in the prior period	(4,471)	(52)
Tax Expense	198,324	184,147

d) As of 31 December 2015, current tax charge from continued operations is TL213,116 (31 December 2014: TL241,755) and deferred tax benefit on temporary differences is TL27,145 (31 December 2014: TL63,215), current tax charge from discontinued operations is TL15,537 (31 December 2014: TL5,212) and deferred tax benefit on temporary differences is TL3,184 (31 December 2014: TL395 deferred tax charge). Net tax charge recognized in the financial statements is TL198,324 (31 December 2014: TL184,147).

10. Information on net profit/(loss) from continued and discontinued operations:

The Group’s net profit from continued operations for the year ended 31December 2015 is TL619,284 (31 December 2014: TL631,053). The Group has made net profit amounting to TL107,756 from discontinued operations (31 December 2014: TL11,401).

11. The explanations on net income / loss for the period:

- a) The nature and amount of certain income and expense items from ordinary operations is disclosed if the disclosure for nature, amount and repetition rate of such items is required for the complete understanding of the Parent Bank's performance for the period: None (31 December 2014: None).
- b) Effect of changes in accounting estimates on income statement for the current and, if any, for subsequent periods: None (31 December 2014: None).
- c) Profit or loss attributable to minority shares:

	Current Period	Prior Period
Profit or loss attributable to minority shares(*)	960	908

(*) Loss belongs to minority shares accounted for under the equity is TL60 (31 December 2014: TL45 profit).

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IV. Explanations and Disclosures Related to the Consolidated Statement of Income (continued)

12. If the other items in the income statement exceed 10% of the income statement total accounts amounting to at least 20% of these items:

Other interest income	Current Period	Prior Period
Interest income from factoring receivables	108,128	89,586
Other	2,635	10,805
Total	110,763	100,391

Other fees and commissions received	Current Period	Prior Period
Credit cards commissions and fees	623,544	670,941
Insurance commissions received	131,070	88,241
Intelligence fee and commissions	86,816	71,429
Commissions and fees earned from correspondent banks	52,367	40,441
Settlement expense provision, eft, swift, agency commissions	36,918	39,379
Funds management fees	32,043	31,875
Transfer commissions	28,831	28,186
Brokerage commissions	3,146	4,511
Other	346,065	268,590
Total	1,340,800	1,243,593

Other fees and commissions given	Current Period	Prior Period
Credit cards commissions and fees	279,123	340,021
Commissions and fees paid to correspondent banks	31,849	27,132
Settlement and swift commissions	24,866	22,394
Other	61,179	44,943
Total	397,017	434,490

V. Explanations and Disclosures Related to Consolidated Statement of Changes in Shareholders' Equity

- a) Shareholders' equity decreased TL20,236 after resulting from revaluation of financial assets available for sale (31 December 2014: TL97,904) and deferred tax effect of this change is TL3,982 (31 December 2014: TL19,789).

Gain or loss arising from measurement of financial assets available-for-sale included in shareholders' equity in the current period, excluding those related to hedging: TL44,355 income (31 December 2014: TL109,999).

The amount recycled from equity to net income/loss account if the loss or gain related with measurement at fair value is recorded to equity for the financial assets available-for-sale (excluding the assets related to hedging): TL19,230 net income (31 December 2014: TL9,713).

- b) Increase in cash flow risk hedging items:

The Parent Bank hedges itself against cash flow risk from Turkish Lira short term time deposits and selected borrowings through its interest rate and currency swaps. In this context, the effective portion is accounted for under equity in “Hedging Funds” account. The related amount in the year 2015 is TL176,327 increase (31 December 2014: TL115,379 decrease) and deferred tax effect of this change is TL35,265 (31 December 2014: TL23,076).

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V. Explanations and Disclosures Related to Consolidated Statement of Changes in Shareholders' Equity (continued)

- c) The reconciliation related with foreign exchange amounts in the beginning and end of the period: None.
- d) Dividends declared subsequent to the balance sheet date, but before the announcement of the financial statements: None.
- e) Dividends per share proposed subsequent to the balance sheet date: Profit appropriation will be resolved in the General Assembly meeting which has not been conducted as of the date of the accompanying financial statements are authorized for issue.
- f) Proposals to General Assembly for the payment dates of dividends and if it will not be appropriated the reasons for this: The Board of Directors has not decided for profit appropriation as of the date of the financial statements are authorized for issue.
- g) Amounts transferred to legal reserves: Amount transferred to legal reserves is TL33,934 in 2015 (31 December 2014: TL26,447).
- h) Information on shares issued:

The Group has not recorded any shares issued in “Share Premium” account in the current period.

VI. Explanations and Disclosures Related to Statement of Consolidated Cash Flows

1. The effects of the other items stated in the cash flow statement and the changes in foreign currency exchange rates on cash and cash equivalents:

“Other items” amounting to TL3,998,526 (31 December 2014: TL2,792,231) in “Operating profit before changes in operating assets and liabilities” consists of fees and commissions paid and other expenses except for leasing expenses, reserve for employee termination benefits, depreciation charges and taxes paid.

“Net increase/decrease in other liabilities” amounting to TL401,900 (31 December 2014: TL793,398) in “Changes in operating assets and liabilities” consists of changes in sundry creditors, other liabilities and interbank money market borrowings. “Net increase/decrease in other assets” with a total amount of TL588,880 (31 December 2014: TL1,442,992) consists of changes in sundry debtors and other assets.

“Other items” amounting to TL29,431 (31 December 2014: TL27,977) in “Net cash provided from investing activities” consists of cash paid for purchases of intangible assets.

Effect of change in foreign exchange rate on cash and cash equivalents includes the foreign exchange effect resulting from the translation of cash and cash equivalents in foreign currency by using the monthly foreign exchange rates at the beginning and at the end of the period, and it is TL313,450 for the year 2015 (31 December 2014: TL9,874).

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VI. Explanations and Disclosures Related to Statement of Consolidated Cash Flows (continued)

2. Cash and cash equivalents at beginning and end of periods:

The reconciliation of the components of cash and cash equivalents, accounting policies used to determine these components, the effect of any change made in accounting principle in the current period, the recorded amounts of the cash and cash equivalent assets at the balance sheet and the recorded amounts in the cash flow statement:

Beginning of the period	Current Period	Prior Period
Cash	1,994,318	1,546,639
Cash in TL/Foreign Currency	766,644	673,704
Central Bank – Unrestricted amount	1,193,759	852,969
Other	33,915	19,966
Cash equivalents	1,444,904	404,863
Banks	894,866	404,618
Money market placements	550,038	245
Total cash and cash equivalents	3,439,222	1,951,502
End of the period	Current Period	Prior Period
Cash	2,597,683	1,994,318
Cash in TL/Foreign Currency	771,523	766,644
Central Bank – Unrestricted amount	1,766,219	1,193,759
Other	59,941	33,915
Cash equivalents	1,283,735	1,444,904
Banks	1,283,529	894,866
Money market placements	206	550,038
Total cash and cash equivalents	3,881,418	3,439,222

VII. Explanations on the Risk Group of the Parent Bank

1. Volume of related party transactions, income and expense amounts involved and outstanding loan and deposit balances:

The Parent Bank has sold the entire 100% of its shares in The Economy Bank N.V. to BNP Paribas Fortis S.A./N.V. amounting to EUR107,769 thousand. The sales revenue is collected after completion of procedures on 11 December 2015.

Prior period balances for balance sheet items and income/expense items are presented as of 31 December 2014.

a) Current Period:

Related Parties	Subsidiaries, associates and entities under common control (Joint Vent.)		Direct and indirect shareholders of the Bank		Other entities included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at beginning of period	-	-	73,403	175,997	14,491	97,560
Balance at end of period	-	-	20,568	300,347	31,734	62,332
Interest and commission income	-	-	5,275	232	1,401	155

Direct and indirect shareholders of the Bank balance above includes TL19,313 and other entities included in the risk group balance above includes TL22,510 placement in “Banks”.

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VII. Explanations on the Risk Group of the Parent Bank (continued)

1. Volume of related party transactions, income and expense amounts involved and outstanding loan and deposit balances: (continued)

b) Prior Period:

Related Parties	Subsidiaries, associates and entities under common control (Joint Vent.)		Direct and indirect shareholders of the Bank		Other entities included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at beginning of period	-	-	18,780	275,933	54,115	100,511
Balance at end of period	-	-	73,403	175,997	14,491	97,560
Interest and commission income	-	-	1,506	106	2,056	272

Direct and indirect shareholders of the Bank balance above includes TL9,016 and other entities included in the risk group balance above includes TL580 placement in “Banks”.

c) c.1) Information on related party deposits balances:

Related parties	Subsidiaries, associates and entities under common control (Joint Vent.)		Direct and indirect shareholders of the Bank		Other entities included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Balance at beginning of period	-	-	1,034,039	1,221,029	1,190,517	672,711
Balance at end of period	-	-	1,274,893	1,034,039	284,029	1,190,517
Interest on deposits	-	-	33,895	37,637	18,082	23,468

c.2) Information on forward and option agreements and other similar agreements made with related parties:

Related Parties	Subsidiaries, associates and entities under common control (Joint Vent.)		Direct and indirect shareholders of the Bank		Other entities included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Financial Assets at Fair Value Through Profit and Loss						
Beginning of period	-	-	9,759,219	11,389,136	255,599	767
End of period	-	-	10,144,450	9,759,219	408,011	255,599
Total income/loss	-	-	76,184	(153,259)	4,152	(60)
Hedging transactions purposes						
Beginning of period	-	-	642,633	480,718	-	-
End of period	-	-	1,022,920	642,633	-	-
Total income/loss	-	-	(6,615)	11,628	-	-

d) As of 31 December 2015, the total amount of remuneration and fees provided for the senior management of the Group is TL39,295 (31 December 2014: TL39,386).

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VIII. Explanations on the Parent Bank’s Domestic, Abroad, Off-shore Branches or Subsidiaries, and Agencies Abroad

1. Explanations on the Parent Bank’s Domestic, Abroad, Off-shore Branches or Subsidiaries, and Agencies Abroad:

	Numbers	Employees			
Domestic branches	528	9,862			
Rep-offices abroad	-	-			
Branches abroad	4	65	Cyprus	Total Assets	Capital
Off-shore branches	-	-	-	627,041	20,000

1. Explanations on Branch and Agency Openings or Closings of the Parent Bank:

In the year 2015, the Parent Bank opened 9 branches, closed 28 branches. According to the Parent Bank’s Board of Directors Resolution, No: 5132/147 and dated 21 October 2014, it was decided to close Türk Ekonomi Bankası A.Ş Bahrain Branch in Bahrain which is registered to Trade Registry, No:50046-1, and closing process has been completed on 23 November 2015.

IX. Explanations on Post Balance Sheet Events

- i. As of 7 January 2016, bond issued by the Parent Bank on 30 June 2015 with a nominal value of USD24,600,000, maturity of 191 days with the ISIN code “XS1253857376” has expired and it has been disposed.
- ii. As of 14 January 2016, bond issued by the Parent Bank on 14 July 2015 with a nominal value of USD5,000,000, maturity of 184 days with the ISIN code “XS1260048852” has expired and it has been disposed.
- iii. As of 6 January 2016, bond issued by the Parent Bank on 8 October 2015 with a nominal value of TL107,538, maturity of 89 days with the ISIN code “TRQTEBK11611” has expired and it has been disposed.

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SECTION SIX

OTHER EXPLANATIONS

I. Explanations on Other Activities of the Parent Bank

None.

SECTION SEVEN

INDEPENDENT AUDITOR’S REPORT

I. Explanations on the Independent Auditor’s Report

The consolidated financial statements of the Parent Bank were audited by Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. and the independent auditor’s report dated 5 February 2016 is presented preceding the consolidated financial statements.

II. Other Footnotes and Explanations Prepared by Independent Auditors

None.

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BRANCHES

BRANCH	ADDRESS	TOWNSHIP	PROVINCE	PHONE
Ceyhan Branch	Türlübaş Mah. Atatürk Cad. No: 260 Ceyhan 01960	CEYHAN	ADANA	+ 90 850 204 06 56
Adana Toros Branch	Mahfesiğmaz Mah. Turgut Özal Bulvarı No: 3/A Sargut Apt. Altı Çukurova 01173	ÇUKUROVA	ADANA	+ 90 850 204 04 46
Yeni Adana Branch	Güzelyalı Mah. Turgut Özal Bulvarı No: 90/D Edip Özaltın Sitesi B Blok Altı Çukurova 01170	ÇUKUROVA	ADANA	+ 90 850 204 05 73
Adana Atikop Branch	Turhan Cemal Beriker Bulvarı Adana İş Merkezi A Blok No: 7 - 9 01010	SEYHAN	ADANA	+ 90 850 204 05 35
Adana Çarşı Branch	Karasoku Mah. Kızılay Cad. No: 14 01010	SEYHAN	ADANA	+ 90 850 204 04 45
Adana Çukurova Branch	Çınarlı Mah. Atatürk Cad. No: 15 Seyhan 01120	SEYHAN	ADANA	+ 90 850 204 05 24
Adana Branch	Turan Cemal Beriker Bulvarı Güleç İşhanı, 23 Seyhan 01120	SEYHAN	ADANA	+ 90 850 204 00 26
Atatürk Cad. Adana Branch	Kurtuluş Mah. Atatürk Cad. Meryem Gizer Apartmanı No: 63/A Seyhan 01130	SEYHAN	ADANA	+ 90 850 204 01 17
Barkal Branch	Şakirpaşa Mah. Turhan Cemal Beriker Blv. No: 249/A Seyhan 01100	SEYHAN	ADANA	+ 90 850 204 01 64
Çukurova Corporate Branch	Çınarlı Mah. Atatürk Cad. No: 15 Kat: 1 A Kısım 01120 Seyhan	SEYHAN	ADANA	+ 90 850 204 03 59
Saydam Cad. Branch	Sucuzade Mah. Saydam Cad. No: 42 Seyhan 01030	SEYHAN	ADANA	+ 90 850 204 02 06
Adana Mobilyacılar Branch	Güzelevler Mah. Mobilyacılar Sitesi Meşe Cad. No: 18 A Kısım Yüreğir 01310	YÜREĞİR	ADANA	+ 90 850 204 02 69
Sarıçam Branch	Akıncılar Mah. Kozan Cad. No: 185/A	YÜREĞİR	ADANA	+ 90 850 204 03 12
Yüreğir Branch	Cumhuriyet Mah. 770 Sok. No: 11/A	YÜREĞİR	ADANA	+ 90 850 204 01 56
Adıyaman Branch	Yenipınar Mah, Atatürk Cad., No: 31	MERKEZ	ADİYAMAN	+ 90 850 204 02 81
Afyon Kadınana Branch	Ambaryolu Cad. Davulcuoğlu İş Hanı Altı No: 25 Merkez 03200	MERKEZ	AFYONKARAHİSAR	+ 90 850 204 05 10
Afyon Branch	Umurbey Mah. Cumhuriyet Meydanı No: 7 Merkez 03100	MERKEZ	AFYONKARAHİSAR	+ 90 850 204 01 16
Aksaray Branch	Minarecik Mah. Ankara Cad. No: 8	MERKEZ	AKSARAY	+ 90 850 204 03 54
Amasya Branch	Yüzevler Mah. Mustafa Kemal Paşa Cad. No: 76/A-B-1 Merkez 05100	MERKEZ	AMASYA	+90 850 204 06 87
Merzifon Branch	Hacıhasan Mah. Cumhuriyet Cad. No: 101/A Merzifon 05300	MERZİFON	AMASYA	+ 90 850 204 03 23
İkincisite Branch	Önder Mah. Ereğli Cad. No 19/B Altındağ 06320	ALTINDAĞ	ANKARA	+ 90 850 204 04 74
Kazım Karabekir Branch	Kazım Karabekir Cad. No: 72/9-10-90-91	ALTINDAĞ	ANKARA	+ 90 850 204 03 09
Siteler Branch	Siteler Mah. Sırma Sok. No: 1 Siteler	ALTINDAĞ	ANKARA	+ 90 850 204 01 41
Ulucanlar Branch	Kale Mah. Ulucanlar Cad. No: 44/A Altındağ 06250 Ankara	ALTINDAĞ	ANKARA	+ 90 850 204 04 99
Ulus Ankara Branch	Necatibey Mah., Anafartalar Cad., No: 33, Ulus	ALTINDAĞ	ANKARA	+ 90 850 204 00 34
Ankara Maltepe Branch	POLSAN, Eti Mah. Gazi Mustafa Kemal Bulvarı No: 50 Maltepe Çankaya 06570	ÇANKAYA	ANKARA	+ 90 850 204 06 16
Ankara Branch	Kazım Özalp Mah. Reşit Galip Cad. No: 87	ÇANKAYA	ANKARA	+ 90 850 204 00 06
Balgat Branch	Ceyhan Atif Kansu Cad. No: 80 Balgat	ÇANKAYA	ANKARA	+ 90 850 204 01 50
Başkent Corporate Branch	Simon Bolivar Cad. No: 17 Kat: 1-2 Çankaya 06680	ÇANKAYA	ANKARA	+ 90 850 204 04 56
Başkent Branch	Simon Bolivar Cad. No: 17 06680	ÇANKAYA	ANKARA	+ 90 850 204 03 82
Çankaya Ankara Branch	Aziziye Mah. Cinnah Cad. No: 110/A	ÇANKAYA	ANKARA	+ 90 850 204 03 07
Çetin Emeç Branch	Ehlibeyt Mah. Ceyhan Atuf Kansu Cad. No: 126/E	ÇANKAYA	ANKARA	+ 90 850 204 03 42
Çukurambar Branch	Kızılırmak Mah. Ufuk Üniversitesi Cad. No: 1/A Çankaya 06530	ÇANKAYA	ANKARA	+ 90 850 204 05 17
Dikmen Branch	Ş. Mevlüt Meriç Mah. Dikmen Cad. No: 260/15 06460 Dikmen	ÇANKAYA	ANKARA	+ 90 850 204 06 27
Gaziosmanpaşa Ankara Branch	Uğur Mumcu Cad. 76/A Gaziosmanpaşa	ÇANKAYA	ANKARA	+ 90 850 204 01 01
Meşrutiyet Cad. Branch	Meşrutiyet Mah. Meşrutiyet Cad. No: 11 B	ÇANKAYA	ANKARA	+ 90 850 204 01 05
Mithatpaşa Branch	Cumhuriyet Mah. Mithatpaşa Cad. No: 28/B	ÇANKAYA	ANKARA	+ 90 850 204 03 44
Necatibey Branch	Namık Kemal Mah. Necatibey Cad. No: 23/A Kızılay	ÇANKAYA	ANKARA	+ 90 850 204 01 36
Orta Anadolu Corporate Branch	Kavaklıdere Mah. Atatürk Bulvarı No: 154	ÇANKAYA	ANKARA	+ 90 850 204 00 57
Söğütözü Branch	Platin Tower Söğütözü Mah. Dumlupınar Bulvarı (Eskişehirlyolu Üzeri) No: 94/G Çankaya 06510	ÇANKAYA	ANKARA	+90 850 204 06 82

Tunalı Hilmi Branch	Remzi Oğuz Mah. Tunalı Hilmi Cad. No: 68/A Kavaklıdere	ÇANKAYA	ANKARA	+ 90 850 204 03 11 13
Ümitköy Branch	Çay Yolu Mah. 8. Cadde No: 45	ÇANKAYA	ANKARA	+ 90 850 204 02 26
Yenişehir Branch	Atatürk Bulvarı 66/A Kızılay 06440	ÇANKAYA	ANKARA	+ 90 850 204 04 26
Yıldız Branch	Turan Güneş Bulvarı No: 17	ÇANKAYA	ANKARA	+ 90 850 204 01 63
Ankara Zırlı Birlikler Branch	Zırlı Birlikler Okulu ve Eğitim Tümen Komutanlığı	ETİMESGUT	ANKARA	+ 90 850 204 03 38
Etimesgut Branch	İstasyon Mah. İstasyon Cad. Tüzün Sok. No: 8/7	ETİMESGUT	ANKARA	+ 90 850 204 02 52
Şaşmaz Branch	Bahçekapı Mah. 2488. Cadde. No: 4-A	ETİMESGUT	ANKARA	+ 90 850 204 02 39
Keçiören Branch	Güçlükaya Mah. Kızlar Pınarı Cad. No: 53/A Keçiören 06310	KEÇİÖREN	ANKARA	+ 90 850 204 03 08
Kızılay Branch	Gazi Mustafa Kemal Bulvarı No: 7/A Kızılay 06420	KIZILAY	ANKARA	+ 90 850 204 01 38
Ankara 4. Kolordu Branch	4. Kolordu Komutanlığı, Samsun Yolu Üzeri	MAMAK	ANKARA	+ 90 850 204 02 85
Nato Yolu Branch	Tuzluca Mah. Nato Yolu Cad. 294. Sok. No: 1/A Mamak 06620	MAMAK	ANKARA	+90 850 204 07 16
Polatlı Branch	Cumhuriyet Mah. Ankara Cad. No: 5 Polatlı 06900	POLATLI	ANKARA	+ 90 850 204 06 57
Polatlı Topçu ve Füze Okulu Komutanlığı Branch	İstiklal Mah. Refik Cesur Cad. No: 1 Polatlı 06900	POLATLI	ANKARA	+90 850 204 07 01
Sincan Çarşı Branch	Atatürk Mah. Meltem Sok. No: 16/A 06930 Sincan	SİNCAN	ANKARA	+ 90 850 204 05 83
Sincan Branch	Atatürk Mah. Ankara Cad. No: 44/A	SİNCAN	ANKARA	+ 90 850 204 01 91
Ankara Ostim Branch	100.Yıl Bulvarı Bosna İş Merkezi No: 48-49	YENİMAHALLE	ANKARA	+ 90 850 204 04 53
Demetevler Branch	Demet Lale Mah. İvedik Cad. 127/B Yenimahalle 06200	YENİMAHALLE	ANKARA	+90 850 204 06 70
Gimat Branch	Mehmet Emin Erdoğan İş Merkezi Macun Mah. Bağdat Cad. No: 93/25-26-27-28	YENİMAHALLE	ANKARA	+ 90 850 204 02 30
İvedik Organize Branch	İvedik Mah. 1354. Cadde (Eski 21. Cadde) No: 131 Yenimahalle 06378	YENİMAHALLE	ANKARA	+ 90 850 204 05 48
İvedik Branch	İvedik Organize Sanayi Sit. Melih Gökçek Bulvarı Halk Yapı Koop. No: 17/22 Ostim	YENİMAHALLE	ANKARA	+ 90 850 204 01 67
Ostim Branch	Ostim Sanayi Sitesi 100. Yıl Bulvarı No: 9	YENİMAHALLE	ANKARA	+ 90 850 204 01 23
Alanya Mahmutlar Branch	Yeni Mahalle Barbaros Cad. No: 98-A2 Blok A ve 98-A2 Blok B Mahmutlar	ALANYA	ANTALYA	+ 90 850 204 01 73
Alanya Sanayi Branch	Cumhuriyet Mah. Sanayi Girişi No: 326 / A 07400	ALANYA	ANTALYA	+ 90 850 204 06 04
Alanya Branch	Atatürk Cad. 42/A Alanya 07400 ANTALYA	ALANYA	ANTALYA	+ 90 850 204 01 08
Yeniköy Antalya Branch	Yeniköy Mah. Atatürk Cad. No: 476 Döşemealtı	DÖŞEMEALTI	ANTALYA	+ 90 850 204 03 53
Kalkan Branch	Kalkan Mah. Milli Egemenlik Caddesi No: 1 Daire 1-2 Kaş 07960	KAŞ	ANTALYA	+90 850 204 07 44
Kemer Branch	Yeni Mahalle Dört Yol Bulvarı No: 25/B	KEMER	ANTALYA	+ 90 850 204 01 74
Akdeniz Sanayi Branch	Şafak Mah. 5009 Sok. Akdeniz Sanayi Sitesi 36. Blok No: 114 Kepez 07224	KEPEZ	ANTALYA	+ 90 850 204 02 04
Antalya Sanayi Branch	Yükseliş Mah. Gazi Bulvarı No: 123/1 Kepez 07025	KEPEZ	ANTALYA	+ 90 850 204 05 60
Antalya Toptancı Hali Branch	Güneş Mah. Yeni Toptancı Hal Kompleksi B2/1 Blok No: 1 Kepez 07260	KEPEZ	ANTALYA	+ 90 850 204 03 18
Kepez Branch	Teomanpaşa Mah. Yeşilirmak Cad. 34/2 Kepez 07260	KEPEZ	ANTALYA	+ 90 850 204 07 04
Akdeniz Üniversitesi Branch	Akdeniz Üniversitesi Dumlupınar Bulvarı Olbia Çarşısı Kampüs Konyaaltı 07058	KONYAALTI	ANTALYA	+90 850 204 07 32
Kumluca Branch	Merkez Mah. Gödene Cad. No: 18 Kumluca 07350	KUMLUCA	ANTALYA	+ 90 850 204 03 31
Manavgat Çarşı Branch	Yukarı Hisar Mah. Antalya Cad. No: 54A Manavgat 07600	MANAVGAT	ANTALYA	+ 90 850 204 04 78
Manavgat Branch	Eski Hisar Mah. Demokrasi Bulvarı Öğreççi Plaza No: 73/Z02-Z03 Manavgat 07600	MANAVGAT	ANTALYA	+ 90 850 204 01 07
Aspendos Bulvarı Branch	Aspendos Bulvarı A Blok No: 76/2 Asma Kat Muratpaşa Merkez 07200	MERKEZ	ANTALYA	+ 90 850 204 06 41
Aspendos Corporate Branch	Aspendos Bulvarı, A Blok, No: 76/2 Muratpaşa	MERKEZ	ANTALYA	+ 90 850 204 02 82
Konyaaltı Branch	Konyaaltı Cad. Sitki Göksoy Apt. No: 40/5	MERKEZ	ANTALYA	+ 90 850 204 01 72
Lara Branch	Yeşilbahçe Mah. Metin Kasapoğlu Cad. Armada Apt. 44/4-5-6	MERKEZ	ANTALYA	+ 90 850 204 01 15
Antalya Etiler Branch	Etiler Mah. 851 Sok. No: 2 Muratpaşa 07010	MURATPAŞA	ANTALYA	+ 90 850 204 01 88
Antalya Muratpaşa Branch	Tahilpazarı Mah. Şarampol Cad. Ömer Melli İş Hanı No: 86A Muratpaşa 07040	MURATPAŞA	ANTALYA	+ 90 850 204 03 87
Antalya Branch	Etiler Mah. Adnan Menderes Bulvarı Birlik Apartmanı No: 53/A-B Muratpaşa 07010	MURATPAŞA	ANTALYA	+ 90 850 204 00 25

Fener Branch	Çağlayan Mah. Barınaklar Bulvarı A. Atmaca Apt. B Blok No: 3/A-B Muratpaşa 07230	MURATPAŞA	ANTALYA	+ 90 850 204 02 93
Güllük Branch	Altındağ Mah. Güllük Cad. No: 99 Muratpaşa 07050	MURATPAŞA	ANTALYA	+ 90 850 204 02 56
Şirinyalı Branch	Şirinyalı Mah. İsmet Gökşen Cad. No: 80/1 Muratpaşa 07160	MURATPAŞA	ANTALYA	+ 90 850 204 04 62
Üçkapılar Branch	Balbey Mah. Şht. Bnb. Cengiz Toytunç Cad. No: 52 Muratpaşa 07040	MURATPAŞA	ANTALYA	+ 90 850 204 01 49
Serik Branch	Yeni Mahalle, Hürriyet Cad. No: 6-8	SERİK	ANTALYA	+ 90 850 204 03 30
Uncalı Branch	Uncalı Mah. Uncalı Cad. No: 63 Konyaaltı 07070	UNCALI	ANTALYA	+ 90 850 204 02 75
Hopa Branch	Merkez Kuledibi Mah. Cumhuriyet Meydanı No: 1/A Hopa 08600	HOPA	ARTVİN	+ 90 850 204 02 90
Çine Branch	Hamidabat Mah. Mehmet Yavaş Cad. TN: 20 No: 111/A Çine 09500	ÇİNE	AYDIN	+90 850 204 07 35
Didim Branch	Atatürk Bulvarı, No: 113/A	DİDİM	AYDIN	+ 90 850 204 01 54
Aydın Branch	Kurtuluş Mah. Adnan Menderes Bulvarı 40/B-C Efeler 09020	EFELER	AYDIN	+ 90 850 204 00 75
Kuşadası Branch	İsmet İnönü Bulvarı No: 59 09400	KUŞADASI	AYDIN	+ 90 850 204 04 77
Aydın Çarşısı Branch	Hasan Efendi Mah. Hükümet Bulvarı No: 17 Merkez 09100	MERKEZ	AYDIN	+ 90 850 204 05 12
Nazilli Branch	Altıntaş Mah. 129 Sok. No: 2	NAZİLLİ	AYDIN	+ 90 850 204 03 21
Söke Branch	Konak Mah. Aydın Cad. No: 19 Söke 09200	SÖKE	AYDIN	+ 90 850 204 06 59
Balikesir Çarşısı Branch	Altıeylül Mah. Anafartalar Cad. No: 25/B Altıeylül 10100	ALTİEYLÜL	BALIKESİR	+ 90 850 204 04 98
Ayvalık Branch	İsmetpaşa Mah. Atatürk Bulvarı Cad. No: 109 Ayvalık 10400	AYVALIK	BALIKESİR	+90 850 204 07 14
Bandırma Branch	İnönü Cad. No: 68/A	BANDIRMA	BALIKESİR	+ 90 850 204 03 51
Edremit Branch	Cumhuriyet Meydanı Cumhuriyet Plaza No: 1/C Zemin Kat Edremit 10300	EDREMİT	BALIKESİR	+ 90 850 204 01 90
Gönen Branch	Akçaali Mah. Atatürk Cad. No: 27 Gönen 10900	GÖNEN	BALIKESİR	+ 90 850 204 06 60
Balikesir Branch	Hisariçi Mah. Örücüler Cad. No: 14/C Merkez 10100	MERKEZ	BALIKESİR	+ 90 850 204 00 77
Bartın Branch	Kırtepe Mah. Hamam Cad. No: 5 Merkez 74100	MERKEZ	BARTIN	+ 90 850 204 06 77
Batman Çarşısı Branch	Şirinevler Mah. Atatürk Bulvarı No: 42 Rüstem Apt. Merkez 72070	MERKEZ	BATMAN	+ 90 850 204 06 20
Batman Branch	Ziya Gökalp Mah. Atatürk Bulvarı, No: 149	MERKEZ	BATMAN	+ 90 850 204 03 28
Bozüyük Branch	Yeni Mahalle İsmet İnönü Cad. No: 67 Bozüyük 11300	BOZÜYÜK	BİLECİK	+90 850 204 06 86
Tatvan Branch	Tuğ Mah. Cumhuriyet Cad. No: 156 Tatvan 13200	TATVAN	BİTLİS	+90 850 204 06 81
Bolu Branch	Aktaş Mah. İzzet Baysal Cad. No: 114	MERKEZ	BOLU	+ 90 850 204 01 42
Bucak Branch	Oğuzhan Mah. Cumhuriyet Cad. No: 20/A	BUCAK	BURDUR	+ 90 850 204 03 47
Burdur Branch	Özgür Mah. Gazi Cad. No: 88	MERKEZ	BURDUR	+ 90 850 204 02 73
Bursa Serbest Bölge Branch	Ata Mah. Serbest Bölge Orkide Cad. No: 13/1 Gemlik 16600	GEMLİK	BURSA	+ 90 850 204 00 65
Gemlik Branch	Hamidiye Mah. İstiklal Cad. No: 31	GEMLİK	BURSA	+ 90 850 204 01 93
İnegöl Branch	Sinanbey Mah. Nuri Doğrul Cad. No: 19 İnegöl 16400	İNEGÖL	BURSA	+ 90 850 204 02 66
Karacabey Branch	Tavşanlı Mah. Bursa Cad. Necmi Akkuş Sitesi No: 31 A/5 Karacabey 16700	KARACABEY	BURSA	+ 90 850 204 02 91
Kestel Branch	Ahmet Vefik Paşa Mah. Gazi Cad. No: 6/A	KESTEL	BURSA	+ 90 850 204 03 15
Beşevler Sanayi Branch	Üçevler Mah. Nilüfer Cad. 4	NİLÜFER	BURSA	+ 90 850 204 01 20
Bursa Organize Sanayi Branch	Organize San. Bölgesi, Ali Sönmez Bulv. Bankalar Cad. 16159	NİLÜFER	BURSA	+ 90 850 204 03 84
Nilüfer Branch	İhsaniye Mah. İzmir Yolu Cad. No: 122 Nilüfer 7	NİLÜFER	BURSA	+ 90 850 204 01 03
Özlüce Branch	Ertuğrul Mah. Ahmet Taner Kışlalı Cad. No: 36-A/B - 36-A/C Nilüfer 16110	NİLÜFER	BURSA	+ 90 850 204 05 79
Orhangazi Branch	Muradiye Mah. Turist Yolu Cad. No: 51	ORHANGAZİ	BURSA	+ 90 850 204 03 69
Altıparmak Branch	Cemal Nadir Cad. No: 47, Kat: 1 Altıparmak	OSMANGAZİ	BURSA	+ 90 850 204 03 63
Bursa Atatürk Caddesi Branch	Atatürk Cad. No: 48 16020 Heykel	OSMANGAZİ	BURSA	+ 90 850 204 05 32
Bursa Cumhuriyet Cad. Branch	Tuzpazarı Mah. Cumhuriyet Cad. No: 114 Osmangazi 16020	OSMANGAZİ	BURSA	+ 90 850 204 05 87
Bursa Çekirge Branch	Muradiye Mah. Çekirge Cad. No: 11 16050	OSMANGAZİ	BURSA	+ 90 850 204 04 65
Bursa Branch	Doğanbey Mah. Fevzi Çakmak Cad. No: 52/B	OSMANGAZİ	BURSA	+ 90 850 204 00 17
Demirtaş Organize Sanayi Branch	Demirtaş Organize Sanayi Bölgesi Mustafa Karaer Cad. No: 18 Osmangazi 16245	OSMANGAZİ	BURSA	+ 90 850 204 04 57
Demirtaş Branch	Panayır Mah. Yeni Yalova Yolu Cad. No: 455/F	OSMANGAZİ	BURSA	+ 90 850 204 02 98
Garajlar Branch	Bahar Mah. Ulubatlı Hasan Bulvarı 61/E	OSMANGAZİ	BURSA	+ 90 850 204 01 65

Gazlılar Branch	Hacı İlyas Mah. Celal Bayar Cad. Cüneyt Apt. No: 35/11	OSMANGAZİ	BURSA	+ 90 850 204 01 62
Heykel Branch	Bursa Selçuk Hatun Mah. Ressam Şefik Bursalı Cad. No: 5 Heykel	OSMANGAZİ	BURSA	+ 90 850 204 01 51
Hürriyet Branch	İstiklal Mah. Park Sok. No: 2	OSMANGAZİ	BURSA	+ 90 850 204 02 97
Marmara Corporate Branch	Doğanbey Mah. Doğanbey Sok. No: 3 Kat: 3 A Kısım Osmangazi 16220	OSMANGAZİ	BURSA	+ 90 850 204 00 58
Bursa Yenişehir Branch	Ulucami Mah. Belediye Meydanı Sok. No: 15 Yenişehir 16900	YENİŞEHİR	BURSA	+90 850 204 07 26
Bursa Oto Sanayi Sitesi Branch	Ankara Yolu 7. Km, Otosansit Sitesi, Yıldırım Beyazıt Bulvarı, İdari Bina, No: 4-5-17-18	YILDIRIM	BURSA	+ 90 850 204 02 72
Yıldırım Branch	Duaçınarı Mah. Ankara Cad. No: 153/A	YILDIRIM	BURSA	+ 90 850 204 02 80
Bayramiç Branch	Camicedit Mah. Atatürk Cad. no: 22 A Bayramiç 17700	BAYRAMIÇ	ÇANAKKALE	+90 850 204 07 27
Biga Branch	İstiklal Cad. No: 39	BİGA	ÇANAKKALE	+ 90 850 204 02 77
Çanakkale Anafartalar Branch	İsmetpaşa Mah. Demircioğlu Cad. No: 24 Merkez 17000	MERKEZ	ÇANAKKALE	+ 90 850 204 05 34
Çanakkale Branch	Kemalpaşa Mah. Çarşı Cad. No: 113	MERKEZ	ÇANAKKALE	+ 90 850 204 01 85
Çankırı Branch	Yunus AVM Buğday Pazarı Mah. Çarşamba Pazarı Cad. No: 4/B116-Z118-Z119	MERKEZ	ÇANKIRI	+90 850 204 06 73
Çorum İnönü Caddesi Branch	İNönü Cad. No: 55/B Merkez 19100	MERKEZ	ÇORUM	+ 90 850 204 04 88
Çorum Branch	Çepni Mah. İnönü Cad. No: 4 Merkez 19040	MERKEZ	ÇORUM	+ 90 850 204 01 44
Acıpayam Branch	Yukarı Mahalle Çarşı Cad. No: 8/A Acıpayam 20800	ACIPAYAM	DENİZLİ	+90 850 204 07 42
Denizli Çivril Branch	Çatlar Mah. Cumhuriyet Cad. No: 3 Çivril 20600	ÇİVRİL	DENİZLİ	+90 850 204 06 84
Bayramyeri Branch	Enver Paşa Cad. No: 26	MERKEZ	DENİZLİ	+ 90 850 204 00 98
Çınar Branch	15 Mayıs Mah. Gazi Mustafa Kemal Bulvarı No: 145/B Merkez 20150	MERKEZ	DENİZLİ	+ 90 850 204 01 99
Denizli Saraylar Branch	Saraylar Mah. 459 Sok. No: 7 / 9 20100	MERKEZ	DENİZLİ	+ 90 850 204 03 88
Denizli Branch	Saraylar Mah. İzmir Bulvarı No: 57 Merkez 20100	MERKEZ	DENİZLİ	+ 90 850 204 00 19
Denizli Sanayi Branch	Saraylar Mah. Ahi Sinan Cad. No: 36/A Merkezefendi 20010	MERKEZEFENDİ	DENİZLİ	+ 90 850 204 05 51
Diyarbakır Kayapınar Branch	Selahattin Eyyubi Mah. Turgut Özal Bulvarı Yıldem Yapı Sitesi B Blok No: 74/A Bağlar 21080	BAĞLAR	DİYARBAKIR	+ 90 850 204 05 99
Diyarbakır Branch	Peyas Mah. Urfa Cad. Azizoğlu Sitesi, A Blok, Zemin Kat, No: 98/32	MERKEZ	DİYARBAKIR	+ 90 850 204 01 28
Diyarbakır Suriçi Branch	Cami Nebi Mah. İnönü Cad. No: 15/01	SUR	DİYARBAKIR	+ 90 850 204 04 80
Ofis Branch	Kooperatifler Mah. Akkoyunlu Bulvarı No: 19/B Yenişehir 21100	YENİŞEHİR	DİYARBAKIR	+ 90 850 204 03 03
Düzce Branch	Camikebir Mah. İstanbul Cad. No: 13/B	MERKEZ	DÜZCE	+ 90 850 204 02 87
Keşan Branch	Büyük Cami Mah. Cumhuriyet Meydanı, No: 13	KEŞAN	EDİRNE	+ 90 850 204 02 94
Edirne Branch	Hürriyet Meydanı No: 147 Zemin Kat Merkez 22100	MERKEZ	EDİRNE	+ 90 850 204 02 13
Trakya Üniversitesi Branch	Trakya Üniversitesi Balkan Yerleşkesi Merkez 22030	MERKEZ	EDİRNE	+90 850 204 07 45
Uzunköprü Branch	Muradiye Camii Mah. Cumhuriyet Cad. No: 1-A Uzunköprü 22300	UZUNKÖPRÜ	EDİRNE	+90 850 204 06 93
Elazığ Hürriyet Cad. Branch	İcadiye Mahallesi Hürriyet Cad. No: 25 23200	MERKEZ	ELAZIĞ	+ 90 850 204 06 02
Elazığ Branch	Hürriyet Cad. Mehmet Arslan İş Merkezi No: 35/A	MERKEZ	ELAZIĞ	+ 90 850 204 01 61
Erzincan Branch	Atatürk Mah. Fevzipaşa Cad. No: 17/C	MERKEZ	ERZİNCAN	+90 850 204 03 16
Erzurum Cumhuriyet Branch	Yukarı Mumcu Mah. Cumhuriyet Cad. No: 29/B Merkez 25200	MERKEZ	ERZURUM	+ 90 850 204 06 07
Erzurum Branch	Gez Mah. Orhan Şerifsoy Cad. Merkez Bankası Karşısı	MERKEZ	ERZURUM	+ 90 850 204 01 48
Eskişehir İki Eylül Cad. Branch	İstiklal Mah. İki Eylül Cad. No: 66	MERKEZ	ESKİŞEHİR	+ 90 850 204 04 13
Eskişehir Branch	İki Eylül Cad. Başan Sok. No: 2	MERKEZ	ESKİŞEHİR	+ 90 850 204 00 41
Sakarya Caddesi Branch	Cumhuriyet Mah. Sakarya-1 Cad. No: 37	MERKEZ	ESKİŞEHİR	+ 90 850 204 02 27
Teksan Branch	Teksan Sanayi Sitesi Ankara Karayolu 10. Km. İdari Bina	MERKEZ	ESKİŞEHİR	+ 90 850 204 01 84
Eskişehir Bağlar Branch	YeniBağlar Mah. Üniversite Cad. 106/A Tepebaşı 26170	TEPEBAŞI	ESKİŞEHİR	+ 90 850 204 05 67
Suburcu Branch	Çukur Mah. Suburcu Cad. No: 11/A Şahinbey 27400	ŞAHİNBEY	GAZİANTEP	+ 90 850 204 01 96

Şirehanı Branch	İsmetpaşa Mah. Belediye Cad. No: 3/1 Şahinbey 27010	ŞAHİNBEY	GAZİANTEP	+ 90 850 204 03 37
Gaziantep İncilipınar Branch	Değirmiş Mah. Gazi Muhtar Paşa Bulvarı No: 13 A Şehitkamil 27090	ŞEHİTKAMİL	GAZİANTEP	+ 90 850 204 04 09
Gaziantep Branch	İncili Pınar Mah. Muammer Aksoy Bulvarı Dünya İş Merkezi 34/2	ŞEHİTKAMİL	GAZİANTEP	+ 90 850 204 00 28
Güneydoğu Anadolu Corporate Branch	Mücahitler Mah. Gazi Muhtarpaşa Bulvarı No: 48 Kat: 6 A Kısım Şehitkamil 27090	ŞEHİTKAMİL	GAZİANTEP	+ 90 850 204 03 58
Şehitkamil Gaziantep Branch	Budak Mah. Gazi Muhtarpaşa Bulvarı No: 44/D Şehitkamil 27090	ŞEHİTKAMİL	GAZİANTEP	+ 90 850 204 00 97
Gazimağusa Branch	İsmet İnönü Bulvarı, No: 43 Sakarya	-	GAZİMAĞUSA/KKTC	+ 90 392 365 59 20
Giresun Branch	Şeyhkeremettin Mah. Gazi Cad. No: 2 Merkez 28200 Giresun	MERKEZ	GİRESUN	+ 90 850 204 02 70
Girne Branch	Bedrettin Demirel Cad. No: 12/12B	-	GİRNE/KKTC	+ 90 392 815 85 10
İskenderun Branch	Çay Mah. Atatürk Bulvarı, No: 25/1-2	İSKENDERUN	HATAY	+ 90 850 204 00 85
Antakya Branch	Yavuz Selim Cad. 5. Mıntıka Zühtüye Ökten Çarşısı No: 1-2 Antakya Merkez 31100	MERKEZ	HATAY	+ 90 850 204 00 73
İğdir Branch	Cumhuriyet Mah. İbrahim Bozyel Cad. No: 5/A Merkez 76000	MERKEZ	İĞDIR	+90 850 204 06 78
Isparta Branch	Pirimehmet Mah., Süleyman Demirel Bulvarı, No: 67/A	MERKEZ	ISPARTA	+ 90 850 204 02 43
Arnavutköy Branch	Arnavutköy Merkez Mah. Eski Edirne Cad. No: 1211 Arnavutköy 34725	ARNAVUTKÖY	İSTANBUL	+90 850 204 07 18
Ataşehir Branch	Atatürk Mah. Ataşehir Bulvarı No: 14/F Özel İşyeri: 1 Ataşehir 34758	ATAŞEHİR	İSTANBUL	+ 90 850 204 04 35
Batı Ataşehir Branch	Barbaros Mah. Halk Cad. No: 47/1 Ataşehir 34746	ATAŞEHİR	İSTANBUL	+90 850 204 00 76
Bostancı E5 Branch	İçerenköy Mah. Değirmenyolu Cad. No: 21/1 Ataşehir 34752	ATAŞEHİR	İSTANBUL	+ 90 850 204 04 31
İçerenköy Branch	İçerenköy Mah. Çayır Cad. Özce Center İş Merkezi No: 3A/1 Ataşehir 34752	ATAŞEHİR	İSTANBUL	+ 90 850 204 01 52
Küçükbakkalköy Branch	Küçükbakkalköy Mah. Salman Sok. No: 1 Küçükbakkalköy Ataşehir 34750	ATAŞEHİR	İSTANBUL	+ 90 850 204 05 58
Avcılar Borusan Branch	Firuzköy Yolu, No: 21, Borusan Oto	AVCILAR	İSTANBUL	+ 90 212 412 02 48
Avcılar Çarşı Branch	Merkez Mah., Reşitpaşa Cad., No: 41	AVCILAR	İSTANBUL	+ 90 850 204 02 41
Avcılar E-5 Branch	Cihangir Mah. E-5 Yanyol Cad. No: 239 Avcılar 34310	AVCILAR	İSTANBUL	+ 90 850 204 05 97
Avcılar Branch	Mustafa Kemal Paşa Mah. Firuzköy Bulvarı No: 115A Avcılar 34320	AVCILAR	İSTANBUL	+ 90 850 204 00 74
Bağcılar Branch	İstanbul Cad. No: 12/B	BAĞCILAR	İSTANBUL	+ 90 850 204 01 76
Güneşli Çarşı Branch	Bağlar Mah. Atatürk Cad. No: 6-1 Bağcılar 34209	BAĞCILAR	İSTANBUL	+ 90 850 204 04 04
Güneşli Branch	Evren Mah. Koçman Cad. No: 36/B Bağcılar 34212	BAĞCILAR	İSTANBUL	+ 90 850 204 00 39
Güneşli Tahsilat Veznesi Branch	Yalçın Koreş Cad. No: 20 Yenibosna	BAĞCILAR	İSTANBUL	+ 90 212 515 52 46
İstoç Branch	Mahmutbey Mah. 17. Yol Sok. No: 132/A İSTOÇ Bağcılar 34218	BAĞCILAR	İSTANBUL	+ 90 850 204 01 97
Trakya Corporate Branch	Nur Yıldız Plaza Evren Mah. Gülbahar Cad. No: 7A Kat: 5 Güneşli 34212	BAĞCILAR	İSTANBUL	+ 90 850 204 00 55
Bahçelievler İstanbul Branch	İzzettin Çalışlar Cad., No: 40	BAHÇELİEVLER	İSTANBUL	+ 90 850 204 02 34
Bahçelievler Soğanlı Branch	Soğanlı Mah. Mustafa Kemal Paşa Cad. No: 134 B Bahçelievler 34183	BAHÇELİEVLER	İSTANBUL	+90 850 204 07 19
Haznedar Bahçelievler Branch	Bahçelievler Mah. Naci Kasım Sok. No: 2/1A Bahçelievler 34180	BAHÇELİEVLER	İSTANBUL	+ 90 850 204 04 34
Kuyumcukent Branch	29 Ekim Cad. No: 1, Kuyumcukent, Atölye Bloğu, Zemin/1.Kat, 5. Sok. No: 19 Yenibosna	BAHÇELİEVLER	İSTANBUL	+ 90 850 204 02 71
Şirinevler Branch	Meriç Sok. Ünal İş Merkezi No: 13/3 Zemin Kat Şirinevler Bahçelievler 34188	BAHÇELİEVLER	İSTANBUL	+ 90 850 204 02 33
Yenibosna Çarşı Branch	Fevzi Çakmak Mah. Yıldırım Beyazıt Cad. No: 83B Bahçelievler 34197	BAHÇELİEVLER	İSTANBUL	+ 90 850 204 06 15
Yenibosna Branch	Yenibosna Merkez Mah. Yıldırım Beyazıt Cad. No: 210A Bahçelievler 34197	BAHÇELİEVLER	İSTANBUL	+ 90 850 204 03 29
Atrium Branch	Atrium Çarşısı No: 78-80 No.lu Dükkan Ataköy 34156	BAKIRKÖY	İSTANBUL	+ 90 850 204 04 72
Bakırköy Meydan Branch	İncirli Cad. Tayyareci Nurettin Sokak No: 18 34144	BAKIRKÖY	İSTANBUL	+ 90 850 204 03 93
Bakırköy Branch	Cevizlik Mah. İstanbul Cad. No: 24 Bakırköy 34142	BAKIRKÖY	İSTANBUL	+ 90 850 204 00 14
Florya Branch	Şenlik Mah. Florya Asfaltı No: 86 Zemin Kat Kısım A Florya Bakırköy 34153	BAKIRKÖY	İSTANBUL	+ 90 850 204 02 02

İncirli Branch	İncirli Cad. 77/B	BAKIRKÖY	İSTANBUL	+ 90 850 204 02 07
İstanbul Atatürk Havalimanı Branch	İstanbul Atatürk Hava Limanı Dış Hatlar Terminali Gelen Yolcu Katı IAL 3372 Yeşilköy 34149	BAKIRKÖY	İSTANBUL	+90 850 204 06 55
Yeşilköy Branch	İstasyon Cad. Orhan Gazi Sok. No: 1 Zemin Kat Kısım A Yeşilköy 34801	BAKIRKÖY	İSTANBUL	+ 90 850 204 00 54
Bahçeşehir Branch	Bahçeşehir 2. Kısım Mah. Süzer Bulvarı No: 13 Başakşehir 34488	BAŞAKŞEHİR	İSTANBUL	+ 90 850 204 00 76
İkitelli Organize Sanayi Branch	İkitelli OSB Mah. Bağcılar-Güngören Metro AVM B Blok Sok. Dış Kapı No: 1/B İç Kapı No: 13 Başakşehir 34490	BAŞAKŞEHİR	İSTANBUL	+ 90 850 204 04 60
Tümsan Sanayi Sitesi Branch	İkitelli Organize Sanayi Bölgesi, Atatürk Bulvarı, Tümsan 1. Kısım Sanayi Sitesi, 3. Blok, No: 1-2 İkitelli	BAŞAKŞEHİR	İSTANBUL	+ 90 850 204 02 23
Bayrampaşa Branch	Yenidoğan Mah. Abdi İpekçi Cad. No: 47	BAYRAMPAŞA	İSTANBUL	+ 90 850 204 00 22
Mega Center Branch	Kocatepe Mah. Yağ İşkesi Cad. Mega Center C.51 Blok No: 25/A Bayrampaşa 34045	BAYRAMPAŞA	İSTANBUL	+ 90 850 204 01 80
Terazidere Branch	Terazidere Mah. Cumhuriyet Cad. No: 65 Bayrampaşa 34035	BAYRAMPAŞA	İSTANBUL	+ 90 850 204 06 14
Bebek Branch	Cevdet Paşa Cad. No: 55 Bebek	BEŞİKTAŞ	İSTANBUL	+ 90 850 204 00 48
Beşiktaş Çarşı Branch	Cihannuma Mah. Salih Efendi Sok. No: 7 Beşiktaş 34353	BEŞİKTAŞ	İSTANBUL	+ 90 850 204 05 42
Beşiktaş Branch	Ortabahçe Cad. No: 2	BEŞİKTAŞ	İSTANBUL	+ 90 850 204 00 78
Etiler Branch	Etiler Mah. Nispetiye Cad. No: 97 Kat: 1 Beşiktaş 34337	BEŞİKTAŞ	İSTANBUL	+ 90 850 204 00 16
Gezgin Branch	Zorlu Center Levazım Mah. Kuru Sok. No: 2 Beşiktaş 34340	BEŞİKTAŞ	İSTANBUL	+ 90 533 373 32 61
İstanbul Corporate Branch	Gayrettepe Mah. Yener Sok. No: 1 Kat: 1/A Beşiktaş 34349	BEŞİKTAŞ	İSTANBUL	+ 90 850 204 00 12
İstanbul Ulus Branch	Adnan Saygun Cad. Konak Yüksel Apt. No: 32/1 - 34/1 Ulus	BEŞİKTAŞ	İSTANBUL	+ 90 850 204 02 20
Levent Çarşı Branch	Çarşı Cad. No: 22 1. Levent	BEŞİKTAŞ	İSTANBUL	+ 90 850 204 01 12
Ortaköy Branch	Yıldız Mah. Çırağan Cad. No: 97 Ortaköy	BEŞİKTAŞ	İSTANBUL	+ 90 850 204 01 30
Özel Bankacılık Merkezi Branch	Nispetiye Cad. Dilhayat Sok. No: 8 Zemin Kat Etiler	BEŞİKTAŞ	İSTANBUL	+ 90 850 204 00 70
Yeditepe Corporate Branch	Gayrettepe Mah. Yener Sok. No: 1 Kat: 1/B Beşiktaş 34349	BEŞİKTAŞ	İSTANBUL	+ 90 850 204 05 38
Yıldız Posta Branch	Gayrettepe Mah. Yener Sok. No: 1	BEŞİKTAŞ	İSTANBUL	+ 90 850 204 03 92
Kavacık Branch	Çubuklu Mah. Orhan Veli Kanık Cad. No: 81/B	BEYOĞLU	İSTANBUL	+ 90 850 204 01 55
Beylikdüzü Branch	Beylikdüzü OSB Mah. Açelya Cad. No: 1/8 Beylikdüzü 34524	BEYLİKDÜZÜ	İSTANBUL	+ 90 850 204 00 47
Rumeli Corporate Branch	Target İş Merkezi E-5 Yan Yolu üzeri Haramidere mevkii K: 5 Beylikdüzü 34520	BEYLİKDÜZÜ	İSTANBUL	+ 90 850 204 06 36
Bankalar Cad. Branch	Bereketzade Mah. Bankalar Cad. No: 28B	BEYOĞLU	İSTANBUL	+ 90 850 204 02 12
Beyoğlu Branch	Kuloğlu Mah. İstiklal Cad. No: 139 Beyoğlu 34433	BEYOĞLU	İSTANBUL	+ 90 850 204 04 51
Cihangir Branch	Kuloğlu Mah. Sıraselviler Cad. No: 158/A	BEYOĞLU	İSTANBUL	+ 90 850 204 02 35
Karaköy Branch	Müeyyadzade Mah. Kemeraltı Cad. No: 1/3 Zemin Kat Şefkat İş Hanı 34425 Karaköy	BEYOĞLU	İSTANBUL	+ 90 850 204 01 39
Kasımpaşa Branch	Cami Kebir Mah. Bahriye Cad. No: 83 Kasımpaşa	BEYOĞLU	İSTANBUL	+ 90 850 204 05 54
Beykent Branch	Cumhuriyet Mah. Gürpınar Yolu Beylikdüzü San. Sitesi B2 Blok No: 325-326-327-328-355-356 B. Çekmece 34500	BÜYÜKÇEKMECE	İSTANBUL	+ 90 850 204 06 37
Büyükkçekmece Branch	Dizdarye Mah. Atatürk Cad. No: 43 Zemin Kat	BÜYÜKÇEKMECE	İSTANBUL	+ 90 850 204 01 89
Hadımköy Branch	Akçaburgaz 5. Bölge San 1 Bulvarı 109 Hadımköy	BÜYÜKÇEKMECE	İSTANBUL	+ 90 850 204 01 19
Kıraç Branch	Çakmaklı Mah. Hadımköy Yolu Cad. No: 55/A Büyükkçekmece 34500	BÜYÜKÇEKMECE	İSTANBUL	+90 850 204 06 54
Laleli Branch	Mesihpaşa Cad. No: 62 Kat: 1 Laleli	EMİNÖNÜ	İSTANBUL	+ 90 850 204 02 10
Esenler Branch	Menderes Mah. Atışalanı Cad. No: 15 Esenler 34225	ESENLER	İSTANBUL	+ 90 850 204 06 09
Beylikdüzü E-5 Branch	Mevlana Mah. Çelebi Mehmet Cad. No: 7 Esenyurt 34515	ESENYURT	İSTANBUL	+ 90 850 204 04 07
Esenyurt Branch	İnönü Mah. Doğan Arası Bulvarı, No: 124/C	ESENYURT	İSTANBUL	+ 90 850 204 03 36
Alibeyköy Branch	Alibeyköy Mah. Namık Kemal Cad. 30/A Eyüp 34060	EYÜP	İSTANBUL	+ 90 850 204 05 61
Göktürk Branch	Göktürk Merkez Mah. İstanbul Cad. No: 30-32 Göktürk Eyüp 34050	EYÜP	İSTANBUL	+90 850 204 06 99
Topçular Branch	Rami Kışla Cad. Koçbay İş Merkezi No: 25/B 7-8 Topçular	EYÜP	İSTANBUL	+ 90 850 204 01 78

Aksaray İstanbul Branch	Millet Cad. No: 3/1 Aksaray	FATİH	İSTANBUL	+ 90 850 204 00 72
Aksaray Ordu Cad. Branch	Ordu Cad. No: 294 34134 Aksaray	FATİH	İSTANBUL	+ 90 850 204 04 63
Beyazıt Branch	Mimar Hayrettin Mah. Yeniçeriler Cad. No: 31 K: 1 Eminönü Fatih 34126	FATİH	İSTANBUL	+ 90 850 204 01 23
Eminönü Branch	Hobyar Mah. Arpacılar Cad. No: 12 Fatih 34112	FATİH	İSTANBUL	+ 90 850 204 00 29
Fatih Branch	Ali Kuşçu Mah. Macar Kardeşler Cad. No: 34 Fatih 34083	FATİH	İSTANBUL	+ 90 850 204 03 35
Fındıkzade Branch	Haseki Sultan Mah. Kızılelma Cad. No: 15 Fatih 34096	FATİH	İSTANBUL	+ 90 850 204 04 30
İDO Yenikapı Terminali Branch	Kennedy Cad. Yenikapı Hızlı Feribot İskelesi Fatih 34130	FATİH	İSTANBUL	
Kapalıçarşı Branch	Tavukpazarı Sok. No: 52 / 54 34120 Eminönü	FATİH	İSTANBUL	+ 90 850 204 04 40
Laleli Çarşı Branch	Mimar Kemalettin (Tavşantaşı) Mah. Sekbanbaşı Sok. No: 8 Beyazıt Eminönü Fatih 34126	FATİH	İSTANBUL	+ 90 850 204 05 00
Mercan Branch	Süleymaniye Mah. Şahende Sok. No: 7 Fatih 34116	FATİH	İSTANBUL	+ 90 850 204 04 49
Nuruosmaniye Branch	Nuruosmaniye Cad., No: 46 Cağaloğlu	FATİH	İSTANBUL	+ 90 850 204 02 54
Sirkeci Branch	Ankara Cad. No: 48 Sirkeci Fatih 34112	FATİH	İSTANBUL	+90 850 204 03 91
Tahtakale Branch	Tahtakale Mah. Tahtakale Cad. No: 55 Fatih 34116	FATİH	İSTANBUL	+ 90 850 204 01 47
Beşüzevler Branch	Eski Edirne Asfaltı Küçükköy Mah. Poligon Sok. 224	GAZİOSMANPAŞA	İSTANBUL	+ 90 850 204 00 79
Gaziosmanpaşa İstanbul Branch	Merkez Mah. Eyüp Yolu No: 4 Gaziosmanpaşa 34245	GAZİOSMANPAŞA	İSTANBUL	+ 90 850 204 01 86
Güngören Branch	Atatürk Cad. No: 116F/15 Çeşme İş Merkezi 34164 Merter	GÜNGÖREN	İSTANBUL	+ 90 850 204 06 12
Keresteciler Sitesi Branch	M. Nesih Özmen Mah. Merter Tekstil Merkezi Pelit Sok. No: 1 Güngören 34173	GÜNGÖREN	İSTANBUL	+ 90 850 204 04 08
Merter Branch	Osmaniye Mah. Keresteciler Sitesi, Fatih Cad. No: 21	GÜNGÖREN	İSTANBUL	+ 90 850 204 00 32
Altıyol Branch	Söğütlüçeşme Cad. No: 124/126 A	KADIKÖY	İSTANBUL	+ 90 850 204 00 87
Caddebostan Branch	Bağdat Cad. No: 273 Göztepe	KADIKÖY	İSTANBUL	+ 90 850 204 01 10
Çiftehavuzlar Branch	Bağdat Cad. Aziz Kaya İş Merkezi No: 193/A Zemin Kat A Kısım Çiftehavuzlar Kadıköy 34730	KADIKÖY	İSTANBUL	+ 90 850 204 01 34
Erenköy Branch	Caddebostan Mah. Bağdat Cad. No: 323/B Erenköy	KADIKÖY	İSTANBUL	+ 90 850 204 0389
Göztepe İstanbul Branch	Göztepe Mah. Tütüncü Mehmet Efendi Cad. No: 93/A Göztepe Kadıköy 34730	KADIKÖY	İSTANBUL	+ 90 850 204 01 46
Hasanpaşa Branch	Kurbağalidere Cad. No: 25 34722 Söğütlüçeşme	KADIKÖY	İSTANBUL	+ 90 850 204 05 23
Kadıköy Çarşı Branch	Mühürdar Cad. No: 28 34710	KADIKÖY	İSTANBUL	+ 90 850 204 04 52
Kadıköy Rıhtım Branch	Caferağa Mah. Damga Sok. No: 9/2	KADIKÖY	İSTANBUL	+ 90 850 204 01 37
Kalamış Branch	Faruk Ayanoğlu Cad. Barış Apt. 19/1-2 Fenerbahçe	KADIKÖY	İSTANBUL	+ 90 850 204 00 42
Kazasker Branch	Şemsettin Günaltay Cad. No: 109/A Erenköy	KADIKÖY	İSTANBUL	+ 90 850 204 01 11
Kızıltoprak Branch	Zühtüpaşa Mah. Bağdat Cad. No: 62/3 Kızıltoprak 34724	KADIKÖY	İSTANBUL	+ 90 850 204 04 89
Koşuyolu Branch	Koşuyolu Cad. No: 100 34718	KADIKÖY	İSTANBUL	+ 90 850 204 05 63
Kozyatağı Corporate Branch	Değirmen Sok. Nida Kule No: 18 Kat: 3 Kozyatağı 34710	KADIKÖY	İSTANBUL	+ 90 850 204 00 18
Kozyatağı Branch	Atatürk Cad. Akdeniz Sitesi, A1 Blok, 1-2-3 Sahrayıcedit, Erenköy	KADIKÖY	İSTANBUL	+ 90 850 204 00 56
Kuyubaşı Branch	Fahrettin Kerim Gökay Cad. No.122/1 Zemin Kat A Kısım Göztepe Kadıköy 34722	KADIKÖY	İSTANBUL	+ 90 850 204 03 02
Suadiye Branch	Bağdat Cad. German Apt. 456 Suadiye	KADIKÖY	İSTANBUL	+ 90 850 204 00 15
Şenesenevler Branch	Bostancı Mah. Şemsettin Günaltay Cad. No: 28/A Şenesenevler	KADIKÖY	İSTANBUL	+ 90 850 204 04 87
4. Levent Branch	Emniyet Evleri Mah. Eski Büyükdere Cad. No: 11/A Kağıthane 34415	KAĞITHANE	İSTANBUL	+ 90 850 204 00 49
Çağlayan Branch	Hürriyet Mah. Vatan Cad. No: 6A Çağlayan Kağıthane 34403	KAĞITHANE	İSTANBUL	+ 90 850 204 01 57
Gültepe Branch	Ortabayır Mah. Talatpaşa Cad. No: 82 C Gültepe Kağıthane 34410	KAĞITHANE	İSTANBUL	+ 90 850 204 02 14
Kağıthane Branch	Sadabat Cad. No: 32, 34406	KAĞITHANE	İSTANBUL	+ 90 850 204 04 76
Sanayi Mah. Branch	Sanayi Mah. Sultan Selim Cad. No: 22/22A/22B Kağıthane 34415	KAĞITHANE	İSTANBUL	+90 850 204 04 24
Seyrantepe Branch	Seyrantepe Mah. İbrahim Karaoğlanoğlu Cad. Alptekin İş Merkezi No: 101 A-B Kağıthane 34418	KAĞITHANE	İSTANBUL	+ 90 850 204 06 18
Anadolu Adliyesi Branch	Cevizli Mah. Mustafa Kemal Cad. Şehit Gazi Sok. Yeni Adliye Arkası D Blok 66/8 Kartal 34865	KARTAL	İSTANBUL	+90 850 204 06 69

Cevizli Branch	Orhantepe Mah. Çınar Cad. No: 9 34865 Cevizli	KARTAL	İSTANBUL	+ 90 850 204 05 62
İstanbul Anadolu Corporate Branch	Esentepe Mah. Cevizli D-100 Güney Yanyol Cad. Dumankaya Vizyon D Blok No: 13 D / 76 Kartal 34870	KARTAL	İSTANBUL	+ 90 850 204 05 36
Kartal Çarşı Branch	Ankara Cad. Şimşek Han No: 82 Zemin Kat	KARTAL	İSTANBUL	+ 90 850 204 01 40
Soğanlık Branch	Atatürk Cad. No: 119 34880 Soğanlık	KARTAL	İSTANBUL	+ 90 850 204 05 96
Cennet Mah. Branch	Cennet Mah. Barboros Cad. Cennet Konakları Sitesi C Blok No: 1 34290 Küçükçekmece	KÜÇÜKÇEKMECE	İSTANBUL	+ 90 850 204 05 91
İkitelli Branch	İkitelli Organize Sanayi Bölgesi Atatürk Bulvarı, No: 107/8 İkitelli	KÜÇÜKÇEKMECE	İSTANBUL	+ 90 850 204 00 60
İmsan Branch	İkitelli Cad. İmsan Küçük Sanayi Sitesi E-Blok No: 10 İkitelli	KÜÇÜKÇEKMECE	İSTANBUL	+ 90 850 204 02 28
Sefaköy Halkalı Cad. Branch	Teyfikbey Mah. Halkalı Cad. No: 134/A Küçükçekmece 34295	KÜÇÜKÇEKMECE	İSTANBUL	+ 90 850 204 04 18
Sefaköy Branch	Kartaltepe Mah. Çarşı Sok. No: 1 / Z-1 Küçükçekmece 34295	KÜÇÜKÇEKMECE	İSTANBUL	+ 90 850 204 01 22
Adatepe Branch	Altayçeşme Mah. Bağdat Cad. No: 287-291 Maltepe 34843	MALTEPE	İSTANBUL	+ 90 850 204 06 30
Altintepe Branch	Bağdat Cad. No: 75/3-4, Altintepe	MALTEPE	İSTANBUL	+ 90 850 204 02 67
Maltepe Çarşı İstanbul Branch	Altayçeşme Mah. Atatürk Cad. No: 41/604	MALTEPE	İSTANBUL	+ 90 850 204 02 32
Maltepe E-5 Branch	Altayçeşme Mah. Çam Sok. No: 25A Maltepe 34843	MALTEPE	İSTANBUL	+ 90 850 204 04 41
Maltepe İstanbul Branch	Bağlarbaşı Mah. Bağdat Cad. No: 477	MALTEPE	İSTANBUL	+ 90 850 204 01 21
Kaynarca Branch	Fevzi Çakmak Mah. Cemal Gürsel Cad., No: 111	PENDİK	İSTANBUL	+ 90 850 204 02 77
Kurtköy Branch	Şeyhli Mah. Ankara Cad. No: 217 A Pendik 34890	PENDİK	İSTANBUL	+ 90 850 204 01 87
Pendik E-5 Branch	Çınardere Mah. E5 Yanyolu Cad. No: 85	PENDİK	İSTANBUL	+ 90 850 204 00 37
Pendik Branch	Batı Mah. Ankara Cad. No: 102	PENDİK	İSTANBUL	+ 90 850 204 01 31
Sarıgazi Branch	İnönü Mah. Ankara Cad. No: 63/A Sancaktepe	SANCAKTEPE	İSTANBUL	+ 90 850 204 03 43
Beykent Üniversitesi Branch	T.C Beykent Üniversitesi Ayazağa Kampüsü, Ayazağa Mah. Hadımkoru Cad. No: 19A Sarıyer 34485	SARIYER	İSTANBUL	+90 850 204 06 63
Borusan İstinye Branch	Derbent Yolu, Balabandere Neslihan Cad. No: 1, İstinye	SARIYER	İSTANBUL	+ 90 850 204 03 17
Maslak Branch	Reşitpaşa Mah. Eski Büyükdere Cad. No: 14/A Sarıyer 34468	SARIYER	İSTANBUL	+ 90 850 204 01 29
Sarıyer Branch	Sarıyer Merkez Mah. Yeni Mahalle Cad. No: 19	SARIYER	İSTANBUL	+ 90 850 204 02 01
Yeniköy Branch	Yeniköy Mah. Köybaşı Cad. No: 51 Yeniköy Sarıyer 34464	SARIYER	İSTANBUL	+ 90 850 204 02 51
Zekeriyaköy Branch	Vişne 2 Mah. 4. Cadde, Kapalıçarşı, No: 27-15 Zekeriyaköy	SARIYER	İSTANBUL	+ 90 850 204 03 70
Silivri Branch	Pirimehmetpaşa Mah. Ali Çetinkaya Cad. No: 6	SİLİVRİ	İSTANBUL	+ 90 850 204 02 61
Sultanbeyli Branch	Mehmet Akif Mah. Fatih Bulvarı No: 244/B Sultanbeyli 34920	SULTANBEYLİ	İSTANBUL	+ 90 850 204 01 94
Sultangazi Branch	Cebeci Mah. Eski Edirne Asfaltı No: 748 34270 Sultancıflığı	SULTANGAZİ	İSTANBUL	+ 90 850 204 06 06
Arkas Esentepe Tahsilat Veznesi Branch	Kasap Sok. Arkas Binası No: 2 Esentepe	ŞİŞLİ	İSTANBUL	+ 90 212 340 53 37
Boğaziçi Corporate Branch	Büyükdere Cad. Şarlı İş Merkezi No: 103 K: 3 Mecidiyeköy	ŞİŞLİ	İSTANBUL	+ 90 850 204 04 32
Cevahir AVM Branch	Meşrutiyet Mah. Büyükdere Cad. No: 22 Şişli Cevahir İş Merkezi (108 Kotunda 34A No'lu Dükkan 34387	ŞİŞLİ	İSTANBUL	+90 850 204 05 43
Harbiye Branch	Cumhuriyet Cad. No:123 B Harbiye Şişli 34373	ŞİŞLİ	İSTANBUL	+90 850 204 03 80
Kurtuluş Branch	Feriköy Mah. Kurtuluş Cad. No: 126A	ŞİŞLİ	İSTANBUL	+ 90 850 204 02 09
Maçka Branch	Harbiye Mah. Kadırgalar Cad. No: 13A Şişli 34367	ŞİŞLİ	İSTANBUL	+ 90 850 204 00 45
Maslak Sanayi Branch	Ayazağa, Nazmi Akbacı Tic. Mer. No: 218-219 34396 Maslak	ŞİŞLİ	İSTANBUL	+ 90 850 204 04 06
Mecidiyeköy Çarşı Branch	Büyükdere Cad. Alba İş Hanı No: 67 / 71 34387 Mecidiyeköy	ŞİŞLİ	İSTANBUL	+ 90 850 204 04 27
Mecidiyeköy Branch	Büyükdere Cad. 103/1 Mecidiyeköy	ŞİŞLİ	İSTANBUL	+ 90 850 204 00 64
MSC Gemi Zincirlikuyu Tahsilat Veznesi Branch	Kore Şehitleri Cad. No: 25 Zincirlikuyu	ŞİŞLİ	İSTANBUL	+ 90 212 318 83 00
Ortaklar Cad. Branch	Büyükdere Cad. 60/A Mecidiyeköy	ŞİŞLİ	İSTANBUL	+ 90 850 204 01 25
Osmanbey Branch	Cumhuriyet Mah. Halaskargazi Cad. No: 245-251	ŞİŞLİ	İSTANBUL	+ 90 850 204 00 13

Perpa Branch	Okmeydanı Mah. Perpa Ticaret Merkezi A Blok 922 Kat: 7/8/9	ŞİŞLİ	İSTANBUL	+ 90 850 204 01 27
Şişli Meydan Branch	19 Mayıs Mah. Halaskargazi Cad. No: 212A Şişli 34381	ŞİŞLİ	İSTANBUL	+ 90 850 204 03 83
Valikonağı Branch	Teşvikiye Mah. Valikonağı Cad. No: 66 Şişli 34365	ŞİŞLİ	İSTANBUL	+ 90 850 204 02 19
Tuzla Çarşı Branch	Postane Mah. Tahaffuzhane Cad. No: 4/A-4/B Tuzla 34940	TUZLA	İSTANBUL	+ 90 850 204 06 80
Tuzla Deniz Harp Okulu Branch	Tuzla Deniz Harp Okulu Komutanlığı Sosyal Tesisleri	TUZLA	İSTANBUL	+ 90 850 204 03 20
Tuzla OSB Branch	Tuzla Mermerciler Organize Sanayi Bölgesi 5. Sok. No: 2	TUZLA	İSTANBUL	+ 90 850 204 02 18
Tuzla Piyade Okulu Branch	Piyade Okulu Komutanlığı	TUZLA	İSTANBUL	+ 90 850 204 03 50
Tuzla Branch	İçmeler Mah. Erdem Sok. No: 21/A	TUZLA	İSTANBUL	+ 90 850 204 02 36
Çekmeköy Branch	Madenler Mah. Serencebey Cad. No: 58A Ümraniye 34776	ÜMRANIYE	İSTANBUL	+ 90 850 204 01 43
Des Sanayi Branch	Dudullu Organize Sanayi Bölgesi DES Sanayi Sitesi 1. Cadde No: 3/4 Ümraniye 34775	ÜMRANIYE	İSTANBUL	+ 90 850 204 01 79
Dudullu Branch	Necip Fazıl Bulvarı No: 7-9 Ümraniye 34773	ÜMRANIYE	İSTANBUL	+90 850 204 07 21
Ihlamurkuyu Branch	Ihlamurkuyu Mah. Alemdar Cad. No: 249/A Dudullu Ümraniye 34771	ÜMRANIYE	İSTANBUL	+ 90 850 204 04 68
İmes Keyap Branch	Bostancı Yolu Cad. Keyap Sanayi Sitesi B1 Blok No: 21 34775 Yukarı Dudullu	ÜMRANIYE	İSTANBUL	+ 90 850 204 05 65
İmes Sanayi Sitesi Branch	İmes Sanayi Sitesi C Blok 301/3 Yukarı Dudullu	ÜMRANIYE	İSTANBUL	+ 90 850 204 00 61
Küçüksu Branch	Saray Mah. Küçüksu Cad. No: 60/1A Ümraniye 34768	ÜMRANIYE	İSTANBUL	+ 90 850 204 03 77
Santral Ümraniye Branch	Atatürk Mah. Sütçü İmam Cad. Kardeşler Apartmanı No: 51A Dükkan No: 1-2 Ümraniye 34764	ÜMRANIYE	İSTANBUL	+ 90 850 204 04 02
Ümraniye Sanayi Branch	Çakmak Mah. Alemdağ Cad. No: 422 Ümraniye 34775	ÜMRANIYE	İSTANBUL	+ 90 850 204 06 10
Ümraniye Branch	Alemdağ Cad. 194/2	ÜMRANIYE	İSTANBUL	+ 90 850 204 00 43
Acıbadem Branch	Acıbadem Cad., No: 164/4	ÜSKÜDAR	İSTANBUL	+ 90 850 204 01 83
Altunizade Branch	Kısıklı Cad. No: 19 Altunizade	ÜSKÜDAR	İSTANBUL	+ 90 850 204 00 95
Çengelköy Branch	Çengelköy Mah. Çengelköy Cad. No: 59 Çengelköy Üsküdar 34680	ÜSKÜDAR	İSTANBUL	+ 90 850 204 03 41
Libadiye Branch	Cumhuriyet Mah. Libadiye Cad. No: 81-81 A Canan Sok. No: 1 Üsküdar 34699	ÜSKÜDAR	İSTANBUL	+ 90 850 204 06 53
Üsküdar Branch	Aziz Mahmut Hüdayi Mah. Hakimiyeti Milliye Cad. No: 50 Kat: 1 Üsküdar 34672	ÜSKÜDAR	İSTANBUL	+ 90 850 204 01 32
Davutpaşa Branch	Maltepe Mah. Davutpaşa Cad. No: 101 DK: 230-231-232-352 Topkapı Zeytinburnu 34010	ZEYTİNBURNU	İSTANBUL	+ 90 850 204 00 96
Demirciler Sitesi Branch	Merkezefendi Mah. Demirciler Sit. 3. Cad. No: 36	ZEYTİNBURNU	İSTANBUL	+ 90 850 204 02 21
Topkapı Maltepe Branch	Maltepe Mah. Gümüşsuyu Cad. No: 53 Dk: 21-22 Zeytinburnu 34010	ZEYTİNBURNU	İSTANBUL	+ 90 850 204 05 28
Zeytinburnu Bulvar Branch	Gökalp Mah. 58. Bulvar Cad. No: 49-51 Zeytinburnu 34020	ZEYTİNBURNU	İSTANBUL	+ 90 850 204 05 21
Zeytinburnu Branch	Prof. Muammer Aksoy Cad. No: 85	ZEYTİNBURNU	İSTANBUL	+ 90 850 204 00 93
Aliğa Branch	İstiklal Cad. No: 35/B	ALİAĞA	İZMİR	+ 90 850 204 02 11
Balçova Branch	Onur Mah. Ata Cad. No: 48/A Balçova 35330	BALÇOVA	İZMİR	+ 90 850 204 02 16
Bayındır Branch	Mithatpaşa Mah. Fevzi Paşa Cad. No: 23A Bayındır 35840	BAYINDIR	İZMİR	+90 850 204 07 25
Manavkuyu Branch	Adalet Mah. Manas Bulvarı No: 20/A Bayraklı 35530	BAYRAKLI	İZMİR	+ 90 850 204 06 25
Bergama Branch	Ertuğrul Mah. Park Otel Sok. No: 10 Bergama 35700	BERGAMA	İZMİR	+90 850 204 06 97
4. Sanayi Branch	129 Sok. No: 1/E 4. Sanayi Sitesi	BORNOVA	İZMİR	+ 90 850 204 03 45
Bornova Çarşı Branch	Mustafa Kemal Cad. No: 11-A/B Bornova 35040 İzmir	BORNOVA	İZMİR	+ 90 850 204 03 98
Bornova Branch	Mustafa Kemal Cad. 132/1	BORNOVA	İZMİR	+ 90 850 204 01 00
Pınarbaşı Branch	Ümit Mah. Kemalpaşa Cad., No: 19/B	BORNOVA	İZMİR	+90 850 204 00 50
Buca Branch	Kozağaç Mah. Uğur Mumcu Cad. No: 96 Buca 35390	BUCA	İZMİR	+90 850 204 06 96
Şirinyer Branch	Menderes Cad. No: 288/B	BUCA	İZMİR	+ 90 850 204 02 76
Çeşme Branch	İnkılap Mah. İnkılap Cad. No: 70	ÇEŞME	İZMİR	+ 90 850 204 02 48
A.O.S.B. izmir Branch	M. Kemal Atatürk Bulvarı No: 42/19 Çiğli 35620	ÇİĞLİ	İZMİR	+ 90 850 204 00 67

Çiğli Branch	Şirintepe Mah. Anadolu Cad. No: 778/3A Çiğli 35620	ÇİĞLİ	İZMİR	+ 90 850 204 05 55
Gaziemir Branch	Akçay Cad. No: 169/A	GAZİEMİR	İZMİR	+ 90 850 204 02 79
Karabağlar Branch	Aşık Veysel Mah. Yeşillik Cad. No: 437-441/B Karabağlar 35110	KARABAĞLAR	İZMİR	+ 90 850 204 00 53
Bostanlı Branch	Bostanlı Mah. Cemal Gürsel Cad. No: 526/B Karşıyaka 35590	KARŞIYAKA	İZMİR	+ 90 850 204 02 31
Girne Bulvarı Branch	Girne Bulvarı No: 140 Karşıyaka 35580	KARŞIYAKA	İZMİR	+ 90 850 204 00 86
Karşıyaka Branch	Cemal Gürsel Cad. No: 200/A Karşıyaka 35600	KARŞIYAKA	İZMİR	+ 90 850 204 03 94
Şemikler Branch	Cumhuriyet Mah. Anadolu Cad. 424/B Karşıyaka 35570	KARŞIYAKA	İZMİR	+ 90 850 204 06 79
Kemalpaşa Branch	Atatürk Mah. İzmir Cad. No: 89 Kemalpaşa OSB 35177	KEMALPAŞA	İZMİR	+ 90 850 204 00 51
Alsancak Branch	1382 Sok. 33/A Bodrum Kat Alsancak Konak 35220	KONAK	İZMİR	+ 90 850 204 04 55
Çamdibi Branch	Mersinli Mah. Fatih Cad. No: 80 Konak 35170	KONAK	İZMİR	+ 90 850 204 05 77
Çarşı İzmir Branch	1203/1 Sok. No: 7 Yenişehir	KONAK	İZMİR	+ 90 850 204 00 66
Ege Corporate Branch	Cumhuriyet Bulvarı 66 Kat: 2	KONAK	İZMİR	+ 90 850 204 00 68
Gündoğdu Branch	Plevne Bulvarı, No: 1/A Alsancak	KONAK	İZMİR	+ 90 850 204 00 69
Hatay İzmir Branch	İnönü Cad. No: 229/B	KONAK	İZMİR	+ 90 850 204 03 22
İzmir 1. Sanayi Branch	Mersinli Mah. 2822 Sok. No: 63 Konak 35170	KONAK	İZMİR	+ 90 850 204 02 08
İzmir Çankaya Branch	Fevzipaşa Bulvarı No: 59 / A-B Çankaya	KONAK	İZMİR	+ 90 850 204 02 00
İzmir Göztepe Branch	Göztepe Mah. Mithatpaşa Cad. Bulvar Apt. No: 996 Konak 35290	KONAK	İZMİR	+90 850 204 01 60
İzmir Branch	Cumhuriyet Bulvarı 109-A	KONAK	İZMİR	+ 90 850 204 0040
Kemeraltı Branch	863 Sok. No: 56 - 58 35250 Kemeraltı	KONAK	İZMİR	+ 90 850 204 05 33
Konak Branch	Cumhuriyet Bulvarı, No: 36	KONAK	İZMİR	+ 90 850 204 02 96
Montrö Branch	Şair Eşref Bulvarı No: 23/A 35210 Çankaya	KONAK	İZMİR	+ 90 850 204 03 81
Toptancılar Çarşısı İzmir Branch	1202/2 Sok. No: 66 Yenişehir	KONAK	İZMİR	+ 90 850 204 03 19
Menemen Branch	Mermerli Mah. Mithatpaşa Cad. No: 55 Menemen 35661	MENEMEN	İZMİR	+ 90 850 204 02 29
Narlıdere Branch	Çamtepe Mah. Mithatpaşa Cad. No: 277-279 Narlıdere 35320	NARLIDERE	İZMİR	+90 850 204 07 03
Ödemiş Branch	Akıncılar Mah. Gazi Cad. No: 32/1 Ödemiş 35750	ÖDEMİŞ	İZMİR	+ 90 850 204 02 49
Tire Branch	Cumhuriyet Meydanı, No: 05	TİRE	İZMİR	+ 90 850 204 02 53
Torbalı Branch	Tepeköy Mah. İsmet Paşa Cad. 4511 Sok. No: 9/B	TORBALI	İZMİR	+ 90 850 204 03 56
Kahramanmaraş Çarşısı Branch	Menderes Mah. Trabzon Bulvarı No: 53/D Dulkadiroğlu 46100	DULKADİROĞLU	KAHRAMANMARAŞ	+ 90 850 204 04 86
Elbistan Branch	Güneşli Mah. Dulkadiroğlu Cad. No: 100/B Elbistan 46300	ELBİSTAN	KAHRAMANMARAŞ	+ 90 850 204 06 85
Kahramanmaraş Branch	Hayrullah Mah. Kıbrıs Meydanı 33011. Sok. No: 2 Merkez 46040 Kahramanmaraş	MERKEZ	KAHRAMANMARAŞ	+ 90 850 204 00 31
Karabük Branch	Kıbrıs Şehitleri Cad. Derya İş Hanı, No: 3	MERKEZ	KARABÜK	+ 90 850 204 02 83
Karaman Branch	Mansurdede Mah. Atatürk Bulvarı No: 24 D-E-F Merkez 70200	MERKEZ	KARAMAN	+90 850 204 06 72
Kars Branch	Merkez Mah. Kazım Paşa Cad. No: 117	MERKEZ	KARS	+ 90 850 204 03 78
Kastamonu Branch	Cebrail Mah. Plevne Cad. No: 52 A-B Merkez 37200	MERKEZ	KASTAMONU	+ 90 850 204 02 68
Kayseri Eski Sanayi Branch	Eski Sanayi Bölgesi 4.Cadde No: 51 38010 Hacısaki - Kocasinan	KOCASINAN	KAYSERİ	+ 90 850 204 05 72
Kocasinan Kayseri Branch	Sahabiye Mah. Ahmet Paşa Cad. No: 31-B, 31-C, 31-D, 31-E Kocasinan 38010	KOCASINAN	KAYSERİ	+90 850 204 07 13
Kayseri Corporate Branch	Anbar Mah. 14. Cadde No: 20 Asma Kat 38070	MELİKGAZİ	KAYSERİ	+ 90 850 204 05 93
Kayseri Sanayi Branch	Anbar Mah. 14. Cadde No: 20 Zemin Kat	MELİKGAZİ	KAYSERİ	+ 90 850 204 01 70
Sivas Caddesi Branch	Sivas Cad., No: 60/C	MELİKGAZİ	KAYSERİ	+ 90 850 204 02 38
Kayseri Çarşısı Branch	İslimpaşa Mah. Millet Cad. No: 26 38046	MERKEZ	KAYSERİ	+ 90 850 204 04 05
Kayseri Branch	Cumhuriyet Mah. Millet Cad. Belediye İş Merkezi 65/66	MERKEZ	KAYSERİ	+ 90 850 204 00 23
Kırıkkale Branch	Yenidoğan Mah. Cumhuriyet Cad. No: 8/A	MERKEZ	KIRIKKALE	+ 90 850 204 03 79
Lüleburgaz Branch	Kocasinan Mah. İstanbul Cad. No: 12/ Z01 Lüleburgaz 39750	LÜLEBURGAZ	KIRKLARELİ	+ 90 850 204 02 05
Kırklareli Branch	Karakaş Mah. Fevzi Çakmak Bulvarı, No: 41	MERKEZ	KIRKLARELİ	+ 90 850 204 03 39
Kırşehir Branch	Medrese Mah. M. Kemal Hotamaroğlu Sok. No: 2 Merkez 40200	MERKEZ	KIRŞEHİR	+90 850 204 06 68
Darıca Branch	Kazımkarabekir Mah. İstasyon Cad. No: 509/A Darıca 41700	DARICA	KOCAELİ	+90 850 204 07 22

Gebze Akse Sapağı Branch	Mustafapaşa Mah. İbrahimaga Cad. No: 75/A Gebze 41400	GEBZE	KOCAELİ	+90 850 204 06 83
Gebze Çarşı Branch	Hacı Halil Mah. Cumhuriyet Meydanı No: 3/2 Gebze 41400	GEBZE	KOCAELİ	+ 90 850 204 04 11
Gebze E5 Branch	Osman Yılmaz Mah. İstanbul Cad. No: 74/A	GEBZE	KOCAELİ	+ 90 850 204 02 44
Gebze Organize Sanayi Bölgesi Branch	Gebze Organize Sanayi Bölgesi, Bankalar ve Çarşı Merkezi, 1600 Sok. No: 1601-7 Gebze 41480	GEBZE	KOCAELİ	+ 90 850 204 07 34
Gebze Branch	Hacı Halil Mah. Zübeyde Hanım Cad. No: 33/B	GEBZE	KOCAELİ	+ 90 850 204 00 35
İDO Eskişehir Terminali Branch	İDO Eskişehir Vapur İskelesi Eskişehir Mah. İskele Meydanı No: 7 Gebze 41400	GEBZE	KOCAELİ	
Gölcük Branch	Amiral Sağlam Cad. No: 12/B	GÖLCÜK	KOCAELİ	+ 90 850 204 02 17
Alemdar Branch	Alemdar Cad. Ömerağa Mah. No: 19	İZMİT	KOCAELİ	+ 90 850 204 03 48
Bekirpaşa Branch	28 Haziran Mah. Turan Güneş Cad. No: 301 A İzmit 41060 Kocaeli	İZMİT	KOCAELİ	+ 90 850 204 03 13
Çarşı İzmit Branch	Hürriyet Cad. No: 95 41200	İZMİT	KOCAELİ	+ 90 850 204 04 16
İzmit Sanayi Sitesi Branch	Sanayi Mah. Fırat Sok. No: 16/A	İZMİT	KOCAELİ	+ 90 850 204 03 06
Körfez Branch	Kuzey Mah. Cahit Zarifoğlu Cad. No: 53/B	KÖRFEZ	KOCAELİ	+ 90 850 204 03 26
İzmit Branch	Körfez Mah. Ankara Karayolu, No: 123/3	MERKEZ (İZMİT)	KOCAELİ	+ 90 850 204 00 20
Akşehir Branch	Meydan Mah. İnönü Cad. No: 72/A	AKŞEHİR	KONYA	+ 90 850 204 02 86
Çumra Branch	İzzetbey Mah. Yıldız Sok. No: 33A/1 Çumra 42500	ÇUMRA	KONYA	+90 850 204 07 28
Konya Ereğli Branch	Selçuklu Mah. İstasyon Cad. Necip Pala İş Hanı, No: 55	EREĞLİ	KONYA	+ 90 850 204 02 60
Büsan Sanayi Sitesi Branch	Fevzi Çakmak Mah. KOSGEB Cad. No: 1/1 Karatay 42050	KARATAY	KONYA	+ 90 850 204 01 18
Konya Buğday Pazarı Branch	Fevzi Çakmak Mah. Adana Çevreyolu Cad. No: 26B-(1 İşyeri) Karatay 42050	KARATAY	KONYA	+90 850 204 07 08
Mevlana Branch	Aziziye Mah. Mevlana Cad., No: 63 D: 1	KARATAY	KONYA	+ 90 850 204 02 57
Konya Larende Branch	Şükran Mah. Başaralı Cad. Üzümcü Yapı Sitesi No: 104-(1 İşyeri)/1 Meram 42040	MERAM	KONYA	+90 850 204 07 17
Konya Branch	Musalla Bağları Mah. Ahmet Hilmi Nalçacı Cad. Cengizhan No: 130/1 Selçuklu 42060	SELÇUKLU	KONYA	+ 90 850 204 00 30
Nalçacı Konya Branch	Ahmet Hilmi Nalçacı Cad. Acentacılar Sitesi No: 111-113 Selçuklu 42060	SELÇUKLU	KONYA	+ 90 850 204 04 12
Zafer Sanayi Branch	Demirkol Sok. No: 2 Selçuklu	SELÇUKLU	KONYA	+ 90 850 204 02 25
Zafer Branch	Beyazıt Mah. Hüsnüaşk Sok. No: 4 Konevi İş Merkezi, D: 2	SELÇUKLU	KONYA	+ 90 850 204 03 32
Kütahya Branch	Gazi Kemal Mah. Cumhuriyet Cad. No: 77/B Merkez 43050	MERKEZ	KÜTAHYA	+ 90 850 204 06 43
Tavşanlı Branch	Yeni Mahalle Emet Cad. No: 16/A Tavşanlı 43300	TAVŞANLI	KÜTAHYA	+90 850 204 07 12
Lefkoşa Sarayönü Branch	Girne Cad. No: 20	-	LEFKOŞA/KKTC	+90 392 228 02 55
Lefkoşa Branch	Mehmet Akif Cad. No: 86 Köşklüçiftlik	-	LEFKOŞA/KKTC	+ 90 392 229 20 40
İnönü Caddesi Malatya Branch	Şıksık Mah.İ İnönü Cad. No: 91/A	MERKEZ	MALATYA	+ 90 850 204 02 45
Malatya Çarşı Branch	Cumhuriyet Cad. No: 10 Merkez 44200	MERKEZ	MALATYA	+90 850 204 06 90
Malatya Branch	Niyazi Mah. Çevre Yolu Sok. (Buhara Bulvarı) Cad. No: 195 Merkez 44100	MERKEZ	MALATYA	+ 90 850 204 00 89
Akhisar Branch	Şehit Teğmen Ün Cad. Paşa Mah. No: 78 Akhisar 45200	AKHİSAR	MANİSA	+ 90 850 204 02 59
Alaşehir Branch	Soğuksu Mah. Sekine Evren Cad. No: 87 Alaşehir 45600	ALAŞEHİR	MANİSA	+90 850 204 06 64
Manisa Sanayi Branch	75.Yıl Mah. Bahri Sarıtepe Cad. No: 73	MERKEZ	MANİSA	+ 90 850 204 02 03
Manisa Branch	1.Anafartalar Mah. Mustafa Kemal Paşa Cad. No: 40/A Merkez 45020	MERKEZ	MANİSA	+ 90 850 204 01 14
Salihli Branch	Atatürk Mah. Belediye Cad. No: 93-95	SALİHLİ	MANİSA	+ 90 850 204 01 92
Sarıgöl Branch	Cumhuriyet Mah. Aşağı Koçaklar Cad. No: 6/Z01 Sarıgöl 45470	SARIGÖL	MANİSA	+90 850 204 07 23
Saruhanlı Branch	Saruhan Mah. Cumhuriyet Meydanı No: 9/2-3 Saruhanlı 45800	SARUHANLI	MANİSA	+90 850 204 07 24
Soma Branch	Kurtuluş Mah. Fatih Cad. No: 10	SOMA	MANİSA	+ 90 850 204 03 40
Turgutlu Branch	Altay Mah. Atatürk Bulvarı, No: 163	TURGUTLU	MANİSA	+ 90 850 204 02 92
Mardin Branch	13 Mart Mah. Vali Ozan Cad. 82/B Artuklu 47200	ARTUKLU	MARDİN	+ 90 850 204 03 27
Mersin Çarşı Branch	Camışerif Mah. İstiklal Cad. No: 40/D Akdeniz 33060	AKDENİZ	MERSİN	+ 90 850 204 04 44
Mersin Branch	Camışerif Mah. İsmet İnönü Bulvarı No: 94A Akdeniz 33010	AKDENİZ	MERSİN	+ 90 850 204 00 38

Mersin Toptancılar Sitesi Branch	Mersin Toptancılar Sitesi (Mertoç) Hal Mah. Turgut Özal Bulvarı E Blok No: 92 Akdeniz 33020	AKDENİZ	MERSİN	+ 90 850 204 06 52
Metropol Mersin Branch	Mesudiye Mah. Kuvayı Milliye Cad. No: 84/B Akdeniz 33060	AKDENİZ	MERSİN	+ 90 850 204 03 52
Anamur Branch	Esentepe Mah. Atatürk Bulvarı, No: 8/B	ANAMUR	MERSİN	+ 90 850 204 03 04
Erdemli Branch	Merkez Mah. Alparslan Türkeş Bulvarı, No: 561A Erdemli 33730	ERDEMLİ	MERSİN	+ 90 850 204 07 02
Mersin Çamlıbel Branch	Kültür Mah. 103.Cadde No: 62 33100 İçel	MERKEZ	MERSİN	+ 90 850 204 03 85
Mersin Pozcu Branch	İnönü (Bahçe) Mah. G.M.K.Bulvarı Emel Sitesi B ve C Blok No: 353 / A 33140 Pozcu	MERKEZ	MERSİN	+ 90 850 204 05 84
Mezitli Branch	Menderes Mah. Gazi Mustafa Kemal Bulvarı, Doğaner İş Hanı, A Blok No: 709/Aa Mezitli	MERKEZ	MERSİN	+ 90 850 204 03 45
Mut Branch	Doğanca Mah. Atatürk Bulvarı No: 48/A-B Mut 33600	MUT	MERSİN	+90 850 204 07 46
Silifke Branch	Mukaddem Mah. İnönü Bulvarı No: 20 A Silifke 33940	SİLİFKE	MERSİN	+ 90 850 204 06 88
Tarsus Makam Branch	Şehit Mustafa Mah. Atatürk Cad. 33400 No: 17/A İçel	TARSUS	MERSİN	+ 90 850 204 04 66
Tarsus Branch	Müftü Mah. 0345 Sok. No: 31	TARSUS	MERSİN	+ 90 850 204 02 37
Bodrum Çarşı Branch	Çarşı Mah. 4. Sok. No: 11 Bodrum 48400	BODRUM	MUĞLA	+ 90 850 204 01 69
Bodrum Gümbet Branch	Merkez Mah. Atatürk Bulvarı No: 203/A1-A3 Konacık - Bodrum 48480	BODRUM	MUĞLA	+ 90 850 204 03 14
Bodrum Branch	Türk Kuyusu Mah. Kıbrıs Şehitleri Cad. No: 65/A-65/B	BODRUM	MUĞLA	+ 90 850 204 01 06
Karya Bodrum Branch	Kıbrıs Şehitleri Cad. Emniyet Müdürlüğü Yanı Ataman İş Mrk. C Blk. Bodrum 48400	BODRUM	MUĞLA	+ 90 850 204 04 19
Yalıkavak Branch	İnönü Cad. No: 101/A-E Yalıkavak Bodrum 48990	BODRUM	MUĞLA	+90 850 204 06 92
Fethiye İnönü Bulvarı Branch	Taşyaka Mah. İnönü Bulvarı No: 82/A Fethiye 48300	FETHİYE	MUĞLA	+ 90 850 204 01 68
Fethiye Likya Branch	Taşyaka Mah. İnönü Bulvarı No: 4 4/A 4/B Fethiye 48300	FETHİYE	MUĞLA	+ 90 850 204 04 96
Fethiye Seydikemer Branch	Cumhuriyet Mah. İnönü Cad. No: 40 Kemer Fethiye 48300	FETHİYE	MUĞLA	+90 850 204 07 09
Fethiye Branch	Cumhuriyet Mah. Çarşı Cad. No: 25 Fethiye 48300	FETHİYE	MUĞLA	+ 90 850 204 01 33
Aksaz Branch	Aksaz Deniz Üs Komutanlığı, Aksaz	MARMARİS	MUĞLA	+ 90 850 204 02 40
Marmaris Branch	Tepe Mah. Ulusal Egemenlik Cad. No: 24 Marmaris 48700	MARMARİS	MUĞLA	+ 90 850 204 01 02
Muğla Branch	Şeyh Mah. İsmet İnönü Cad. Dış Kapı No: 17 İç Kapı No: 1 Merkez 48000	MERKEZ	MUĞLA	+ 90 850 204 02 58
Milas Branch	Hacııyas Mah. Menteşe Cad. Özler İş Hanı Karşısı No: 91 Milas 48200	MİLAS	MUĞLA	+ 90 850 204 06 65
Nevşehir Branch	Karasoku Mah. Atatürk Cad. No: 16/B Merkez 50100	MERKEZ	NEVŞEHİR	+ 90 850 204 06 94
Niğde Branch	Yenice Mah. Bankalar Cad. No: 15	MERKEZ	NİĞDE	+ 90 850 204 01 66
Fatsa Branch	Mustafa Kemal Paşa Mah. Reşadiye Cad. No: 14/A Fatsa 52400	FATSA	ORDU	+ 90 850 204 01 53
Ordu Branch	Şarkıye Mah. Süleyman Felek Cad. No: 93 C Zemin Kat	MERKEZ	ORDU	+ 90 850 204 01 82
Ünye Branch	Kaledere Mah. Akkuş Niksar Cad. No: 6/A Ünye 52300	ÜNYE	ORDU	+90 850 204 06 98
Kadirli Branch	Savrun Mah. Atatürk Cad. No: 46 Kadirli 80760	KADIRLI	OSMANİYE	+ 90 850 204 06 89
Osmaniye Branch	Alibeyli Mah. Dr. Ahmet Alkan Cad. No: 17/A Merkez 80010	MERKEZ	OSMANİYE	+ 90 850 204 06 42
Rize Branch	Yeniköy Mah. Tevfik İleri Cad. No: 18	MERKEZ	RİZE	+ 90 850 204 01 95
Adapazarı Çarşı Branch	Orta Mahalle Soğan Pazarı Cad. No: 8 Adapazarı 54040	ADAPAZARI	SAKARYA	+ 90 850 204 05 05
Erenler Sanayi Branch	Erenler Mah. Sakarya Cad. No: 306/A	ERENLER	SAKARYA	+ 90 850 204 02 88
Adapazarı Branch	Tiğcılar Mah. Atatürk Bulvarı, No: 27	MERKEZ	SAKARYA	+ 90 850 204 01 13
Bafra Branch	Hacınabi Mah. Cumhuriyet Meydanı, No: 20	BAFRA	SAMSUN	+ 90 850 204 03 33
Çarşamba Branch	Dr. Tevfik Türker Cad. No: 13	ÇARŞAMBA	SAMSUN	+ 90 850 204 01 58
Samsun Çiftlik Branch	19 Mayıs Mah. İstiklal Cad. No: 57 İlkadım 55030	İLKADIM	SAMSUN	+ 90 850 204 01 98
Samsun Mecidiye Branch	Hançerli Mah. Çifte Hamam Cad. No: 2 İlkadım 55020	İLKADIM	SAMSUN	+ 90 850 204 04 94
Samsun Sanayi Branch	Yeni Mahalle Sanayi Sitesi 28. Cadde No: 19	MERKEZ	SAMSUN	+ 90 850 204 01 81
Samsun Branch	Kale Mah. Kaptanağa Sok. No: 4/B İlkadım 55030	MERKEZ	SAMSUN	+ 90 850 204 00 90

Siirt Branch	Bahçelievler Mah. Ali Çelik Cad. No: 3-1 Merkez 56100	MERKEZ	SİİRT	+90 850 204 06 71
Sinop Branch	Meydankapı Mah. Kıbrıs Cad. No: 4 Merkez 57000	MERKEZ	SİNOP	+90 850 204 06 91
Sivas Branch	Atatürk Cad. No: 15	MERKEZ	SİVAS	+ 90 850 204 02 47
Toptancılar Sitesi Sivas Branch	Gültepe Mah. İmren Sok. No: 3D Merkez 58080	MERKEZ	SİVAS	+90 850 204 07 06
Şanlıurfa Sarayönü Cad. Branch	Yusufoğlu Mah. Sarayönü Cad. No: 131 Haliliye	HALİLİYE	ŞANLIURFA	+ 90 850 204 04 23
Şanlıurfa Branch	Atatürk Bulvarı Numune Pasajı No: 16/2-3 Haliliye 63100	HALİLİYE	ŞANLIURFA	+ 90 850 204 01 35
Çerkezköy Branch	Gazi Osman Paşa Mah. Atatürk Cad. No: 5	ÇERKEZKÖY	TEKİRDAĞ	+ 90 850 204 02 84
Çorlu Çarşı Branch	Cemaliye Mah. Saray Cad. No: 2 Çorlu 59860	ÇORLU	TEKİRDAĞ	+90 850 204 02 89
Çorlu Branch	Kazimiye Mah. Salih Omurtak Cad. No: 22/B	ÇORLU	TEKİRDAĞ	+ 90 850 204 01 09
Hayrabolu Branch	Hisar Mah. Şair Mehmet Mahvi Sok. No: 10/Z1 Hayrabolu 59400	HAYRABOLU	TEKİRDAĞ	+90 850 204 07 33
Malkara Branch	Camiatik Mah. Hürriyet Cad. No: 25/11 Malkara 59300	MALKARA	TEKİRDAĞ	+90 850 204 07 30
Tekirdağ Köprübaşı Branch	Aydoğdu Mah. Köprübaşı Sok. No: 11/B Merkez 59200	MERKEZ	TEKİRDAĞ	+90 850 204 06 76
Tekirdağ Branch	Hükümet Cad. No: 94	MERKEZ	TEKİRDAĞ	+ 90 850 204 02 24
Tokat Erbaa Branch	Cumhuriyet Mah. Hükümet Cad. No: 140A Erbaa 60500	ERBAA	TOKAT	+90 850 204 07 11
Tokat Branch	Kabe-i Mescid Mah. Gaziosmanpaşa Bulvarı No: 168/A Merkez 60030	MERKEZ	TOKAT	+ 90 850 204 06 51
Zile Branch	Cedid Mah. İstasyon Cad. No: 13A/13B Zile 60400	ZİLE	TOKAT	+90 850 204 07 43
Akçaabat Branch	Orta Mah. İnönü Cad. No: 119 -119 A	AKÇAABAT	TRABZON	+ 90 850 204 01 77
Değirmendere Trabzon Branch	Devlet Karayolu Cad. No: 103 Değirmendere	MERKEZ	TRABZON	+ 90 850 204 02 42
Trabzon Gazipaşa Branch	Kemerkaya Mah. Kunduracılar Cad. No: 74 Zemin Kat Merkez 61200	MERKEZ	TRABZON	+ 90 850 204 04 15
Trabzon Branch	Kemerkaya Mah. Kahramanmaraş Cad. No: 35	MERKEZ	TRABZON	+ 90 850 204 00 91
Uşak Çarşı Branch	İsmet Paşa Cad. No: 58 64100	MERKEZ	UŞAK	+ 90 850 204 05 18
Uşak Branch	İsliçe Mah. İsmetpaşa Cad. No: 67/B Merkez 64100	MERKEZ	UŞAK	+ 90 850 204 00 92
Van Branch	Şerefiye Mah. Mareşal Fevzi Çakmak Cad. No: 14/B Merkez 65040	MERKEZ	VAN	+ 90 850 204 02 15
Van Yüzüncü Yıl Üniversitesi Branch	Yüzüncü Yıl Üniversitesi Bardakçı Mah. Zeve Kampüsü Tuşba 65040	TUŞBA	VAN	+90 850 204 07 10
Yalova İskele Branch	Süleymanbey Mah. Cengiz Koçal Cad. No: 22/1-4 Merkez 77200	MERKEZ	YALOVA	+ 90 850 204 05 59
Yalova Branch	Cumhuriyet Cad. No: 23	MERKEZ	YALOVA	+ 90 850 204 03 10
Boğazlıyan Branch	Çarşı Mah. Mescit Cad. No: 17 Boğazlıyan 66400	BOĞAZLIYAN	YOZGAT	+90 850 204 07 38
Yozgat Branch	Medrese Mah. Şeyhzade Cad. No: 11/B Merkez 66100	MERKEZ	YOZGAT	+90 850 204 07 00
Sorgun Branch	Çay Mah. Cumhuriyet Cad. No: 71 A Sorgun 66700	SORGUN	YOZGAT	+90 850 204 07 31
Karadeniz Ereğli Branch	Orhanlar Mah. Arifağa, Yalı Cad. No: 36	EREĞLİ	ZONGULDAK	+ 90 850 204 00 88
Zonguldak Branch	Meşrutiyet Mah. Gazipaşa Cad. No: 31 Merkez 67030	MERKEZ	ZONGULDAK	+ 90 850 204 06 34

