

**CONVENIENCE TRANSLATION
OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS
AND REVIEW REPORT
AT 30 SEPTEMBER 2015,
SEE NOTE I OF SECTION THREE**

ARAP TRK BANKASI A..

**PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS
TOGETHER WITH REVIEW REPORT
AT 30 SEPTEMBER 2015**



INTERIM REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

(Convenience translation of the independent auditor's report originally issued in Turkish, See Note I of Section Three)

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

Introduction

We have reviewed the unconsolidated balance sheet of Arap Türk Bankası A.Ş. ("the Bank") at 30 September 2015 and the related unconsolidated income statement, unconsolidated statement of income and expense items under shareholders' equity, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the unconsolidated financial statements for the nine-month-period then ended. The Bank Management is responsible for the preparation and fair presentation of interim financial statements in accordance with the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations 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 Turkish Accounting Standard 34 "Interim Financial Reporting" other than subjects regulated by BRSA Accounting and Reporting Legislation. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (ISRE) 2410, "Limited Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial reporting process, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an independent audit performed in accordance with the Independent Auditing Standards and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an opinion.

Basis of Qualified Conclusion

As mentioned in Section II. Note 7. of Explanations and Notes to the unconsolidated Financial Statements; as of the balance sheet date, the accompanying financial statements include a free provision amounting to TL 9,000 thousand which was charged to the income statement as an expense in year 2014, provided by the Bank management in line with the conservatism principle considering the circumstances that may arise from any changes in the economy or market conditions.

Qualified Conclusion

Based on our review, except for the effect of the matter referred in the 'basis of qualified conclusion' on the unconsolidated financial statements, nothing has come to our attention that causes us to believe that the accompanying unconsolidated financial statements do not give a true view of the financial position of Arap Türk Bankası A.Ş. at 30 September 2015 and of the results of its operations and its cash flows for the nine-month-period then ended in all aspects in accordance with the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations 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 Turkish Accounting Standard 34 "Interim Financial Reporting" other than subjects regulated by BRSA Accounting and Reporting Legislation.

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



Didem Demir Kaya, SMMM
Partner

Istanbul, 30 October 2015

**ARAP TÜRK BANKASI A.Ş. UNCONSOLIDATED INTERIM FINANCIAL REPORT
AS OF AND FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2015****Address of the Bank's Headquarters :** Valikonağı Caddesi No:10, 34367 – ŞİŞLİ/İSTANBUL**Telephone and Fax Numbers :** Tel : 0 212 225 05 00 Faks: 0 212 225 05 26**Website of the Bank :** <http://www.atbank.com.tr>**E-mail address of the Bank :** corp@atbank.com.tr

The unconsolidated interim financial report as of and for the nine month period ended 30 September 2015 prepared in accordance with the communiqué of “Financial Statements and Related Disclosures and Notes to be Announced to Public by Banks” as regulated by Banking Regulation and Supervision Agency, is comprised of the following sections:

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK
- DISCLOSURES AND FOOTNOTES RELATED TO UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS
- OTHER DISCLOSURES
- INDEPENDENT AUDITOR'S REVIEW REPORT


The accompanying unconsolidated interim financial statements and related disclosures and footnotes that were subject to limited review, are prepared in accordance with the “Regulation on Accounting Applications for Banks and Safeguarding of Documents”, Turkish Accounting Standards, Turkish Financial Reporting Standards related appendices and interpretations on these. Unless stated otherwise, the accompanying unconsolidated interim financial statements are presented in thousands of Turkish Lira (TL) as of 30 September 2015 and have been subject to limited review.



Osman Arslan
*Chairman of the
Board of Directors*




Abdurrahman İbrahim Şneba
*Member of The Board
of Directors and Head of The Audit
Committee*



Ömer Muzaffer Baktır
*Member of The Board
of Directors and The
Audit Committee*



Kemal Şahin
*Member of The Board
of Directors and The Audit
Committee*



Abdulhakim A. E. Khamag
General Manager



Salih Hatipoğlu
*Assistant General Manager
Responsible For Financial
Reporting*



Feyzullah Küpeli
Manager

Contact information of the personnel for addressing questions regarding this financial report

Name / Title: Feyzullah Küpeli / Manager

Phone No : 0 212 225 05 00

Fax No : 0 212 225 05 26

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IN TURKISH, SEE NOTE I OF SECTION THREE**

ARAP TÜRK BANKASI A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2015

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

SECTION ONE

GENERAL INFORMATION ABOUT THE BANK

I. BANK’S DATE OF ESTABLISHMENT, BEGINNING STATUTE, ITS HISTORY REGARDING CHANGES ON ITS STATUTE

Arap Türk Bankası Anonim Şirketi (“the Bank”) has been established in 1977 as a joint stock entity in accordance with an agreement signed on 11 August 1975 between the Republic of Turkey and the Libyan Arab Republic. The duration of the Bank is 50 years from the commencement of the Agreement. This period shall be renewable automatically unless agreed otherwise by an Extraordinary General Meeting held at least one year prior to expiration.

In accordance with the Articles of Association, the Board of Directors shall elect a Chairman among its Turkish members and a Deputy Chairman among its Arab members. The General Manager shall always be nominated by the Arab Shareholders assigned by the Board.

II. BANK’S SHARE CAPITAL STRUCTURE, SHAREHOLDERS DIRECTLY OR INDIRECTLY, ALONE OR TOGETHER HOLDING THE MANAGEMENT AND CONTROL OF THE BANK, RELATED CHANGES WITHIN THE YEAR AND INFORMATION ABOUT BANK’S GROUP

The Bank is a foreign bank status incorporated in Turkey. The main shareholder Libyan Foreign Bank is %100 owned by Central Bank of Libya. The main shareholder Libyan Foreign Bank has financial investments in various countries.

The other shareholders are Türkiye İş Bankası A.Ş., and T.C. Ziraat Bankası A.Ş.

As of 30 September 2015, the Bank’s share capital at the balance sheet date as follows:

Shareholders	Current Period		Prior Period	
	Share amounts	Share percentages	Share amounts	Share percentages
Libyan Foreign Bank	274,426	%62.37	274,426	%62.37
T. İş Bankası A.Ş.	90,534	%20.58	90,534	%20.58
T.C. Ziraat Bankası A.Ş.	67,900	%15.43	67,900	%15.43
Kuwait Investment Co.	7,140	%1.62	7,140	%1.62
Total	440,000	%100	440,000	%100

(*) Emek İnşaat ve İşletme A.Ş. has %0,0000014 share in the paid capital by TL 6,20 (full digit in TL) (31 December 2014: %0,0000014 share and TL 6.20 (full digit in TL)).

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ARAP TÜRK BANKASI A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2015

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

III. INFORMATION ABOUT THE BANK'S CHAIRMAN AND MEMBERS OF BOARD OF DIRECTORS, MEMBERS OF AUDIT COMMITTEE, GENERAL MANAGER AND ASSISTANT GENERAL MANAGERS AND THEIR QUALIFICATIONS, RELATED CHANGES WITHIN THE YEAR AND THEIR SHARES AT THE BANK

Chairmen of the Board of Directors and Board Members

Name	Job Title - Description
Osman Arslan	Chairman of the Board of Directors
Ahmed Mohamed M. Benbarka	Deputy Chairman of the Board of Directors
Abdulhakim A. E. Khamag ⁽¹⁾	Member of the Board of Directors and General Manager
Abdurauf İbrahim Shneba	Member of the Board of Directors and Head of Audit Committee
Kemal Şahin	Member of the Board of Directors and Audit Committee
Ömer Muzaffer Baktır	Member of the Board of Directors and Audit Committee
Abdulfatah A. Enaami	Member of the Board of Directors
Ben Issa A. Hudanah	Member of the Board of Directors
Fikret Utku Özdemir	Member of the Board of Directors

General Manager and Deputies

Name	Job Title – Description
Abdulhakim A. E. Khamag ⁽¹⁾	Member of the Board of Directors and General Manager
Salih Hatipoğlu	Assistant General Manager - Financial Management and Planning Division
Abdulmonam Geat Ali Tbigha	Assistant General Manager - Credits Division
Abdussalam Elfituri B.Abushagur	Assistant General Manager - Information Technologies and Operations Division
Emel Güneş Atagün	Assistant General Manager – Department of Treasury and Financial Institutions

⁽¹⁾ He has entered upon an office as of 1 September 2015.

Members of the board and top level managers do not possess any share in the Bank.

IV. INFORMATION ON PEOPLE AND ENTITIES WHO HAVE QUALIFIED SHARE IN THE BANK

Name Surname/Entity Title	Share Amount	Share Percentage %	Paid-in Capital	Unpaid Capital
Libyan Foreign Bank	274,426	62.37	274,426	-
T. İş Bankası A.Ş.	90,534	20.58	90,534	-
T.C. Ziraat Bankası A.Ş.	67,900	15.43	67,900	-

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ARAP TRK BANKASI A..

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2015

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

V. INFORMATION ABOUT THE SERVICES AND NATURE OF ACTIVITIES OF THE BANK

The Bank was established to incorporate commercial activities among Turkey, Middle East and North African countries. The Bank is authorized to collect deposits and operates in corporate banking areas. The Bank has seven branches; three in Istanbul, one in Ankara, one in Kayseri, one in Konya and one in Gaziantep and has share participations in a subsidiary operating in financial leasing business.

VI. THE EXISTING OR POTENTIAL, ACTUAL OR LEGAL OBSTACLES ON THE TRANSFER OF SHAREHOLDERS’ EQUITY BETWEEN THE BANK AND ITS SUBSIDIARIES OR THE REIMBURSEMENT OF LIABILITIES

Immediately transfer of the shareholder’s equity between the Bank and its subsidiary is not available. Dividend distribution from shareholders’ equity is done according to related regulations.

There are no existing or potential, actual or legal obstacle to the reimbursement of liabilities between the Bank and its subsidiary. The Bank charge or pay cost of the services according to the service agreements done between the Bank and its subsidiary.

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ARAP TRK BANKASI A..

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2015

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

SECTION TWO

UNCONSOLIDATED FINANCIAL STATEMENTS

- I. Unconsolidated Balance Sheet (Statement of Financial Position)**
- II. Statement of Unconsolidated Off Balance Sheet Items**
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Arap Türk Bankası Anonim Şirketi
Unconsolidated Balance Sheet (Statement of Financial Position)
As of 30 September 2015
(Thousands of Turkish Lira)

ASSETS	Footnotes (5-1)	Reviewed			Audited		
		CURRENT PERIOD (30/09/2015)			PRIOR PERIOD (31/12/2014)		
		TL	FC	TOTAL	TL	FC	TOTAL
I. CASH AND BALANCES WITH THE CENTRAL BANK OF TURKEY	(1)	6.518	744.200	750.718	6.564	347.676	354.240
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	(2)	22.472	174.706	197.178	43.716	119.715	163.431
2.1 Financial assets held for trading		22.472	174.706	197.178	43.716	119.715	163.431
2.1.1 Public sector debt securities		12.495	45.863	58.358	33.001	24.018	57.019
2.1.2 Securities representing a share in capital		-	-	-	-	-	-
2.1.3 Derivatives held for trading		-	1.414	1.414	782	-	782
2.1.4 Other marketable securities		9.977	127.429	137.406	9.933	95.697	105.630
2.2 Financial assets designated at fair value through profit or loss		-	-	-	-	-	-
2.2.1 Public sector debt securities		-	-	-	-	-	-
2.2.2 Equity securities		-	-	-	-	-	-
2.2.3 Loans granted		-	-	-	-	-	-
2.2.4 Other marketable securities		-	-	-	-	-	-
III. BANKS	(3)	10.155	1.162.350	1.172.505	109	1.558.315	1.558.424
IV. MONEY MARKET PLACEMENTS		-	-	-	26.908	-	26.908
4.1 Interbank money market placements		-	-	-	-	-	-
4.2 Istanbul Stock Exchange money market placements		-	-	-	-	-	-
4.3 Receivables from reverse repurchase agreements		-	-	-	26.908	-	26.908
V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(4)	224	1.220	1.444	224	935	1.159
5.1 Securities representing a share in capital		224	1.220	1.444	224	935	1.159
5.2 Public sector debt securities		-	-	-	-	-	-
5.3 Other marketable securities		-	-	-	-	-	-
VI. LOANS AND RECEIVABLES	(5)	723.126	777.233	1.500.359	663.412	700.886	1.364.298
6.1 Loans and Receivables		700.847	777.233	1.478.080	661.534	700.886	1.362.420
6.1.1 Loans granted to the Bank's risk group		-	110.957	110.957	-	36.570	36.570
6.1.2 Public sector debt securities		-	-	-	-	-	-
6.1.3 Other		700.847	666.276	1.367.123	661.534	664.316	1.325.850
6.2 Loans under follow-up		45.372	-	45.372	15.092	-	15.092
6.3 Specific provisions (-)		23.093	-	23.093	13.214	-	13.214
VII. FACTORING RECEIVABLES		-	-	-	-	-	-
VIII. INVESTMENTS HELD TO MATURITY (Net)	(6)	55.283	179.559	234.842	24.503	117.174	141.677
8.1 Public sector debt securities		35.324	145.136	180.460	24.503	91.232	115.735
8.2 Other marketable securities		19.959	34.423	54.382	-	25.942	25.942
IX. INVESTMENTS IN ASSOCIATES (Net)	(7)	-	-	-	-	-	-
9.1 Consolidated by equity method		-	-	-	-	-	-
9.2 Unconsolidated associates		-	-	-	-	-	-
9.2.1 Financial investments in associates		-	-	-	-	-	-
9.2.2 Non-financial investments in associates		-	-	-	-	-	-
X. INVESTMENTS IN SUBSIDIARIES (Net)	(8)	70.213	-	70.213	65.214	-	65.214
10.1 Financial subsidiaries		70.213	-	70.213	65.214	-	65.214
10.2 Non-financial subsidiaries		-	-	-	-	-	-
XI. INVESTMENTS IN JOINT- VENTURES (Net)	(9)	-	-	-	-	-	-
11.1 Consolidated by equity method		-	-	-	-	-	-
11.2 Unconsolidated joint ventures		-	-	-	-	-	-
11.2.1 Financial investments in joint ventures		-	-	-	-	-	-
11.2.2 Non-financial investments in joint ventures		-	-	-	-	-	-
XII. LEASE RECEIVABLES (Net)	(10)	-	-	-	-	-	-
12.1 Finance lease receivables		-	-	-	-	-	-
12.2 Operational leasing receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned Revenue (-)		-	-	-	-	-	-
XIII. DERIVATIVE FINANCIAL ASSETS HELD FOR HEDGING	(11)	-	-	-	-	-	-
13.1 Fair value hedges		-	-	-	-	-	-
13.2 Cash flow hedges		-	-	-	-	-	-
13.3 Hedges for investments made in foreign countries		-	-	-	-	-	-
XIV. TANGIBLE ASSETS (Net)		19.462	-	19.462	21.067	-	21.067
XV. INTANGIBLE ASSETS (Net)		2.610	-	2.610	2.977	-	2.977
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		2.610	-	2.610	2.977	-	2.977
XVI. INVESTMENT PROPERTY (Net)	(12)	-	-	-	-	-	-
XVII. TAX ASSET	(13)	2.296	-	2.296	2.080	-	2.080
17.1 Current tax asset		-	-	-	-	-	-
17.2 Deferred tax asset		2.296	-	2.296	2.080	-	2.080
XVIII. ASSET HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(14)	9	-	9	10	-	10
18.1 Held for sale purpose		9	-	9	10	-	10
18.2 Held from discontinued operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(15)	16.986	6.013	22.999	11.823	3.412	15.235
TOTAL ASSETS		929.354	3.045.281	3.974.635	868.607	2.848.113	3.716.720

Arap Türk Bankası Anonim Şirketi
Unconsolidated Balance Sheet (Statement of Financial Position)
As of 30 September 2015

(Thousands of Turkish Lira)

LIABILITIES AND SHAREHOLDERS' EQUITY		Footnotes (5-II)	Reviewed			Audited		
			CURRENT PERIOD (30/09/2015)			PRIOR PERIOD (31/12/2014)		
			TL	FC	TOTAL	TL	FC	TOTAL
I. DEPOSITS	(1)		45.186	3.250.827	3.296.013	52.047	3.055.686	3.107.733
1.1 Deposits held by the Bank's risk group			249	2.359.390	2.359.639	914	2.069.804	2.070.718
1.2 Other			44.937	891.437	936.374	51.133	985.882	1.037.015
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)		-	-	-	187	-	187
III. FUNDS BORROWED	(3)		4.426	917	5.343	6.067	817	6.884
IV. INTERBANK MONEY MARKET			27.284	-	27.284	2.935	-	2.935
4.1 Interbank money market payables			-	-	-	-	-	-
4.2 Istanbul Stock Exchange money market payables			-	-	-	-	-	-
4.3 Funds provided under repurchase agreements			27.284	-	27.284	2.935	-	2.935
V. MARKETABLE SECURITIES ISSUED (Net)			-	-	-	-	-	-
5.1 Bills			-	-	-	-	-	-
5.2 Asset backed securities			-	-	-	-	-	-
5.3 Bonds			-	-	-	-	-	-
VI. FUNDS			-	-	-	-	-	-
6.1 Borrower funds			-	-	-	-	-	-
6.2 Other			-	-	-	-	-	-
VII. MISCELLANEOUS PAYABLES			110	794	904	123	1.104	1.227
VIII. OTHER EXTERNAL RESOURCES	(4)		16.541	6.355	22.896	11.357	8.218	19.575
IX. FACTORING PAYABLES			-	-	-	-	-	-
X. LEASING TRANSACTIONS PAYABLES	(5)		-	-	-	-	-	-
10.1 Finance leasing payables			-	-	-	-	-	-
10.2 Operational leasing payables			-	-	-	-	-	-
10.3 Other			-	-	-	-	-	-
10.4 Deferred finance leasing expenses (-)			-	-	-	-	-	-
XI. DERIVATIVE FINANCIAL LIABILITIES HELD FOR HEDGING	(6)		-	-	-	-	-	-
11.1 Fair value hedges			-	-	-	-	-	-
11.2 Cash flow hedges			-	-	-	-	-	-
11.3 Hedges for investments made in foreign countries			-	-	-	-	-	-
XII. PROVISIONS	(7)		41.053	1.322	42.375	37.613	1.280	38.893
12.1 General provisions			23.280	-	23.280	19.684	-	19.684
12.2 Restructuring reserves			-	-	-	-	-	-
12.3 Reserves for employee benefit			8.469	-	8.469	8.595	-	8.595
12.4 Insurance technical reserves (Net)			-	-	-	-	-	-
12.5 Other provisions			9.304	1.322	10.626	9.334	1.280	10.614
XIII. TAX LIABILITY	(8)		6.146	-	6.146	7.099	-	7.099
13.1 Current tax liability			6.146	-	6.146	7.099	-	7.099
13.2 Deferred tax liability			-	-	-	-	-	-
XIV. LIABILITIES FOR ASSETS HELD FOR RESALE AND ASSETS OF DISCONTINUED OPERATIONS			-	-	-	-	-	-
14.1 Held for sale purpose			-	-	-	-	-	-
14.2 Held from discontinued operations			-	-	-	-	-	-
XV. SUBORDINATED LOANS			-	-	-	-	-	-
XVI. SHAREHOLDERS' EQUITY	(9)		573.674	-	573.674	532.187	-	532.187
16.1 Paid-in capital			440.000	-	440.000	440.000	-	440.000
16.2 Supplementary capital			(1.998)	-	(1.998)	(1.660)	-	(1.660)
16.2.1 Share premium			-	-	-	-	-	-
16.2.2 Share cancellation profits			-	-	-	-	-	-
16.2.3 Securities Value Increase Fund			-	-	-	-	-	-
16.2.4 Revaluation surplus on tangible assets			-	-	-	-	-	-
16.2.5 Revaluation surplus on intangible assets			-	-	-	-	-	-
16.2.6 Revaluation surplus on investment property			-	-	-	-	-	-
16.2.7 Bonus shares of associates, subsidiaries and joint-ventures			-	-	-	-	-	-
16.2.8 Hedging reserves (effective portion)			-	-	-	-	-	-
16.2.9 Revaluation surplus on assets held for sale and assets of discontinued operations			-	-	-	-	-	-
16.2.10 Other capital reserves			(1.998)	-	(1.998)	(1.660)	-	(1.660)
16.3 Profit reserves			15.189	-	15.189	11.663	-	11.663
16.3.1 Legal reserves			15.189	-	15.189	11.663	-	11.663
16.3.2 Status reserves			-	-	-	-	-	-
16.3.3 Extraordinary reserves			-	-	-	-	-	-
16.3.4 Other profit reserves			-	-	-	-	-	-
16.4 Profit or loss			120.483	-	120.483	82.184	-	82.184
16.4.1 Prior years income/loss			78.659	-	78.659	11.678	-	11.678
16.4.2 Current year income/loss			41.824	-	41.824	70.506	-	70.506
TOTAL LIABILITIES			714.420	3.260.215	3.974.635	649.615	3.067.105	3.716.720

Arap Türk Bankası Anonim Şirketi
Statement of Unconsolidated Off Balance Sheet Items
As of 30 September 2015

(Thousands of Turkish Lira)

	Footnotes (5-III)	Reviewed			Audited		
		CURRENT PERIOD (30/09/2015)			PRIOR PERIOD (31/12/2014)		
		TL	FC	TOTAL	TL	FC	TOTAL
A. OFF BALANCE SHEET COMMITMENTS (I+II+III)		201.498	2.748.441	2.949.939	256.681	2.224.182	2.480.863
I. GUARANTEES AND WARRANTIES	(1),(2)	194.049	2.570.107	2.764.156	176.352	2.078.011	2.254.363
1.1. Letters of guarantee		191.799	1.846.576	2.038.375	176.190	1.519.476	1.695.666
1.1.1. Guarantees subject to State Tender Law		4.549	173	4.722	4.500	132	4.632
1.1.2. Guarantees given for foreign trade operations		50.806	1.638.377	1.689.183	22.507	1.326.216	1.348.723
1.1.3. Other letters of guarantee		136.444	208.026	344.470	149.183	193.128	342.311
1.2. Bank acceptances		2.250	14.919	17.169	-	1.460	1.460
1.2.1. Import letter of acceptance		-	-	-	-	-	-
1.2.2. Other bank acceptances		2.250	14.919	17.169	-	1.460	1.460
1.3. Letters of credit		-	390.618	390.618	-	404.791	404.791
1.3.1. Documentary letters of credit		-	-	-	-	-	-
1.3.2. Other letters of credit		-	390.618	390.618	-	404.791	404.791
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		-	317.994	317.994	162	152.284	152.446
1.9. Other warranties		-	-	-	-	-	-
II. COMMITMENTS	(1)	7.449	56.580	64.029	6.897	72.521	79.418
2.1. Irrevocable commitments		7.449	56.580	64.029	6.897	72.521	79.418
2.1.1. Asset purchase and sales commitments		399	41.363	41.762	233	5.273	5.506
2.1.2. Deposit purchase and sales commitments		-	15.217	15.217	-	67.248	67.248
2.1.3. Share capital commitment to associates and subsidiaries		-	-	-	-	-	-
2.1.4. Loan granting commitments		3.900	-	3.900	3.589	-	3.589
2.1.5. Securities issue brokerage commitments		-	-	-	-	-	-
2.1.6. Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7. Payment commitments for checks		3.150	-	3.150	3.075	-	3.075
2.1.8. Tax and fund liabilities from export commitments		-	-	-	-	-	-
2.1.9. Commitments for credit card expenditure limits		-	-	-	-	-	-
2.1.10. Commitments for credit cards and banking services promotions		-	-	-	-	-	-
2.1.11. Receivables from short sale commitments		-	-	-	-	-	-
2.1.12. Payables for short sale commitments		-	-	-	-	-	-
2.1.13. Other irrevocable commitments		-	-	-	-	-	-
2.2. Revocable commitments		-	-	-	-	-	-
2.2.1. Revocable loan granting commitments		-	-	-	-	-	-
2.2.2. Other revocable commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		-	121.754	121.754	73.432	73.650	147.082
3.1. Derivative financial instruments held for hedging		-	-	-	-	-	-
3.1.1. Fair value hedges		-	-	-	-	-	-
3.1.2. Cash flow hedges		-	-	-	-	-	-
3.1.3. Hedges for investments made in foreign countries		-	-	-	-	-	-
3.2. Trading transactions		-	121.754	121.754	73.432	73.650	147.082
3.2.1. Forward foreign currency buy/sell transactions		-	-	-	-	-	-
3.2.1.1. Forward foreign currency transactions-buy		-	-	-	-	-	-
3.2.1.2. Forward foreign currency transactions-sell		-	-	-	-	-	-
3.2.2. Swap transactions related to foreign currency and interest rates		-	121.754	121.754	73.432	73.650	147.082
3.2.2.1. Foreign currency swap-buy		-	61.582	61.582	-	73.650	73.650
3.2.2.2. Foreign currency swap-sell		-	60.172	60.172	73.432	-	73.432
3.2.2.3. Interest rate swaps-buy		-	-	-	-	-	-
3.2.2.4. Interest rate swaps-sell		-	-	-	-	-	-
3.2.3. Foreign currency, interest rate and security options		-	-	-	-	-	-
3.2.3.1. Foreign currency options-buy		-	-	-	-	-	-
3.2.3.2. Foreign currency options-sell		-	-	-	-	-	-
3.2.3.3. Interest rate options-buy		-	-	-	-	-	-
3.2.3.4. Interest rate options-sell		-	-	-	-	-	-
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		-	-	-	-	-	-
B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)		297.428	338.658	636.086	329.363	306.143	635.506
IV. ITEMS HELD IN CUSTODY		197.165	6.303	203.468	237.969	22.170	260.139
4.1. Assets under management		-	-	-	-	-	-
4.2. Investment securities held in custody		-	-	-	-	-	-
4.3. Checks received for collection		195.888	4.592	200.480	236.534	18.793	255.327
4.4. Commercial notes received for collection		527	1.711	2.238	685	1.410	2.095
4.5. Other assets received for collection		-	-	-	-	-	-
4.6. Assets received for public offering		-	-	-	-	-	-
4.7. Other items under custody		750	-	750	750	1.967	2.717
4.8. Custodians		-	-	-	-	-	-
V. PLEDGED ITEMS		100.263	332.355	432.618	91.394	283.973	375.367
5.1. Marketable securities		-	-	-	-	-	-
5.2. Guarantee notes		85.498	143.592	229.090	69.779	140.141	209.920
5.3. Commodity		-	-	-	-	-	-
5.4. Warranty		-	-	-	-	-	-
5.5. Immovables		14.737	185.215	199.952	21.587	141.128	162.715
5.6. Other pledged items		28	3.548	3.576	28	2.704	2.732
5.7. Pledged items-depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF BALANCE SHEET COMMITMENTS (A+B)		498.926	3.087.099	3.586.025	586.044	2.530.325	3.116.369

Arap Türk Bankası Anonim Şirketi
Statement of Unconsolidated Income
For The Period Ended 30 September 2015

(Thousands of Turkish Lira)

INCOME AND EXPENSES	Dipnot (5-IV)	Reviewed	Reviewed	Reviewed	Reviewed
		CURRENT PERIOD (01/01/2015-30/09/2015)	CURRENT PERIOD (01/07/2015-30/09/2015)	PRIOR (01/01/2014-30/09/2014)	Prior Period (01/07/2014-30/09/2014)
I. INTEREST INCOME	(1)	101.029	34.555	106.050	33.401
1.1 Interest on loans		64.072	22.458	67.165	22.647
1.2 Interest received from reserve deposits		213	141	-	-
1.3 Interest received from banks		19.564	5.772	22.513	5.738
1.4 Interest received from money market transactions		544	-	665	125
1.5 Interest received from marketable securities portfolio		16.633	6.184	15.706	4.891
1.5.1 Financial assets held for trading		8.057	2.585	6.035	1.883
1.5.2 Financial assets where value change is reflected to income statement		-	-	-	-
1.5.3 Financial assets available for sale		-	-	-	-
1.5.4 Investments held to maturity		8.576	3.599	9.671	3.008
1.6 Finance lease income		-	-	-	-
1.7 Other interest income		3	-	1	-
II. INTEREST EXPENSE	(2)	22.349	7.335	22.268	7.063
2.1 Interest on deposits		21.779	7.152	21.896	6.975
2.2 Interest on funds borrowed		331	75	318	88
2.3 Interest on money market transactions		239	108	53	-
2.4 Interest on securities issued		-	-	-	-
2.5 Other interest expense		-	-	1	-
III. NET INTEREST INCOME/EXPENSE (I - II)		78.680	27.220	83.782	26.338
IV. NET FEES AND COMMISSIONS INCOME/EXPENSE		36.215	11.468	34.991	11.897
4.1 Fees and commissions received		36.968	11.698	35.362	12.008
4.1.1 Non-cash loans		15.251	5.388	14.935	4.749
4.1.2 Other	(11)	21.717	6.310	20.427	7.259
4.2 Fees and commissions paid		753	230	371	111
4.2.1 Non-cash loans		3	1	1	1
4.2.2 Other		750	229	370	110
V. DIVIDEND INCOME		5.067	-	4.381	10
VI. NET TRADING INCOME/EXPENSE	(3)	(3.347)	(2.064)	600	(350)
6.1 Capital markets transactions		(53)	(2)	-	-
6.2 Profit/losses on trading account securities		915	1.580	(104)	(150)
6.3 Foreign exchange profit/losses		(4.209)	(3.642)	704	(200)
VII. OTHER OPERATING INCOME	(4)	3.772	403	2.877	615
VIII. TOTAL OPERATING INCOME/EXPENSE (III+IV+V+VI+VII)		120.387	37.027	126.631	38.510
IX. PROVISION FOR LOAN LOSSES and OTHER RECEIVABLES (-)	(5)	17.283	7.663	5.096	2.700
X. OTHER OPERATING EXPENSES (-)	(6)	50.900	17.167	46.228	15.483
XI. NET OPERATING INCOME/LOSS (VIII-IX-X)		52.204	12.197	75.307	20.327
XII. INCOME RESULTED FROM MERGERS		-	-	-	-
XIII. INCOME/LOSS FROM CONTINUING OPERATIONS		-	-	-	-
XIV. NET MONETARY POSITION GAIN/LOSS		-	-	-	-
XV. INCOME/EXPENSE BEFORE TAXES FROM CONTINUING OPERATIONS (XI+...+XIV)	(7)	52.204	12.197	75.307	20.327
XVI. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)		(10.380)	(2.774)	(15.023)	(4.544)
16.1 Current tax provision	(8)	(10.512)	(2.583)	(15.095)	(4.803)
16.2 Deferred tax provision		132	(191)	72	259
XVII. NET PROFIT/LOSSES FROM CONTINUING OPERATIONS (XV±XVI)	(9)	41.824	9.423	60.284	15.783
XVIII. INCOME FROM DISCONTINUED OPERATIONS		-	-	-	-
18.1 Income from asset held for sale		-	-	-	-
18.2 Income from sale of associates, subsidiaries and joint-ventures		-	-	-	-
18.3 Other income from discontinued operations		-	-	-	-
XIX. EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-	-	-
19.1 Expenses on asset held for sale		-	-	-	-
19.2 Expenses on sale of associates, subsidiaries and joint ventures		-	-	-	-
19.3 Other expense from discontinued operations		-	-	-	-
XX. INCOME/EXPENSE BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)		-	-	-	-
XXI. PROVISION FOR TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)		-	-	-	-
21.1 Current tax provision		-	-	-	-
21.2 Deferred tax provision		-	-	-	-
XXII. NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI)		-	-	-	-
XXIII. NET PROFIT/LOSSES (XVII+XXII)	(10)	41.824	9.423	60.284	15.783
Earning/Loss Per Share		0,0010	0,0002	0,0014	0,0004

Arap Türk Bankası Anonim Şirketi
Statement of Recognized Income and Expense in Unconsolidated Shareholders' Equity
For The Period Ended 30 September 2015

(Thousands of Turkish Lira)

INCOME AND EXPENSE ITEMS ACCOUNTED IN SHAREHOLDERS' EQUITY		Reviewed	Reviewed
		CURRENT PERIOD	PRIOR PERIOD
		(01/01/2015-30/09/2015)	(01/01/2014-30/09/2014)
I.	I. MARKET VALUE GAINS ON AVAILABLE FOR SALE ASSETS ACCOUNTED UNDER "SECURITIES VALUE INCREASE FUND"	-	-
II.	REVALUATION SURPLUS ON TANGIBLE ASSETS	-	-
III.	REVALUATION SURPLUS ON INTANGIBLE ASSETS	-	-
IV.	TRANSLATION DIFFERENCES FOR TRANSACTIONS IN FOREIGN CURRENCIES	-	-
V.	GAIN/LOSS ON DERIVATIVE FINANCIAL ASSETS HELD FOR CASH FLOW HEDGES (effective portion)	-	-
VI.	GAIN/LOSS ON DERIVATIVE FINANCIAL ASSETS HELD FOR HEDGES OF NET INVESTMENT (effective portion)	-	-
VII.	EFFECTS OF CHANGES IN ACCOUNTING POLICIES AND CORRECTIONS	-	-
VIII.	OTHER INCOME/EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY AS PER TAS	(422)	(840)
IX.	DEFERRED TAXES ON VALUE INCREASES/DECREASES	84	168
X.	NET INCOME/EXPENSE ITEMS ACCOUNTED DIRECTLY UNDER SHAREHOLDERS' EQUITY (I+II+...+IX)	(338)	(672)
XI.	CURRENT PROFIT/LOSSES	41.824	60.284
11.1	Net changes in fair value of securities (transferred to income statement)	-	-
11.2	Gains/losses on hedges of cash flow hedges, reclassified and recorded in income statement	-	-
11.3	Gains/losses on hedges of net investment in foreign operations, reclassified and recorded in income statement	-	-
11.4	Other	41.824	60.284
XII.	TOTAL PROFIT/(LOSS) ACCOUNTED FOR THE CURRENT PERIOD (X+XI)	41.486	59.612

Arap Türk Bankası Anonim Şirketi
Statement of Changes In Unconsolidated Shareholders' Equity
For The Period Ended 30 September 2015

(Thousands of Turkish Lira)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY		Footnotes	Paid-in Capital Capital	Capital Reserves from Inflation Adjustments	Share premium Premium	Share Cancellation	Legal Reserves	Status Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Profit/Loss	Prior Period Net Profit/Loss	Securities Value Increase Fund	Revaluation Surplus on Tangible and Intangible	Bonus Shares of Equity Participations	Hedging Reserves	Accu. Rev.Surp. on Assets Held for Sale and Assets of	Total Shareholders'
PRIOR PERIOD (30/09/2014)																		
I.	Balances at the beginning of the period		240.000	9.096	-	-	9.130	-	-	(1.364)	49.590	155.525	-	-	-	-	-	461.977
II.	Corrections made as per TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effects of corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effects of changes in accounting policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted balances at the beginning of the period (I+II)		240.000	9.096	-	-	9.130	-	-	(1.364)	49.590	155.525	-	-	-	-	-	461.977
Changes during the period			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV.	Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Securities Value Increase Fund		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Hedges for Risk Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1	Net Cash Flow Hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2	Net Foreign Investment Hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Revaluation surplus on tangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Revaluation surplus on intangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Bonus shares of associates, subsidiaries and joint ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Foreign exchange differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Changes resulted from disposal of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Changes resulted from reclassification of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Effect of change in equities of associates on Bank's Equity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Capital increase		200.000	(9.096)	-	-	-	-	-	-	-	(190.904)	-	-	-	-	-	-
14.1	Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2	Internal sources		200.000	(9.096)	-	-	-	-	-	-	-	(190.904)	-	-	-	-	-	-
XV.	Share issuance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Share cancellation profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Capital Reserves From Inflation Adjustments To Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII.	Others		-	-	-	-	-	-	-	(672)	-	-	-	-	-	-	-	(672)
XIX.	Current Period Net Profit		-	-	-	-	-	-	-	-	60.284	-	-	-	-	-	-	60.284
XX.	Profit distribution		-	-	-	-	2.534	-	-	-	(49.590)	47.057	-	-	-	-	-	1
20.1	Dividends distributed		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.2	Transfers to Reserves		-	-	-	-	2.534	-	-	-	(49.590)	47.057	-	-	-	-	-	1
20.3	Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at end of period (III+IV+V+.....+XVIII+XIX+XX)			440.000	-	-	-	11.664	-	-	(2.036)	60.284	11.678	-	-	-	-	-	521.590
CURRENT PERIOD (30/09/2015)																		
I.	Balances at end of prior period		440.000	-	-	-	11.663	-	-	(1.660)	70.506	11.678	-	-	-	-	-	532.187
Changes within the period			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II.	Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Securities Value Increase Fund		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV.	Hedges for Risk Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Net Cash Flow Hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Net Foreign Investment Hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Revaluation surplus on tangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Revaluation surplus on intangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Bonus shares of associates, subsidiaries and joint ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Foreign exchange differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Changes resulted from disposal of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Changes resulted from reclassification of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Effect of change in equities of associates on Bank's Equity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Capital increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1	Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2	Internal sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Share issuance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Share cancellation profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Capital Reserves From Inflation Adjustments To Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Others		-	-	-	-	-	-	-	(338)	-	-	-	-	-	-	-	(338)
XVII.	Current Period Net Profit		-	-	-	-	-	-	-	-	41.824	-	-	-	-	-	-	41.824
XVIII.	Profit distribution		-	-	-	-	3.526	-	-	-	(70.506)	66.981	-	-	-	-	-	1
18.1	Dividends distributed		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2	Transfers to legal reserves		-	-	-	-	3.526	-	-	-	(70.506)	66.981	-	-	-	-	-	1
18.3	Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at end of period (I+II+III+...+XVI+XVII+XVIII)			440.000	-	-	-	15.189	-	-	(1.998)	41.824	78.659	-	-	-	-	-	573.674

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

Arap Türk Bankası Anonim Şirketi
Statement of Unconsolidated Cash Flow
For The Period Ended 30 September 2015

(Thousands of Turkish Lira)

		Reviewed	Reviewed
	Footnotes	CURRENT PERIOD (30/09/2015)	PRIOR PERIOD (30/09/2014)
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating Profit Before Changes in Operating Assets and Liabilities	46.728	71.052
1.1.1	Interests Received	134.954	116.414
1.1.2	Interest Paid	(15.104)	(16.752)
1.1.3	Dividend Received	-	52
1.1.4	Fees and Commissions Received	36.968	35.362
1.1.5	Other Income	3.815	2.773
1.1.6	Collections From Previously Written-off Loans and Other Receivables	17.459	223
1.1.7	Payments to Personnel and Service Suppliers	(44.429)	(38.130)
1.1.8	Taxes Paid	(9.643)	(14.263)
1.1.9	Other	(77.292)	(14.627)
1.2	Changes in Operating Assets and Liabilities	(36.629)	107.907
1.2.1	Net Decrease in Financial Assets Held For Trading	(33.958)	(44.959)
1.2.2	Net (Increase) Decrease in Financial Assets Valued at Fair Value Through Profit or Loss	-	-
1.2.3	Net Decrease in Due From Banks and Other Financial Institutions	14.466	58.543
1.2.4	Net (Increase) in Loans	(162.293)	127.328
1.2.5	Net Decrease in Other Assets	(9.196)	(126)
1.2.6	Net Increase /(Decrease) in Bank Deposits	186.822	(579)
1.2.7	Net Increase (Decrease) in Other Deposits	(48.648)	103.754
1.2.8	Net Increase/ (Decrease) in Funds Borrowed	(10.499)	(106.126)
1.2.9	Net Increase/ (Decrease) in Matured Payables	-	-
1.2.10	Net Increase in Other Liabilities	26.677	(29.928)
I.	Net Cash Flow From Banking Operations	10.099	178.959
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net Cash Flow From Investing Activities	(39.433)	56.600
2.1	Cash Paid For Purchase of Associates, Subsidiaries, and Joint-Ventures	-	-
2.2	Cash Obtained From Sale of Associates, Subsidiaries and Joint-Ventures	-	-
2.3	Purchases of Tangible Assets	(127)	(3.232)
2.4	Sales of Tangible Assets	-	1.228
2.5	Cash Paid For Purchase of Financial Assets Available-For-Sale	-	-
2.6	Cash Obtained From Sale of Financial Assets Available-For-Sale	-	-
2.7	Cash Paid For Purchase of Investments Held-to-Maturity	(79.383)	(24.655)
2.8	Cash Obtained From Sale of Investments Held-to-Maturity	40.558	84.296
2.9	Other	(481)	(1.037)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net Cash Flows From Financing Activities	-	-
3.1	Cash Obtained From Funds Borrowed and Securities Issued	-	-
3.2	Cash Used For Repayment of Funds Borrowed and Securities Issued	-	-
3.3	Equity Instruments Issued	-	-
3.4	Dividends Paid	-	-
3.5	Payments For Financial Leases	-	-
3.6	Other	-	-
IV.	Effect of Change in Foreign Exchange Rate On Cash and Cash Equivalents	22.863	95.298
V.	Net (Decrease)/Increase in Cash and Cash Equivalents	(6.471)	330.857
VI.	Cash and Cash Equivalents at Beginning of Period	1.681.079	1.226.625
VII.	Cash and Cash Equivalents at the End of Period	1.674.608	1.557.482

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

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SECTION THREE

EXPLANATIONS ON ACCOUNTING POLICIES

I. EXPLANATIONS FOR BASIS OF PRESENTATION AND FOOTNOTES

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, within the scope of interim reporting Turkish Accounting Standards 34 and Turkish Financial Reporting Standards (“TFRS”) and related appendices and interpretations (referred as “Turkish Accounting Standards” or “TAS”) put into effect by Public Oversight Accounting and Auditing Standards Authority (“POA”) (all referred as “Reporting Standards”).

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 Bank maintains its books in Turkish Lira in accordance with the Banking Act, Turkish Commercial Code and Turkish Tax Legislation.

Unconsolidated financial statements other than financial assets and liabilities that are presented with fair values, are prepared in thousands of TL and with cost value approach.

The preparation of financial statements requires the use of certain critical estimates on assets and liabilities reported as of balance sheet date or amount of contingent assets and liabilities explained and amount of income and expenses occurred in related period. Although these estimates rely on the management’s best judgment, actual results can vary from these estimates. Judgements and estimates are explained in related notes.

For a correct perception of the financial statements, the accounting policies and valuation principles are explained between in Notes No. II and XXIII.

Explanation for convenience translation into English:

The differences between accounting principles, as described in these preceding paragraphs and accounting principles generally accepted in countries in which unconsolidated financial statements are to be distributed and International Financial Reporting Standards (“IFRS”) have not been quantified in these unconsolidated financial statements. Accordingly, these 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.

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**II. INFORMATION ON STRATEGY FOR THE USE OF FINANCIAL INSTRUMENTS
AND FOREIGN CURRENCY TRANSACTIONS**

The Bank's core business operation is banking activities including corporate banking, commercial banking, retail banking and security transactions (treasury transactions) together with international banking services. The Bank uses financial instruments intensively because of the nature of the Bank. The main funding resources are deposits, borrowing and equity and these resources are invested in qualified financial assets. The Bank follows the utilization of resources and the risk and return for the investments in various financial assets through an effective asset and liability management strategy.

The transactions in foreign currency are recorded in accordance with TAS 21 - Effects of Exchange Rate Changes. Related gain and loss occurred due to the changes in exchange rates resulted by the foreign currency transactions are translated into TL over the effective exchange rate prevailing at the date of the transaction and is recorded accordingly. At the end of the related periods, foreign currency assets and liability balances outstanding are translated into Turkish Lira over the Bank's exchange rates prevailing at the balance sheet date and the resulting exchange rate differences are accounted as foreign exchange gains and losses.

III. EXPLANATIONS ON INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES

Subsidiaries are the entities that the Bank has the power to govern the financial and operating policies of those so as to obtain benefits from its activities. Subsidiaries are accounted in accordance with "TAS 27 - Individual Financial Statements" in the unconsolidated financial statements. Subsidiaries are recorded at fair value. Subsidiaries which are not traded in an active market and whose fair value cannot be reliably set are reflected in financial statements with their costs after deducting impairment losses, if any.

**IV. INFORMATION ON FORWARD TRANSACTIONS, OPTIONS AND DERIVATIVE
INSTRUMENTS**

The Bank's financial derivatives are classified as "Held for Trading" in accordance with "TAS - 39 Financial Instruments: Recognition and Measurement".

Derivatives are initially recorded at their purchase costs including the transaction costs. The notional amounts of derivative transactions are recorded in off-balance sheet accounts based on their contractual amounts.

The derivative transactions are measured at fair value subsequent to initial recognition and if the fair value of a derivative financial instrument is positive, it is disclosed under the main account fair values of financial assets through profit or loss" in trading derivative financial instruments and if the fair value difference is negative, it is disclosed under trading derivative financial liabilities.

Gains and losses arising from a change in fair value of trading derivatives after the re measurement are accounted in the income statement. The fair value of the derivative financial instruments is calculated using quoted market prices by using discounted cash flows model.

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V. INFORMATION ON INTEREST INCOME AND EXPENSE

Interest income and expense are recognized according to the effective interest method based on accrual basis. Effective interest rate is the rate that discounts the expected cash flows of financial assets or liabilities during their lifetimes to their carrying values. Effective interest rate is calculated when a financial asset or a liability is initially recorded and is not modified thereafter.

The computation of effective interest rate comprises discounts and premiums, fees and commissions paid or received and transaction costs. Transaction costs are additional costs that are directly related to the acquisition, issuance or disposal of financial assets or liabilities.

In accordance with the related regulation, the accrued interest income on non-performing loans are reversed and subsequently recognized as interest income only when collected.

VI. INFORMATION ON FEES AND COMMISSION

Fees and commission received and paid are recognized according to either accrual basis of accounting or effective interest method depending on nature of fees and commission; incomes derived from agreements and asset purchases for third parties are recognized as income when realized.

VII. INFORMATION ON FINANCIAL ASSETS

The Bank categorizes and records its financial assets as financial assets at fair value through profit or loss, financial assets available-for-sale, loans and receivables or financial assets held to maturity.

Financial assets except for measured at fair value through profit or loss are recognized initially with their transaction costs that are directly attributable to the acquisition or issue of the financial asset. Purchase and sale transactions of securities are accounted at settlement dates.

a. Financial Assets at Fair Value through Profit or Loss

This category has two sub categories: financial assets for trading purposes and those recorded as financial assets designated at fair value through profit or loss at their initial recognition.

Financial assets held for trading are part of a portfolio aiming to generate a profit from short term fluctuations in prices or dealer’s margin or in which a pattern of short term profit making exists.

Financial derivative instruments are classified as financial assets held for trading unless they are stated as for hedging purposes. Accounting of derivative financial assets is explained in IV of Section Three.

The financial assets held for trading are initially recognized at cost which includes transaction costs. Subsequent to the initial recognition financial assets held for trading are re-measured at their fair value. The gains and losses arising from the change in fair value are recognized in the income statement. The interest income earned from financial assets held for trading is recorded in the interest income and share profit is recorded in the dividends account.

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VII. INFORMATION ON FINANCIAL ASSETS (Continued)

b. Financial Assets Available-for-Sale

Financial assets available for sale are financial assets other than those classified as loans and receivables, financial assets held to maturity and financial assets at fair value through profit or loss.

Debt securities classified as financial assets available-for-sale are subsequently re-measured at their fair values. Unrealized gains and losses arising from changes in the fair value of securities classified as financial assets available for sale is reflected in the equity marketable securities value increase fund. When these financial assets available for sale are disposed of or collected the fair value differences accumulated under equity are transferred to the income statement.

Financial assets available for sale that have a quoted market price in an active market and whose fair values can be reliably measured are carried at fair value. Financial assets available for sale that do not have a quoted market price and whose fair values cannot be reliably measured are carried at cost, less provision for impairment.

c. Loans and Receivables

Loans and receivables are the financial assets raised by the Bank providing money, commodity and services to debtors. Loans are financial assets with fixed or determinable payments and not quoted in an active market.

Loans and receivables are recorded at cost and measured at amortized cost by using effective interest method. The duties paid, transaction expenditures and other similar expenses on assets received against such risks are considered as a part of transaction cost and charged to customers.

d. Financial Assets Held to Maturity

Held-to-maturity securities are financial assets that are not classified as loans and receivables with fixed maturities and pre-determinable payments that the Bank has the intent and ability to hold until maturity. The financial assets held to maturity are initially recognized at cost and subsequently carried at amortized cost using effective interest method with internal rate of return after deducting impairments, if any. Interest earned on financial assets held-to-maturity is recognized as interest income in the statement of income.

There are no financial assets that were previously classified as held to maturity but cannot be subject to this classification for two years due to the violation of the tainting rule.

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VIII. INFORMATION ON IMPAIRMENT OF FINANCIAL ASSETS

Financial assets or group of financial assets are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such indication exists, the Bank estimates the amount of impairment.

Impairment loss incurs if, and only if, there is objective evidence that the expected future cash flows of financial asset or group of financial assets are adversely affected by an event(s) (“loss event(s)”) incurred subsequent to recognition. The losses expected to incur due to future events are not recognized even if the probability of loss is high.

If there is an objective evidence that certain loans will not be collected, for such loans; the Bank provides 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. 26333 dated 1 November 2006 and the amendments to this regulation. The allowances are recorded in the statement of income of the related period.

Provision in prior periods has been collected which is provisioned accounts are recorded under other operating income is deducted. Receivables collected which is provisioned in the same year, the impairment loss is deducted from loans and other receivables.

IX. INFORMATION ON OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

X. INFORMATION ON SALE AND REPURCHASE AGREEMENTS AND LENDING OF FINANCIAL ASSETS

Repurchase (“repo”) and resale (“reverse repo”) agreements of financial assets are followed at the balance sheet accounts. Financial assets which are sold to customers under repurchase agreements are categorized according to initial classification and are measured in accordance with the accounting policy of the related portfolio.

Funds obtained under repurchase agreements are accounted under funds provided under repurchase agreements in liability accounts. The interest expense accruals are calculated by means of internal rate of return method over the difference resulting from repurchase and sale prices for the relevant period.

Securities subject to repurchase (“reverse repo”) agreements are reflected under receivables from reverse repurchase agreements. The difference between the purchase and resell price which is related with the period is computed with the effective interest rate method for accrued interest income.

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XI. INFORMATION ON ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

An asset that is classified as held for sale (or to be discarded fixed assets) is measured with its book value or cost deducted fair value, depending on the lower one. An asset to be classified asset held for sale, particular asset (or to be discarded fixed assets) should be similar to these types of assets and should be able to be sold immediately with commonly accepted terms and conditions. Asset should be marketed in line with its fair value. For selling probability to be high, relevant management level should plan the sale and should finalize the plan by determining the buyers.

Assets held for sale are comprised of tangible assets acquired due to non performing receivables, and are accounted in the financial statements in accordance with the "Regulation On The Disposals of The Commodities and Properties Acquired Due to Receivables and The Purchase and Sale of Precious Metals by Banks" dated 1 November 2006 and published on the Official Gazette No.26333.

A discontinued operation is classified as the Bank's assets discarded or assets held for sales. Information on discontinued operations is presented separately in consolidated income statement. As at reporting date, the Bank does not have any discontinued operations.

XII. INFORMATION ON GOODWILL AND OTHER INTANGIBLE ASSETS

There is no goodwill in the accompanying financial statements related to the acquisition of a subsidiary.

The Bank's intangible assets consist of software.

Intangible assets are initially recorded at their costs in compliance with the TAS 38 - Intangible Assets.

The costs of the intangible assets purchased before 31 December 2004 are restated from the purchasing dates to 31 December 2004, the date the hyperinflationary period is considered to be ended. The intangible assets purchased after this date are recorded at their historical costs. The intangible assets are amortized based on straight line amortization. The useful life of software is determined as 3-15 years.

If there is objective evidence of impairment, the asset's recoverable amount is estimated in accordance with the TAS 36 - Impairment of Assets and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

XIII. INFORMATION ON TANGIBLE ASSETS

The costs of the tangible assets purchased before 31 December 2004 are restated from the purchasing dates to 31 December 2004, the date the hyperinflationary period is considered to be ended. In subsequent periods no inflation adjustment is made for tangible assets, and costs which are restated as of 31 December 2004 are considered as their historical costs. Tangible assets purchased after 1 January 2005 are recorded at their historical costs after foreign exchange differences and financial expenses are deducted if any.

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XIII. INFORMATION ON TANGIBLE ASSETS (Continued)

Gains and losses arising from the disposal of the tangible assets are calculated as the difference between the net book value and the net sales price and recognized in the income statement of the period.

Maintenance and repair costs incurred for tangible assets are recorded as expense. Expenditures incurred that extend the useful life and service capacity of the assets are capitalized.

The depreciation rates used approximate the rates of the useful life of the tangible assets are as follows:

Tangible Assets	Estimated Useful Life (Years)	Depreciation Rate (%)
Buildings	50	2
Motor vehicles	5	20
Office equipment, furniture and fixture	3-50	2-33

There are no changes in the accounting estimates that are expected to have an impact in the current or subsequent periods.

At each reporting date, the Bank evaluates whether there is objective evidence of impairment on its assets. If there is an objective evidence of impairment, the asset's recoverable amount is estimated in accordance with the TAS 36 - Impairment of Assets and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

XIV. INFORMATION ON LEASING ACTIVITIES

Finance leasing activities as the lessor

Tangible assets acquired by way of finance leasing are recognized in tangible assets and the obligations under finance leases arising from the lease contracts are presented under "Finance Lease Payables" account in the financial statements. In the determination of the related assets and liabilities, the lower of the fair value of the leased asset and the present value of leasing payments is considered. Financial costs of leasing agreements are expanded in lease periods at a fixed interest rate.

If there is impairment in the value of the assets obtained through financial lease and in the expected future benefits, the leased assets are valued with net realizable value. Depreciation for assets obtained through financial lease is calculated in the same manner as tangible assets.

Interest and exchange rate expenses related to financial leasing are recognized in the income statement. The Bank does not provide financial leasing services as a lessor.

Transactions regarding operational leases are accounted on an accrual basis in accordance with the term of the related contracts.

Operational leases

Transactions regarding operational lease agreements are accounted on an accrual basis in accordance with the terms of the related contracts.

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XV. INFORMATION ON PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions and contingent liabilities are provided for in accordance with the TAS 37 - Provisions, Contingent Liabilities and Contingent Assets, except for the general and specific provisions set aside for the loans and other receivables.

Provisions are recognized when the Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made.

A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate the amount of the obligation can be made.

XVI. INFORMATION ON LIABILITIES REGARDING EMPLOYEE BENEFITS

Reserve for employee termination benefits

In accordance with existing Turkish Labour Law, the Bank is required to make lump-sum termination indemnities to each employee who has completed one year of service with the Bank and whose employment is terminated due to retirement or for reasons other than resignation or as mentioned in related legislation. The computation of the liability is based upon the retirement pay ceiling announced. The applicable ceiling amount as at 30 September 2015 is TL 3,828 (full TL) (31 December 2014: TL 3,438 (full TL)). Reserve for employee termination benefits are calculated via net present value of estimated provision of probable liabilities will be arised in the future and reflected in the financial statements.

The Bank reserved for employee severance indemnities in the accompanying unconsolidated financial statements using actuarial method in compliance with the updated TAS 19 - Employee Benefits. Accumulated all actuarial gains and losses in equity are recognized in other capital reserves.

As at 30 September 2015 and 31 December 2014, the major actuarial assumptions used in the calculation of the total liability are as follows:

	Current Period	Prior Period
Discount Rate	%3.35	%2.84
Expected Rate of Salary/Limit Increase	%5.00	%5.00
Estimated Employee Turnover Rate	%5.30	%5.44

Other benefits to employees

The Bank has provided provision for undiscounted short-term employee benefits earned during the financial period as per services rendered in compliance with the updated TAS 19 - Employee Benefits in the accompanying unconsolidated financial statements.

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XVII. INFORMATION ON TAX APPLICATIONS

Corporate tax

The corporate tax rate is 20%. Corporate tax rate is calculated on the total income of the Bank after adjusting for certain disallowable expenses, exempt income and other allowances. No further tax is payable unless the profit is distributed.

Dividends paid to the resident institutions and the institutions working through local offices or representatives are not subject to withholding tax. The withholding tax rate on the dividend payments other than the ones paid to the non-resident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions is 15%.

In applying the withholding tax rates on dividend payments to the non-resident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

The prepaid taxes are calculated and paid at the rates valid for the earnings of the related years. The payments can be deducted from the annual corporate tax calculated for the whole year earnings.

Tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred according to Turkish Tax Legislation. Tax losses cannot be carried back.

In Turkey, there is no procedure for a final and definite agreement on tax assessments. Companies file their tax returns with their tax offices by the end of 25th of the fourth month following the close of the accounting period to which they relate. Tax declarations and related accounting entries can be investigated by tax authorities for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Deferred taxes

The Bank calculates and accounts deferred tax assets and liabilities in accordance with the TAS 12 - Income Taxes and BRSA's explanations; deferred tax assets and liabilities are recognized on all taxable temporary differences arising between the carrying values of assets and liabilities in the financial statements and their corresponding balances used for taxation purposes except for the differences not deductible for tax purposes and initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

If transactions and events are recorded in the statement of income, then the related tax effects are also recognized in the statement of income. However, if transactions and events are recorded directly in the shareholders' equity, the related tax effects are also recognized directly in the shareholders' equity.

The net amount of deferred tax receivables and deferred tax payables is shown on the financial tables.

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XVII. INFORMATION ON TAX APPLICATIONS (Continued)

Transfer Pricing

In Turkey, the transfer pricing provisions has been stated under the Article 13 of Corporate Tax Law with the heading of “disguised profit distribution via transfer pricing”. The General Communiqué on disguised profit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation.

If the companies enter into transactions concerning to the sale or the purchase of the goods or services with the related parties by setting the prices or amounts which are not in line with the arm’s length principle, related profits will be treated as having been wholly or partially distributed in a disguised way via transfer pricing. This kind of disguised profit distribution via transfer pricing cannot be deducted from tax base in accordance with corporate tax.

XVIII. ADDITIONAL INFORMATION ON BORROWINGS

Except for financial liabilities that are classified as held for trading derivatives which carried at fair values, all other financial liabilities are initially recognized at cost including transaction costs and re-measured at amortized cost using the effective interest rate method.

The Bank did not issue any stocks convertible into bonds.

The Bank does not have borrowing instruments issued by itself.

XIX. INFORMATION ON SHARE ISSUANCES

The Bank has not issued any share in the year.

XX. INFORMATION ON BILLS OF EXCHANGES AND ACCEPTANCES

Acceptances are realized simultaneously with the payment dates of the clients and they are presented as commitments in off-balance sheet accounts.

There are no acceptances presented as liabilities against any assets.

XXI. INFORMATION ON GOVERNMENT INCENTIVES

There are no government incentives utilized by the Bank as of 30 September 2015 and 31 December 2014.

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XXII. INFORMATION ON SEGMENT REPORTING

Operating segment is the unit that operates in only one product or service of the Bank or the group of products or services which are related each other and differs from other units from the point of risk and profit. Operating segments are presented in the footnote VII of Fourth Section.

XXIII. OTHER DISCLOSURES

Profit reserves and profit distribution

Retained earnings other than legal reserves are available for distribution, subject to legal reserve requirement referred to below.

The legal reserves are comprised of first and second reserves, in accordance with the Turkish Commercial Code (“TCC”). The first legal reserve is appropriated out of the profits at the rate of 5% until the total reserve reaches a maximum of 20% of the Bank’s paid in capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of the 5% of the Company’s share capital; however holding companies are not subject to this application. First and second legal reserves can only be used to compensate accumulated losses and cannot be used for profit distribution unless they exceed 50% of paid-in capital.

Related parties

In accompanying financial statements, shareholders, key management personnel and board members together with their families and companies controlled by or affiliated by them associated and jointly controlled entities are considered as Related Parties in compliance with TAS 24 - Related Party Disclosures Standard. Related parties are presented V footnote of Fifth Section.

Cash and cash equivalents

In the cash flows statements “Cash” refers to cash in vault, cash in transit, bank cheques purchased and demand deposits in banks including Central Bank of Turkey; “Cash equivalent” refers to money market placements and time deposits at banks which has original maturity less than three months.

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SECTION FOUR

INFORMATION ON THE FINANCIAL POSITION OF THE BANK

I. INFORMATION ON CAPITAL ADEQUACY 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 %16.25 (31 December 2014: 15.83%) in accordance with the related Communiqué as of 30 September 2015.

The risk measurement methods used in the determination of the capital adequacy ratio:

In the calculation process of capital adequacy ratio, the data which are compatible with current regulations are used. In this case, the market and credit risk are also taken into account as "Trading Accounts" and "Banking Accounts".

The items which are deducted from trading accounts and shareholders' equity are not considered in the calculation of the credit risk. Depleted and amortized assets are taken into consideration by net amounts which are calculated by the deduction of depreciation cost and provisions.

The amount subject to credit risk for non cash loans and commitments are converted credit by using the conversion rates which are defined in the 5th article of "Regulation on Measurement and Evaluation of Capital Adequacy of Banks". Besides, the provisions which are defined in "Regulation on Procedures and Principles for Determination of Qualifications of Loans and Other Receivables by Banks and Provisions to Be Set Aside" and taken place at the liability side of the balance sheet are also taken into consideration. And classified to the relevant risk class by regarding the 6th article of "Regulation on credit risk mitigation techniques" and the risk is weighted in accordance with the same regulations Annex-1.

In the calculation of the the amount subject to credit risk for Derivative Financial Instruments and Credit Derivative Contracts transactions in the banking accounts, the counterparty receivables are converted into credit by using conversion rates stated in Annex-2 of the regulation and subjected, be subjected to risk mitigation regarding "Regulation on Credit Risk Mitigation Techniques", classified to the relevant risk class by regarding the 6th article of regulation and the risk is weighted in accordance with Annex-1 of the regulation. In accordance with Article 5 of regulation, "Counterparty Credit Risk" is calculated for repo transactions, securities, commodities lending transactions. "Fair Value Valuation Method" is used in counterparty credit risk calculation.

Value at operational risk (VOR) is calculated in accordance with the "Basic Indicator Method" and is included in the capital adequacy ratio calculation.

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I. INFORMATION ON CAPITAL ADEQUACY RATIO (Continued)

Information on unconsolidated capital adequacy standard ratio

Current Period	Risk Weight							
	%0	%10	%20	%50	%75	%100	%150	%200
The Amount Subject to Credit Risk	788,337	-	367,475	2,235,240	-	1,856,204	97,358	-
Risk Types								
Contingent and Non-Contingent Receivables from Central Governments and Central Banks	774,675	-	-	180,611	-	-	-	-
Contingent and Non-Contingent Receivables from Regional Governments and Local Authorities	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Multilateral Development Banks	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from International Organizations	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Banks and Financial Intermediaries	-	-	367,475	2,026,593	-	24,780	-	-
Contingent and Non-Contingent Corporate Receivables	-	-	-	-	-	1,695,196	-	-
Contingent and Non-Contingent Retail Receivables	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables Secured by Residential Property	-	-	-	28,036	-	14,203	-	-
Past Due Loans	-	-	-	-	-	21,798	-	-
Higher-Risk Receivables Defined by BRSA	-	-	-	-	-	-	97,358	-
Marketable Securities Collateralized Mortgages	-	-	-	-	-	-	-	-
Securitization Exposures	-	-	-	-	-	-	-	-
Short-Term Receivables from Banks and Corporate	-	-	-	-	-	-	-	-
Undertakings for Collective Investments in Transferable Securities	-	-	-	-	-	-	-	-
Other Receivables	13,662	-	-	-	-	100,227	-	-

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I. INFORMATION ON CAPITAL ADEQUACY RATIO (Continued)

Information on Shareholders' Equity

Prior Period	Risk Weight							
	%0	%10	%20	%50	%75	%100	%150	%200
The Amount Subject to Credit Risk	407,731	-	309,700	2,423,878	-	1,615,255	114,713	-
Risk Types								
Contingent and Non-Contingent Receivables from Central Governments and Central Banks	372,450	-	-	91,231	-	-	-	-
Contingent and Non-Contingent Receivables from Regional Governments and Local Authorities	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Multilateral Development Banks	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from International Organizations	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Banks and Financial Intermediaries	26,908	-	309,700	2,294,330	-	30,801	-	-
Contingent and Non-Contingent Corporate Receivables	-	-	-	-	-	1,472,783	-	-
Contingent and Non-Contingent Retail Receivables	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables Secured by Residential Property	-	-	-	38,317	-	18,332	-	-
Past Due Loans	-	-	-	-	-	1,484	-	-
Higher-Risk Receivables Defined by BRSA	-	-	-	-	-	-	114,713	-
Marketable Securities Collateralized Mortgages	-	-	-	-	-	-	-	-
Securitization Exposures	-	-	-	-	-	-	-	-
Short-Term Receivables from Banks and Corporate	-	-	-	-	-	-	-	-
Undertakings for Collective Investments in Transferable Securities	-	-	-	-	-	-	-	-
Other Receivables	8,373	-	-	-	-	91,855	-	-

Information on unconsolidated capital adequacy ratio

	Current Period	Prior Period
Required Capital for Credit Risk (Amount Based to Credit Risk*0.08) (RCFCR)	255,468	244,896
Required Capital for Market Risk (RCFMR)	21,255	19,129
Required Capital for Operational Risk (RCFOR)(*)	20,081	17,568
Shareholders' Equity	602,747	557,034
Shareholders' Equity/((RCFCR+RCFMR+RCFOR) *12.5/100)	16.25	15.83
Tier 1 Capital/((RCFCR+RCFMR+RCFOR) *12.5/100)	15.62	15.27
Common Equity Tier 1 Capital/((RCFCR+RCFMR+RCFOR) *12.5/100)	15.66	15.33

(*) In accordance with the BRSA, 6 September 2014 dated BRSA circular, capital adequacy ratio as at 2015, value at operational risk is being calculated based on gross incomes for the years ended 2014, 2013 and 2012.

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I. INFORMATION ON CAPITAL ADEQUACY RATIO (Continued)

Information on Shareholders' Equity

	Current Period	Prior Period
COMMON EQUITY TIER 1 CAPITAL	581,042	539,742
Paid-in capital(*)	438,002	438,340
Share premium	-	-
Share cancellation profit	-	-
Legal reserves	15,189	11,663
Income passed on to shareholders' equity in accordance with Turkey Accounting Standards (TAS).	-	-
Profit	120,483	82,184
Net Income for current period	41,824	70,506
Prior period profit	78,659	11,678
Provisions for possible risks	9,000	9,000
Bonus shares of Associates, Subsidiaries and Joint-Ventures	-	-
Common Equity Tier 1 Capital Before Deductions	582,674	541,187
Deductions From Common Equity Tier 1 Capital	1,632	1,445
Loss excess of reserves and loss passed on to shareholders' equity in accordance with Turkey Accounting Standards (TAS) (-)	-	-
Leasehold Improvements (-)	588	850
Goodwill and other intangible assets and related deferred tax liabilities. (-)	1,044	595
Net deferred tax income/expense (-)	-	-
Shares noncompliant with article 56/4 of the Law (-)	-	-
Direct or indirect investments on Bank's own Common Tier 1 Capital (-)	-	-
Total net long position exceeding 10% of Bank's Common Tier 1 capital, belonging to investments on own funds of banks and financial institutions that are not consolidated, with a shareholding of 10% and below	-	-
Total net long position exceeding 10% of Bank's Common Tier 1 capital, belonging to investments on own funds of banks and financial institutions that are not consolidated, with a shareholding of 10% and above	-	-
Rights of providing mortgage service exceeding 10% of Common Tier 1 capital (-)	-	-
Deferred tax assets based on temporary differences exceeding 10% of Common Tier 1 capital (-)	-	-
Balances in accordance with the temporary article 2/2 of Regulation on Shareholders' Equity of Banks exceeding 15% of Common Tier 1 capital (-)	-	-
Excess amount arising from total net long position belonging to investments on Common Tier 1 Capital of banks and financial institutions that are not consolidated, with a shareholding above 10%	-	-
Excess amount arising from rights of providing mortgage service (-)	-	-
Excess amount arising from deferred tax assets based on temporary differences (-)	-	-
Other items determined by board (-)	-	-
Deduction amount from Common Tier 1 Capital in case of shortage of additional Tier 1 capital or supplementary capital (-)	-	-
Total Deductions From Common Equity Tier 1 Capital	1,632	1,445
Total Common Equity Tier 1 Capital	581,042	539,742
ADDITIONAL TIER 1 CAPITAL	-	-
Premiums of privilege share capital not included in Common Equity Tier 1 capital	-	-
Debt instruments which is seen appropriate by corporation and premiums in accordance with these instruments (Issued after 1.1.2014)	-	-
Debt instruments which is seen appropriate by corporation and premiums in accordance with these instruments (Issued before 1.1.2014)	-	-
Additional Tier 1 Capital Before Deductions	-	-
Deductions From Additional Tier 1 Capital	-	-
Direct or indirect investments which bank provides for its' own additional Tier 1 capital (-)	-	-
10% exceed part of Common Tier 1 capital of bank from the sum of partnership share on banks and financial institutions that are not consolidated, with a shareholding less than 10% (-)	-	-
10% exceed part of Common Tier 1 capital of bank from the sum of partnership share on banks and financial institutions that are not consolidated, with a shareholding of 10% and above (-)	-	-
Other items determined by board (-)	-	-
Deduction amount of additional core capital in case of there is not enough additional core capital or supplementary capital (-)	-	-

(*) The amount contains TL (1,998) actuarial loss/gain amount that accounted under "Other Reserves" according to TAS 19 (31 December 2014: (1,660) TL).

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	Current Period	Prior Period
Total Deductions From Additional Tier 1 Capital	-	-
Total Additional Tier 1 Capital	-	-
Deductions From Tier 1 Capital	1,566	2,382
Non deducted Common Tier 1 capital part in accordance with deferred tax expense and goodwill impairment and other intangible fixed assets which is in temporary article 2/1 of Regulation of Shareholders' Equity of Banks. (-)	1,566	2,382
Non deducted Common Tier 1 capital part in accordance with net deferred tax income/expense which is in temporary article 2/1 of Regulation of Shareholders' Equity of Banks. (-)	-	-
Total Tier 1 Capital	579,476	537,360
SUPPLEMENTARY CAPITAL	23,280	19,684
Debt instruments which is seen appropriate by corporation and premiums in accordance with these instruments (Exported after 1.1.2014)	-	-
Debt instruments which is seen appropriate by corporation and premiums in accordance with these instruments (Exported before 1.1.2014)	-	-
Pledged sources to bank from shareholders which is used for share capital increasing of bank	-	-
General Provisions	23,280	19,684
Supplementary Capital Before Deductions	23,280	19,684
Deductions From Supplementary Capital	-	-
Direct or indirect investments which bank provides for its' own supplementary capital (-)	-	-
10% exceed part of Common Tier 1 capital of bank from the sum of partnership share on banks and financial institutions that are not consolidated, with a shareholding less than 10% (-)	-	-
10% exceed part of Common Tier 1 capital of bank from the sum of partnership share on banks and financial institutions that are not consolidated, with a shareholding of 10% and above (-)	-	-
Other items determined by board (-)	-	-
Total Deductions From Supplementary Capital	-	-
Total Supplementary Capital	23,280	19,684
CAPITAL	602,756	557,044
Loans extended being noncompliant with articles 50 and 51 of the Law (-)	-	-
Net book values of properties owned, exceeding 50% of banks' equity and properties, and trade goods overtaken in exchange for loans and receivables that should be disposed within five years in accordance with article 57 of the Law, but not yet disposed (-)	9	10
Investments to 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 (-)	-	-
Deduction from equity in accordance with 2nd article of 20th item in Regularity of Measurement and Valuation of Capital Adequacy of Banks (-)	-	-
Other accounts determined by board (-)	-	-
Non deducted part of comon equity tier1 , additional core and supplementary capital in accordance with temporary article 2/1 of Regulation of Shareholders' Equity of Banks which is 10% exceed part of Common Tier 1 capital of bank from the sum of partnership share on banks and financial institutions that are not consolidated, with a shareholding less than 10% (-)	-	-
Non deducted part of comon equity tier1, additional core and supplementary capital in accordance with temporary article 2/1 of Regulation of Shareholders' Equity of Banks which is 10% exceed part of Common Tier 1 capital of bank from the sum of partnership share on banks and financial institutions that are not consolidated, with a shareholding of 10% or above (-)	-	-
Non deducted part of comon equity tier1 generating from exceed amount generating from investments to Common Tier 1 capitals of partnership share on banks and financial institutions that are not consolidated, with a shareholding of 10% and above, temporary differences of deferred tax income and the right of offering mortgage services explained in the 1st and 2nd paragraphs of temporary article 2 of Regulation of Shareholders' Equity of Banks. (-)	-	-
SHAREHOLDERS' EQUITY	-	-
Amounts Below Overrun Amounts In Applied Reducing Procedures	602,747	557,034
Amount generating from long position of investments to shareholders' equity and partnership share on banks and financial institutions that are not consolidated, with a shareholding less than 10%	-	-
Amount generating from long position of investments to shareholders' equity and partnership share on banks and financial institutions that are not consolidated, with a shareholding of 10% or above.	-	-
Amount generating from right of offering mortgage service	-	-
Amount generating from temporary differences of deferred income tax income	-	-

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I. INFORMATION ON CAPITAL ADEQUACY RATIO (Continued)

Informations on factors of temporary practice about shareholders' equity calculation:

	Considered Amount of Current Period Shareholders' Equity Calculation	Total Amount
Comon equity tier1 capital share amount of minority shareholders	-	-
Additional core capital share amount of third parties	-	-
Supplementaru capital share amount of third parties	-	-
Debt instruments which is seen appropriate by corporation and premiums in accordance with these instruments (Exported before 1.1.2014)	-	-

Informations on addition debt instruments to shareholders' equity calculating:

Exporter	-
Code of debt instrument (CUSIP, ISIN vb.)	-
Legistation of debt instrument	-
Attention Situation of Shareholders' Equity	
Situation of subjection to practice of being taken into consideration with 10% deduction (after 1.1.2015)	-
Validity situation of consolidated or unconsolidated based or consolidated and unconsolidated based.	-
Type of debt instrument	-
Considered amount of shareholders' equity calculation. (By last report date of – Million TL)	-
Nominal value of debt instrument (Million TL)	-
Related account of debt instrument	-
Export date of debt instrument	-
Maturity structure of debt instrument (demand/term)	-
Beginning term of debt instrument	-
Whether there is right of reimbursement of exporter or not according to Banking Regulation and Supervision Agency (BRSA) rules.	-
Optional reimbursement date, options of conditional reimbursement and reimbursement amount.	-
Following reimbursement option dates	-
Interest/Dividend Payments	
Fixed or floating interest/dividend payments	-
Interest rate and index value of interest rate	-
Whether there is any restriction to stop payment of capital bonus or not	-
Feature of being full optional, partially optional or obligatory	-
Whether there is any stimulant to repayment like interest rate hike or not	-
Feature of being cumulative or noncumulative	-
Feature of being convertible bonds	
If there's convertible bonds, trigger incidents cause this conversion	-
If there's convertible bonds, feature of full or partially conversion	-
If there's convertible bonds, rate of conversion	-
If there's convertible bonds, feature of conversion -obligatory or optional-	-
If there's convertible bonds, types of convertible instruments	-
If there's convertible bonds, exporter of convertible debt instruments	-
Feature of value reduction	
If there is feature of value reduction, trigger incidents cause this value reduction	-
If there is feature of value reduction, feature of full or partially reduction of value	-
If there is feature of value reduction, feature of being constant or temporary	-
If the value can be reduced temporarily, mechanism of value incrementation	-
Claiming rank in case of winding up (Instrument that is just above debt instrument)	-
Whether being provided with conditions of the 7 th and 8 th articles of Shareholders' Equity of Banks Regulation	-
Has or has not been provided with which conditions of the 7 th and 8 th articles of Shareholders' Equity of Banks Regulation	-

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II. INFORMATION ON MARKET RISK

Bank’s operations about risk management are carried out complying with “Regulation on Bank’s regulation about internal systems” and “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”.

To be in compliance with governances, The Parent Bank has regulated its operations about market risk management lastly within the scope of “Internal Systems and Internal Capital Adequacy Assessment Process Regulation of Banks” published in Official Journal No 29057 dated 11 July 2014 and “Regulation on Measurement and Evaluation of Capital Adequacy of Banks” published in Official Journal No 29111 dated 6 September 2014.

To implement methods of risk managements’ policy, strategy, implementations that approved by board of directors; to report bank’s potential important risks to board of directors on time and accurately, internal control about units, to evaluate risk and internal auditing reports and to correct risks, faults, inadequacies occurred in those units or to take necessary measures and to be incorporate into process of determining risk limits are in charge of senior management.

Board of directors is reviewing efficiency of risk management systems through the agency of auditing committee, other relevant committees, senior management and also in consideration of various risk reports and evaluations made by auditing committee.

Risk policies and methods of implementations which are determined for market risk that bank is exposed to, is approved by board of directors and being reviewed regularly. Market risk is managed by the way of measuring, limiting risks in compliance with international standards and putting capital aside according to those results.

Risk Management Department is analyzing and calculating bank interest rate in consideration of various dimensions within the scope of market risk management operations.

Interest rate and currency risk is being measured within the scope of market risk that calculated according to standard method and included to calculation of capital requirement standard ratio.

Besides of standard method, value at risk method (VRM) is used for calculating changes in risk factors and its’ effects on bank portfolio. Subjected method is tested by retrospective test method.

Stress tests are made to analyze the possible effects of Interest and rate fluctuations on bank on a monthly basis.

Moreover, scenario analyses are made to classify expectations of possible changes at risk factors based on various interest rate and exchange rate level expectations.

Board of directors determined limits to evaluate the results of standard methods and daily value at risk method results. Also limits are determined for credit risk and capital requirements ratio by board of directors.

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II. INFORMATION ON MARKET RISK (Continued)

The Bank's market risk is calculated on a monthly basis using the "Standard Method". Interest rate risks and exchange rate risks, factors of the market risks, are periodically analyzed using different methods (ratio analysis, duration, gap, sensitivity, etc.).

With stress testing methods, the effect of extraordinary fluctuations of risk factors on the Bank is measured on a monthly basis and in case the necessity arises. Different scenarios based on changes in risk factors are measured with scenario analysis. All the analysis mentioned above are tested in a retrospective manner to ensure the reliability of the tests.

The Board of Directors has determined the early warning limit of Amount Exposed to Market Risk / Equity ratio as maximum %50, in order to limit market risk is calculated with Standard method. In order to limit daily VaR results, the early warning limit of daily VaR / Equity ratio is determined as max. %1.

Information related to market risk

	Current Period	Prior Period
(I) Capital requirement to be employed for general market risk Standard method	1,782	2,010
(II) Capital requirement to be employed for specific risk - Standard method	1,979	2,045
(III) Standard method for specific risk of necessary capital requirement on securitization positions	-	-
(IV) Capital requirement to be employed for currency risk - Standard method	17,462	15,034
(V) Capital requirement to be employed for commodity risk - Standard method	-	-
(VI) Capital requirement to be employed for settlement risk - Standard method	-	-
(VII) Total capital requirement to be employed for market risk resulting from options-Standard method	-	-
(VIII) Counterparty credit risk capital requirement - Standard method	32	40
(IX) Total capital requirement to be employed for market risk in banks using risk measurement model	-	-
(X) Total capital requirement to be employed for market risk (I+II+III+IV+V+VI+VII+VIII)	21,255	19,129
(XI) Market Value at Risk (12.5 x IX) or (12.5 x X)	265,688	239,113

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III. INFORMATION ON FOREIGN CURRENCY EXCHANGE RATE RISK

Whether the Bank is exposed to foreign exchange risk, whether the effects of this situation are estimated, and whether the board of directors of the Bank sets limits for positions that are monitored daily

The Bank complies with net general position-shareholder’s equity limits. The Bank has the possibility to borrow a significant amount of foreign currency.

Within the context of the market risk management work of the Risk Management Department, the Bank’s Exchange rate risk is calculated and analyzed taking different dimensions of the issue in consideration. The Exchange rate risk is measured according to market risk calculated using the Standard Method and is included in the capital adequacy ratio. For testing effects of the unexpected exchange rate fluctuations on the Bank monthly basis stress test analysis are done. In addition, by classifying the changes in risk factors different scenario analysis are done based on different exchange rate expectations. The sensitivity of assets, liabilities and off-balance sheets against exchange rate are measured by an analysis on a monthly basis.

The magnitude of hedging foreign currency debt instruments and net foreign currency investments by using hedging derivatives

The Bank does not have any financial derivatives used for hedging.

Foreign exchange risk management policy

Transactions are being hedged according to the Central Bank of Turkey’s basket of currencies instantly. Managable and measurable risks are taken in the scope of the regulatory limits.

Foreign exchange buying rates of the last five business days before the balance sheet date as publicly announced by the Bank, are as follows

Date	US Dollars	Euro
21 September 2015	TL 2.9961	TL 3.4248
22 September 2015	TL 2.9978	TL 3.3847
23 September 2015	TL 3.0069	TL 3.3602
28 September 2015	TL 3.0069	TL 3.3602
29 September 2015	TL 3.0464	TL 3.4057
30 September 2015	TL 3.0433	TL 3.4212

The basic arithmetical average of the bank’s foreign exchange bid rate for the last thirty days:

The basic arithmetical average of the Bank’s foreign exchange bid rate for September 2015 TL 3.0034 is for USD , TL 3.3736 for EURO.

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III. INFORMATION ON FOREIGN CURRENCY EXCHANGE RATE RISK (Continued)

Information on Currency Risk

Current Period	Euro	USD Dollars	Other	Total
Assets				
Cash (Cash in Vault, Foreign currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	456,631	287,053	516	744,200
Banks	327,929	822,750	11,671	1,162,350
Financial Assets through Profit or Loss	-	173,292	-	173,292
Interbank Money Market Placements	-	-	-	-
Investment Securities Available-for-Sale	79	1,141	-	1,220
Loans ⁽¹⁾	293,560	676,450	2	970,012
Investments in Subsidiaries and Associates	-	-	-	-
Investment Securities Held-to-Maturity	49,274	130,285	-	179,559
Financial Derivative held for Hedging (Assets)	-	-	-	-
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets	1,245	4,768	-	6,013
Total Assets⁽²⁾	1,128,718	2,095,739	12,189	3,236,646
Liabilities				
Bank Deposits	1,007,796	1,756,783	1,841	2,766,420
Foreign Currency Deposits	205,864	272,546	5,997	484,407
Money Market Borrowings	-	-	-	-
Funds Borrowed from Other Financial Institutions	-	917	-	917
Marketable Securities Issued	-	-	-	-
Miscellaneous Payables	340	449	5	794
Financial Derivatives held for Hedging (Liabilities)	-	-	-	-
Other Liabilities	2,857	4,362	458	7,677
Total Liabilities⁽³⁾	1,216,857	2,035,057	8,301	3,260,215
Net "Balance Sheet Position"	(88,139)	60,682	3,888	(23,569)
Net "Off Balance Sheet Position"	61,308	(59,499)	-	1,809
Financial Derivatives (Assets)	63,019	1,706	-	64,725
Financial Derivatives (Liabilities)	(1,711)	(61,205)	-	(62,916)
Non-Cash Loans	805,575	1,315,152	449,380	2,570,107
Prior Period				
Total Assets	1,178,639	1,813,661	2,157	2,994,457
Total Liabilities	1,240,333	1,825,089	1,683	3,067,105
Balance Sheet Position, net	(61,694)	(11,428)	474	(72,648)
Off Balance Sheet Position, net	62,197	11,686	-	73,883
Financial Derivatives (Assets)	63,387	13,016	-	76,403
Financial Derivatives (Liabilities)	(1,190)	(1,330)	-	(2,520)
Non-cash Loans	678,343	1,006,029	393,639	2,078,011

1 As of 30 September 2015 loan balance includes foreign currency indexed loans amounting to TL 192,779. (31 December 2014: 146,344)

2 As of 30 September 2015 total liabilities do not include foreign currency trading derivative financial liabilities amounting to TL 1,414. (31 December 2014: None.)

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III. INFORMATION ON FOREIGN CURRENCY EXCHANGE RATE RISK (Continued)

Exposed currency risk

The possible increases or decreases in the shareholders' equity and the profit/loss as per an assumption of devaluation/appreciation by 10 percent of TL against currencies mentioned below as of 30 September 2015 and 31 December 2014 are presented in the below table. The other variables, especially the interest rates, are assumed to be fixed in this analysis.

Assuming 10 percent appreciation of TL;

	Current Period		Prior Period	
	Income Statement	Shareholders' Equity (*)	Income Statement	Shareholders' Equity
Euro	2,683	2,683	(50)	(50)
US Dollar	(118)	(118)	(26)	(26)
Other Currencies	(389)	(389)	(47)	(47)
Total	2,176	2,176	(123)	(123)

(*) The effect on shareholders' equity also includes the effect on the profit/loss.

Assuming 10 percent devaluation of TL;

	Current Period		Prior Period	
	Income Statement	Shareholders' Equity (*)	Income Statement	Shareholders' Equity (*)
Euro	(2,683)	(2,683)	50	50
US Dollar	118	118	26	26
Other Currencies	389	389	47	47
Total	(2,176)	(2,176)	123	123

(*) The effect on shareholders' equity also includes the effect on the profit/loss.

IV. INFORMATION ON INTEREST RATE RISK

Interest rate sensitivity of the assets, liabilities and off-balance sheet items

Within the context of the market risk management of the Risk Management Department, the Bank's interest rate risk is calculated and analyzed taking different dimensions of the issue in consideration. The interest rate risk is measured according to market risk calculated using the standard method and is included in the capital adequacy ratio. To test the effect of the interest rate fluctuations on the Bank monthly based stress test analysis are done.

In addition, by classifying the changes in risk factors different scenario analysis are done based on different interest rate expectations. The sensitivity of assets, liabilities and off-balance sheets against interest rate are measured by an analysis on a monthly basis.

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IV. INFORMATION ON INTEREST RATE RISK (Continued)

The expected effects of the fluctuations of market interest rates on the Bank's financial position and cash flows, the expectations for interest income, and the limits the board of directors has established on daily interest rates

The Board of Directors has determined limits for the amount exposed to market risk/ shareholder's equity, to be maximum %45 for the early warning limit, %50 for limit maximum, and maximum %55 for limit exception in order to follow interest rate risk, exchange rate risk and equity price risk.

The precautions taken for the interest rate risk the Bank was exposed to during the current year and their expected effects on net income and shareholders' equity in the future periods

Although the increase in interest rates have a limited negative effect on the Bank's financial position the Bank's Equity structure is able to confront the negative effects of possible fluctuations in the interest rates.

Information related to interest rate sensitivity of assets, liabilities and off-balance sheet items (based on re-pricing dates)

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non- Interest Bearing	Total
Assets							
Cash (cash in vault, foreign currencies, cash in transit, cheques purchased) and balances with the Central Bank of Turkey	286,818	-	-	-	-	463,900	750,718
Banks	915,154	257,351	-	-	-	-	1,172,505
Financial assets at fair value through Profit or Loss	41,680	11,637	20,823	123,038	-	-	197,178
Interbank Money Market Placements	-	-	-	-	-	-	-
Financial assets available-for-sale	-	-	-	-	-	1,444	1,444
Loans	863,567	227,325	386,625	563	-	22,279	1,500,359
Investment securities held-to-maturity	51,916	34,313	40,942	92,940	14,731	-	234,842
Other assets ¹	-	-	-	-	-	117,589	117,589
Total assets	2,159,135	530,626	448,390	216,541	14,731	605,212	3,974,635
Liabilities							
Bank deposits	1,093,253	1,261,895	421,459	-	-	-	2,776,607
Other deposits	44,950	4,387	39,608	-	-	430,461	519,406
Money market borrowings	27,284	-	-	-	-	-	27,284
Miscellaneous payables	-	-	-	-	-	904	904
Marketable securities issued	-	-	-	-	-	-	-
Funds Borrowed From Other Fin. Ins.	259	917	4,167	-	-	-	5,343
Other liabilities ²	5	-	-	-	-	645,086	645,091
Total liabilities	1,165,751	1,267,199	465,234	-	-	1,076,451	3,974,635
Long Position in the Balance Sheet	993,384	-	-	216,541	14,731	-	1,224,656
Short Position in the Balance Sheet	-	(736,573)	(16,844)	-	-	(471,239)	(1,224,656)
Long Position in the Off-balance Sheet	-	61,582	-	-	-	-	61,582
Short Position in the Off-balance Sheet	-	(60,172)	-	-	-	-	(60,172)
Total Position	993,384	(735,163)	(16,844)	216,541	14,731	(471,239)	1,410

1 Other Assets: The amount of TL 117,589 in the Non-Interest Bearing column is composed of Subsidiaries amounting to TL 70,213, Tangible Assets amounting to TL 19,462, Intangible Assets amounting to TL 2,610, Deferred Tax Assets amounting to TL 2,296, Assets Held for Sale amounting to TL 9, Miscellaneous Receivables amounting to TL 4,453, and Other Assets amounting to TL 18,546.

2 Other Liabilities: The amount of TL 645,086 in the Non-Interest Bearing Column is composed of Shareholders' Equity amounting to TL 573,674, Provisions amounting to TL 42,375, Tax, Duty and Premium Payable amounting to TL 6,146 and Other Foreign Resources amounting to TL 22,891.

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IV. INFORMATION ON INTEREST RATE RISK (Continued)

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non- Interest Bearing	Total
Assets							
Cash (cash in vault, foreign currencies, cash in transit, cheques purchased) and balances with the Central Bank of Turkey	5,172	-	-	-	-	349,068	354,240
Banks	1,342,056	216,368	-	-	-	-	1,558,424
Financial assets at fair value through Profit or Loss	11,199	1,109	63,620	87,503	-	-	163,431
Interbank Money Market Placements	26,908	-	-	-	-	-	26,908
Financial assets available-for-sale	-	-	-	-	-	1,159	1,159
Loans	578,374	320,983	351,265	111,798	-	1,878	1,364,298
Investment securities held-to-maturity	-	20,308	28,979	61,491	30,899	-	141,677
Other assets ¹	-	-	-	-	-	106,583	106,583
Total assets	1,963,709	558,768	443,864	260,792	30,899	458,688	3,716,720
Liabilities							
Bank deposits	863,390	963,996	710,600	-	-	-	2,537,986
Other deposits	26,705	11,490	13,472	-	-	518,080	569,747
Money market borrowings	2,935	-	-	-	-	-	2,935
Miscellaneous payables	-	-	-	-	-	1,227	1,227
Marketable securities issued	-	-	-	-	-	-	-
Funds Borrowed From Other Fin. Ins.	259	817	5,808	-	-	-	6,884
Other liabilities ²	188	-	-	-	-	597,753	597,941
Total liabilities	893,477	976,303	729,880	-	-	1,117,060	3,716,720
Long Position in the Balance Sheet	1,070,232	-	-	260,792	30,899	-	1,361,923
Short Position in the Balance Sheet	-	(417,535)	(286,016)	-	-	(658,372)	(1,361,923)
Long Position in the Off-balance Sheet	59,546	14,104	-	-	-	-	73,650
Short Position in the Off-balance Sheet	(59,173)	(14,259)	-	-	-	-	(73,432)
Total Position	1,070,605	(417,690)	(286,016)	260,792	30,899	(658,372)	218

- 106,583 in the Non-Interest Bearing column is composed of Subsidiaries amounting to TL 65,214 Tangible Assets amounting to TL 21,067, Intangible Assets amounting to TL 2,977 Deferred Tax Assets amounting to TL 2,080, Assets Held for Sale amounting to TL 10, Miscellaneous Receivables amounting to TL 1,816, and Other Assets amounting to TL 13,419.
- Other Liabilities: The amount of TL 597,753 in the Non-Interest Bearing Column is composed of Shareholders' Equity amounting to TL 532,187, Provisions amounting to TL 38,893, Tax, Duty and Premium Payable amounting to TL 7,099 and Other Foreign Resources amounting to TL 19,574.

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IV. INFORMATION ON INTEREST RATE RISK (Continued)

Average interest rates applied to monetary financial instruments (%)

Current Period	EURO	USD	YEN	TL
Assets				
Cash (cash in vault, effectives, money in transit, cheques purchased) and balances with the Central Bank of Turkey.	-	0.19	-	1.62
Banks	0.27	1.90	-	11.75
Financial assets at fair value through profit or loss	-	5.95	-	10.64
Money Market Placements	-	-	-	-
Financial assets available-for-sale	-	-	-	-
Loans	3.03	3.75	-	12.97
Investment securities held-to-maturity	5.14	7.06	-	10.77
Liabilities				
Interbank deposits	0.57	1.44	-	11.10
Other deposits	1.90	1.89	-	7.88
Money market borrowings	-	-	-	10.42
Miscellaneous payables	-	-	-	-
Marketable securities issued	-	-	-	-
Funds borrowed from other financial institutions	-	1.42	-	6.71
Prior Period	EURO	USD	YEN	TL
Assets				
Cash (cash in vault, effectives, money in transit, cheques purchased) and balances with the Central Bank of Turkey.	-	-	-	1.40
Banks	1.20	2.25	-	-
Financial assets at fair value through profit or loss	-	5.76	-	9.61
Money Market Placements	-	-	-	11.24
Financial assets available-for-sale	-	-	-	-
Loans	2.66	4.13	-	11.19
Investment securities held-to-maturity	5.21	7.06	-	10.09
Liabilities				
Interbank deposits	0.62	1.54	-	8.24
Other deposits	1.49	1.81	-	7.70
Money market borrowings	-	-	-	8.25
Miscellaneous payables	-	-	-	-
Marketable securities issued	-	-	-	-
Funds borrowed from other financial institutions	-	2.58	-	7.15

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IV. INFORMATION ON INTEREST RATE RISK (Continued)

The interest rate risk of the banking book items

The nature of interest rate risk which banking books and early repayment of loans and measurement frequency of interest rate risk with significant assumptions including related to the movement deposits except time deposit

The interest rate sensitivity of assets, liabilities and off-balance sheet items are considered taking into account the developments in the market by Asset-Liability Committee regularly.

The interest rate risk of the banking book items measurement is included The Bank's interest rate positions which is defined as banking accounts created and performed relevant re-pricing and maturity data take into account.

The interest rate sensitivity of assets and liabilities cash flows calculated present values using yield curves which generated using market interest rates.

The interest rate risk of the banking book items is measured legally in accordance with the "Regulation on Measurement and Assessment of Standard Shock Method on the interest rate risk arising from banking accounts", published in the Official Gazette numbered 28034 and dated 23 August 2011, and this legal limit is monitored and reported monthly, based on this measurement. The Bank maintains its capital proportionally with the interest rate risk arising from banking accounts.

The interest rate risks of financial instruments on trading portfolio are considered within the scope of the market risk.

The economic value differences that will be occurred due to fluctuations on interest rates with the Regulation on Standard Shock Method on the interest rate risk arising from banking accounts

Current Period:

	Currency	Applied Shock (+/- x basis point)	Revenue/ Loss	Revenue/Shareholders' Equity Loss/ Shareholders' Equity
1	TRY	500	(8,815)	%(1.46)
		(400)	11,050	%1.83
2	EURO	200	98,138	%16.28
		(200)	353,817	%58.71
3	USD	200	23,254	%3.86
		(200)	(43,490)	%(7.22)
Total (For negative shocks)			321,377	%53.32
Total (For positive shocks)			112,577	%18.68

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IV. INFORMATION ON INTEREST RATE RISK (Continued)

Prior Period

	Currency	Applied Shock (+/- x basis point)	Revenue/ Loss	Revenue/Shareholders' Equity Loss/ Shareholders' Equity
1	TRY	500	(19,833)	%(3.56)
		(400)	34,207	%6.14
2	EURO	200	36,506	%6.55
		(200)	342,112	%61.42
3	USD	200	42,562	%7.64
		(200)	(333,307)	%(59.84)
Total (For negative shocks)			43,012	%7.72
Total (For positive shocks)			59,235	%10.63

V. INFORMATION ON STOCK POSITION RISK

Equity investment risk due from banking book

The Bank does not have equity investment risk due to subsidiary and securities issued capital which classified banking accounts are not traded on the stock exchange.

Information on booking value, fair value and market value of equity investments

None.

Information on equity investments realized gains or losses, revaluation increases and unrealized gains or losses and these amounts including capital contribution.

None.

VI. INFORMATION ON LIQUIDITY RISK

Source of Bank's current liquidity risk and whether the related precautions are taken to eliminate the risk, Restrictions on fund sources established by the board of directors for the purpose of meeting urgent liquidity demand and making payments for matured debts

The Bank's liquidity risk has been analyzed within the context of risk management operations. Within this context Bank's liquidity risk has been analyzed by common ratio analysis and liquidity position analysis based on payment terms. The periodic reporting requirement to BRSA is being performed in accordance with the regulation regarding liquidity adequacy measurement.

Whether the payments, assets and liabilities match with the interest rates, and whether the effect of mismatch on profitability is measured

The main reason of liquidity risk is the existence of long term assets versus short term funds borrowed from abroad. On the other hand, these short term funds have the capability of being renewed. Bank has strong fund sources besides there is no restriction on fund sources for the purpose of meeting urgent liquidity demand and making payments for matured debts. As a result of this, the Bank has not been encountered with liquidity problems and there is no expectation of possible liquidity risk for the future for the Bank.

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VI. INFORMATION ON LIQUIDITY RISK (Continued)

Internal and external sources to meet the short and long-term liquidity needs, significant sources of liquidity that are not utilized

Shareholder's Equity has an important portion in the funding resources. The Bank is also capable of funding itself through domestic money markets and funding resources provided by its main shareholder.

Evaluation of amount and sources of the Bank's cash flows

As mentioned above, the Bank has sufficient cash and cash inflow to supply its cash outflow literally and on time.

Presentation of assets and liabilities based on their outstanding maturities

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Year and Over	Unallo-cated	Total
Assets								
Cash (cash in vault, effectives, money in transit, cheques purchased) and Central Bank balances	13,662	737,056	-	-	-	-	-	750,718
Banks	48,556	866,598	257,351	-	-	-	-	1,172,505
Financial Assets at Fair Value through Profit or Loss	-	41,680	11,637	20,823	123,038	-	-	197,178
Money Market Placements	-	-	-	-	-	-	-	-
Financial assets available-for-sale	-	-	-	-	-	-	1,444	1,444
Loans	-	863,567	206,220	430,009	563	-	-	1,500,359
Investment securities held-to-maturity	-	51,916	5,741	40,942	121,512	14,731	-	234,842
Other assets ¹	-	-	-	-	-	-	117,589	117,589
Total Assets	62,218	2,560,817	480,949	491,774	245,113	14,731	119,033	3,974,635
Liabilities								
Interbank Deposits	298,778	794,475	1,261,895	421,459	-	-	-	2,776,607
Other Deposits	430,450	44,961	4,387	39,608	-	-	-	519,406
Funds provided from other financial institutions	-	259	917	4,167	-	-	-	5,343
Money market borrowings	-	27,284	-	-	-	-	-	27,284
Marketable securities issued	-	-	-	-	-	-	-	-
Miscellaneous payables	-	-	-	-	-	-	904	904
Other liabilities ²	-	6,413	2,576	-	-	-	636,102	645,091
Total Liabilities	729,228	873,392	1,269,775	465,234	-	-	637,006	3,974,635
Liquidity Gap	(667,010)	1,687,425	(788,826)	26,540	245,113	14,731	(517,973)	-
Prior Period								
Total Assets	20,414	2,257,579	410,391	607,134	282,561	30,899	107,742	3,716,720
Total Liabilities	805,556	614,929	979,570	729,880	-	-	586,785	3,716,720
Liquidity Gap	(785,142)	1,642,650	(569,179)	(122,746)	282,561	30,899	(479,043)	-

¹ Other Assets: The amount of TL 117,589 in the Non-Interest Bearing column is composed of Subsidiaries amounting to TL 70,213, Tangible Assets amounting to TL 19,462, Intangible Assets amounting to TL 2,610, Deferred Tax Assets amounting to TL 2,296, Assets Held for Sale amounting to TL 9, Miscellaneous Receivables amounting to TL 4,453, and Other Assets amounting to TL 18,546.

² Other Liabilities: The amount of TL 636,102 in the Non-Interest Bearing Column is composed of Shareholders' Equity amounting to TL 573,674, Provisions amounting to TL 42,375, and Other Foreign Resources amounting to TL 20,053.

Explanations on securitization positions

None.

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VI. INFORMATION ON LIQUIDITY RISK (Continued)

Information on Credit risk mitigation techniques

Bank applies the Regulation on Credit risk mitigation techniques' 34th article that the standard volatility adjustments are taken into account regarding to portfolios in which comprehensive approach is used.

Cash collateral is used for credit risk mitigation.

Volatility adjustments on receivables, guarantees and collateral currency mismatches applied with the standard volatility adjustment approach with the Article 37 of the regulation.

In the case of the maturity mismatch that occurred because of the maturity of the collateral is less than the remaining maturity of the receivable, the collateral value considered as adjusted volatility.

Collaterals which are grouped according to asset type:

Risk Types - Current Period	Amount ⁽¹⁾	Financial Collaterals	Other/Physical Collaterals	Guarantees and credit derivatives
Contingent and Non-Contingent Receivables from Central Governments and Central Banks	955,286	-	-	-
Contingent and Non-Contingent Receivables from Regional Governments and Local Authorities	-	-	-	-
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	-	-	-	-
Contingent and Non-Contingent Receivables from Multilateral Development Banks	-	-	-	-
Contingent and Non-Contingent Receivables from International Organizations	-	-	-	-
Contingent and Non-Contingent Receivables from Banks and Financial Intermediaries	2,496,896	83,964	-	-
Contingent and Non-Contingent Corporate Receivables	1,698,499	6,608	-	-
Contingent and Non-Contingent Retail Receivables	-	-	-	-
Contingent and Non-Contingent Receivables Secured by Residential Property ⁽²⁾	42,270	61	-	-
Past Due Loans	22,279	481	-	-
Higher-Risk Receivables Defined by BRSA	330,548	234,118	-	-
Marketable Securities Collateralized Mortgages	-	-	-	-
Securitization Exposures	-	-	-	-
Short-Term Receivables from Banks and Corporate	-	-	-	-
Undertakings for Collective Investments in Transferable Securities	-	-	-	-
Other Receivables	113,889	-	-	-
Total	5,659,667	325,232	-	-

(1) Includes the total amount before taking into account the effects of credit risk mitigation.

(2) The real estate mortgages that used to determine the risk classes are taken into consideration regarding the "Regulation on Measurement and Assessment of Capital Adequacy of Banks", Article 6

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VI. INFORMATION ON LIQUIDITY RISK (Continued)

Risk Types - Prior Period	Amount ⁽¹⁾	Financial Collaterals	Other/Physical Collaterals	Guarantees and credit derivatives
Contingent and Non-Contingent Receivables from Central Governments and Central Banks	463,681	-	-	-
Contingent and Non-Contingent Receivables from Regional Governments and Local Authorities	-	-	-	-
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	-	-	-	-
Contingent and Non-Contingent Receivables from Multilateral Development Banks	-	-	-	-
Contingent and Non-Contingent Receivables from International Organizations	-	-	-	-
Contingent and Non-Contingent Receivables from Banks and Financial Intermediaries	2,662,245	506	-	-
Contingent and Non-Contingent Corporate Receivables	1,474,764	3,962	-	-
Contingent and Non-Contingent Retail Receivables	-	-	-	-
Contingent and Non-Contingent Receivables Secured by Residential Property ⁽²⁾	56,648	-	-	-
Past Due Loans	1,878	394	-	-
Higher-Risk Receivables Defined by BRSA	254,158	198,371	-	-
Marketable Securities Collateralized Mortgages	-	-	-	-
Securitization Exposures	-	-	-	-
Short-Term Receivables from Banks and Corporate	-	-	-	-
Undertakings for Collective Investments in Transferable Securities	-	-	-	-
Other Receivables	100,228	-	-	-
Total	5,013,602	203,233	-	-

(1) Includes the total amount before taking into account the effects of credit risk mitigation.

(2) The real estate mortgages that used to determine the risk classes are taken into consideration regarding the "Regulation on Measurement and Assessment of Capital Adequacy of Banks", Article 6

Risk management target and policies

The Bank's risk strategy, policy, and procedures are approved by board of directors in order to make policies that are determined, to be approved, to evaluate and manage the risk that bank is exposed to, and to make it in compliance with changing circumstances, necessary conditions are determined.

a) Strategies and implementations related to risk management

The objectives of the Risk Management Department are identifying, evaluating, reporting, monitoring and establishing control over the risks imposed by the bank and the risk groups that the bank is involved in.

b) Structure and organization of the risk management system

The Risk Management Department is independent from executive actions and is directly affiliated with the Board of Directors. The Department is structured to operate under the responsibility of the Bank's Audit Committee and the Internal Systems Director.

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VI. INFORMATION ON LIQUIDITY RISK (Continued)

c) Risk management system

The Risk Management System is composed of identifying, evaluating, tracing, controlling, administrating, reporting the potential risks that the Bank may encounter and the limitation procedures mechanism of these risks.

d) Risk management principles

The Bank's risk management principles are being selective about taken risks, Identifying risks effectively, measuring, analyzing and managing, Ensuring the risk-return balance, Taking robust guarantees level to meet the existing and potential risks and monitoring closely the adequacy of collateral, Having enough capital structure to provide present and future potential risks, Ensuring risks that are kept within defined limits, Controlling all activities compliance with approved policies and procedures, Provide activities in accordance with laws and regulations, Establish corporate risk culture within the Bank, Providing effective reporting channels which will help to inform management level to prevent delay about every type of inconsistencies, In order to follow and to manage risks, Bank and market data reviewed regularly. Within the scope of classifying risks besides of legal limits also bank internal limits are provided.

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VII. INFORMATION ON BUSINESS SEGMENTS

Information on operational segments on 30 September 2015, 30 September 2014 and 31 December 2014 are presented in the table below:

Current Period	Retail Banking	Corporate and Commercial Banking	Treasury	Unallocated	Total Operations
Interest Income (Net)	(857)	62,326	17,211	-	78,680
Commission Income (Net)	-	36,215	-	-	36,215
Unallocated Income/Expenses (Net)	-	-	-	(67,690)	(67,690)
Operating Income	(857)	98,541	17,211	(67,690)	47,205
Income from Subsidiaries	-	-	-	4,999	4,999
Income before tax	-	-	-	-	52,204
Tax Provision	-	-	-	-	(10,380)
Net Profit for the period					41,824

Current Period	Retail Banking	Corporate and Commercial Banking	Treasury	Unallocated	Total Operations
Segment Assets	944	1,499,415	2,423,891	-	3,924,250
Associates and Subsidiaries	-	-	-	70,213	70,213
Unallocated assets	-	-	-	(19,828)	(19,828)
Total Assets	944	1,499,415	2,423,891	50,385	3,974,635
Segment Liabilities	236,056	288,016	2,804,568	-	3,328,640
Unallocated Liabilities	-	-	-	72,321	72,321
Equity	-	-	-	573,674	573,674
Total Liabilities	236,056	288,016	2,804,568	645,995	3,974,635

Prior Period	Retail Banking	Corporate and Commercial Banking	Treasury	Unallocated	Total Operations
Interest Income (Net)	(475)	65,371	18,886	-	83,782
Commission Income (Net)	-	34,991	-	-	34,991
Unallocated Income/Expenses (Net)	-	-	-	(47,785)	(47,785)
Operating Income	(475)	100,362	18,886	(47,785)	70,988
Income from Subsidiaries	-	-	-	4,319	4,319
Income before tax	-	-	-	-	75,307
Tax Provision	-	-	-	-	(15,023)
Net Profit for the period	-	-	-	-	60,284

Prior Period	Retail Banking	Corporate and Commercial Banking	Treasury	Unallocated	Total Operations
Segment Assets	740	1,363,558	2,269,600	-	3,633,898
Associates and Subsidiaries	-	-	-	65,214	65,214
Unallocated assets	-	-	-	17,608	17,608
Total Assets	740	1,363,558	2,269,600	82,822	3,716,720
Segment Liabilities	159,260	414,769	2,543,523	-	3,117,552
Unallocated Liabilities	-	-	-	66,981	66,981
Equity	-	-	-	532,187	532,187
Total Liabilities	159,260	414,769	2,543,523	599,168	3,716,720

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SECTION FIVE

**INFORMATION ON DISCLOSURES AND FOOTNOTES OF
UNCONSOLIDATED FINANCIAL STATEMENTS**

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS

1. Information on cash equivalents and Central Bank of Turkey

Information on cash equivalents

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash/Effective	2,136	11,526	1,367	7,006
Central Bank of Turkey	4,382	732,674	5,197	340,670
Other	-	-	-	-
Total	6,518	744,200	6,564	347,676

Information related to the account of Central Bank of Turkey

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	4,382	-	5,197	-
Unrestricted Time Deposits	-	485,418	-	83,191
Restricted Time Deposits	-	-	-	-
Reserve Deposits	-	247,256	-	257,479
Total	4,382	732,674	5,197	340,670

Information on Reserve Deposits

The banks operating in Turkey keep reserve deposits for Turkish currency and foreign currency at the rates of between 5% and 11.5% (31 December 2014: between 5% and 11.5%), and for USD or EUR at the rates of 5% and 25% respectively according to their maturities as per the Communiqué no.2005/1 "Reserve Deposits" of the Central Bank of Turkey (31 December 2014: between 6% and 13). According to change, in the Communiqué which is no of 2013/15, with the number of 2014/3 practice direction effectuated at 5 November 2014, Central Bank has started charging interest to TRY Reserve Deposits and also Central Bank has started charging interest to USD Reserve Deposits with practice direction dated 11 May 2015.

2. Information on financial assets at fair value through profit/loss

Among financial assets at fair value through profit or loss; there is amount of TL 1,041 marketable securities subjected to repurchase transaction (31 December 2014: TL 3,015). There is amount of TL 3,817 provided as collateral /blocked financial assets at fair value through profit or loss in the current period (31 December 2014: TL 9,853).

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I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

Positive differences on derivative financial assets held for trading showed as below:

Derivative Financial Assets Held for Trading	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	-	-	-	-
Swap Transactions	-	1,414	782	-
Futures	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	-	1,414	782	-

3. Information on banks and other financial institutions

	Current Period		Prior Period	
	TL	FC	TL	TL
Banks				
Domestic banks	148	1,132,336	109	1,551,920
Foreign banks	10,007	30,014	-	6,395
Foreign head offices and branches	-	-	-	-
Total	10,155	1,162,350	109	1,558,315

4. Information on available for sale financial assets

Information on transaction of repo and collateral/blocked financial assets (Net)

As of 30 September 2015, the Bank does not have marketable securities subjected to repurchase transactions on financial assets available-for-sale (31 December 2014: None).

As of 30 September 2015, there is no security is held on collateral/blocked for guarantee from assets available-for-sale (31 December 2014: None).

Major types of available for sale financial assets

Available for sale financial assets are composed shares that are not quoted in the stock market.

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I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

Information on available for sale financial assets

	Current period	Prior period
Debt Securities	-	-
Quoted in stock exchange	-	-
Not quoted in stock exchange	-	-
Share Certificates	1,444	1,159
Quoted in stock Exchange	-	-
Not quoted in stock Exchange	1,444	1,159
Impairment provision (-)	-	-
Total	1,444	1,159

5. Information on Loans

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	3,020	8,315	-	161
Corporate Shareholders	3,020	8,315	-	161
Individual Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to the Bank's personnel	907	-	656	4
Total	3,927	8,315	656	165

Information about the first and second group loans and other receivables including loans that have been restructured or rescheduled

Standard Loans and Other Receivables			Loans and Other Receivables Under Close Monitoring		
Total Loans and Other Receivables		Restructured or Rescheduled	Total Loans and Other Receivables		Restructured or Rescheduled
		Extended compensation plans			Extended compensation plans
Cash Loans		Other			Other
N on-specialized loans	1,478,080	-	-	-	-
Corporate loans	-	-	-	-	-
Export loans	257,838	-	-	-	-
Import loans	-	-	-	-	-
Loans given to financial sector	487,305	-	-	-	-
Consumer loans	944	-	-	-	-
Credit cards	-	-	-	-	-
Other	731,993	-	-	-	-
Specialized loans	-	-	-	-	-
Other receivables	-	-	-	-	-
Total	1,478,080	-	-	-	-

Number of amendments related to the plan extension of the payment plan

None.

The time extended via the amendment on payment plan

None.

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I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

Information on consumer coans, credit cards and loans given to employees

	Short Term	Middle and Long Term	Total
Consumer Loans-TL	4	33	37
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	4	33	37
Other	-	-	-
Consumer Loans-Indexed to FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer Loans-Indexed to FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Individual Credit Cards-TL	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
Individual Credit Cards-FC	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
Personnel Loans- TL	41	866	907
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	41	866	907
Other	-	-	-
Personnel Loans- Indexed to FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
Personnel Credit Cards-FC	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
Deposits with Credit Limit-TL (Individual)	-	-	-
Deposits with Credit Limit-FC (Individual)	-	-	-
Total	45	899	944

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I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

Information on installment commercial loans and commercial credit cards

	Short Term	Middle and Long Term	Total
Commercial Installment Loans-TL	674	47	721
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	674	47	721
Other	-	-	-
Commercial Installment Loans-Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Commercial Installment Loans -FC	-	5,009	5,009
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	5,009	5,009
Other	-	-	-
Corporate Credit Cards-TL	-	-	-
With Installment	-	-	-
Wwithout Installment	-	-	-
Corporate Credit Cards-FC	-	-	-
With Installment	-	-	-
Wwithout Installment	-	-	-
Credited Deposit Account-TL (Legal Person)	-	-	-
Credited Deposit Account -FC (Legal Person)	-	-	-
Total	674	5,056	5,730

Allocation of domestic and foreign loans

	Current Period	Prior Period
Domestic loans	1,365,691	1,324,223
Foreign loans	112,389	38,197
Total	1,478,080	1,362,420

Loans granted to subsidiaries and associates

None.

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I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

Specific provisions for loans

Specific provisions	Current Period	Prior Period
Loans and receivables with limited collectibles	3,888	-
Loans and receivables with doubtful collectibles	4,785	-
Uncollectible loans and receivables	14,420	13,214
Total	23,093	13,214

Information related to non-performing loans

Information on restructured loans of non-performing loans

None.

Information on movement of total non-performing loans

	III. Group Loans and receivables with limited collectibles	IV. Group Loans and receivables with doubtful collectibles	V. Group Uncollectible loans and receivables
Balances at Beginning of Period	-	-	15,092
Additions (+)	45,014	-	2,725
Transfers from other categories of nonperforming loans (+)	-	9,570	826
Transfers to other categories of nonperforming loans (-)	10,396	-	-
Collections (-)	15,178	-	2,281
Write-offs (-)	-	-	-
Institutional and commercial credits	-	-	-
Individual credits	-	-	-
Credit cards	-	-	-
Others	-	-	-
Balances at End of the Period	19,440	9,570	16,362
Specific provisions (-)	3,888	4,785	14,420
Net Balance on Balance Sheet	15,552	4,785	1,942

Information on foreign currency non-performing loans

There are non-performing loan receivables in foreign currency amounting TL 30,200 which is followed in TL accounts (31 December 2014: 2,427 TL).

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I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

Information on gross and net loans under follow-up according to the borrowers

	III. Group Loans and receivables with limited collectibility	IV. Group Loans and receivables with doubtful collectibility	V. Group Non-performing loans and receivables
Current Period (Net)	15,552	4,785	1,942
Loans granted to real persons and legal entities (Gross)	2,596	-	16,262
Specific provisions (-)	519	-	14,320
Loans granted to real persons and legal entities (Net)	2,077	-	1,942
Banks (Gross) ¹	16,844	9,570	100
Specific provisions (-)	3,369	4,785	100
Banks (Net)	13,475	4,785	-
Other Loans and receivables (Gross)	-	-	-
Specific provisions (-)	-	-	-
Other Loans and receivables (Net)	-	-	-
Prior Period (Net)	-	-	1,878
Loans granted to real persons and legal entities (Gross)	-	-	14,992
Specific provisions (-)	-	-	13,114
Loans granted to real persons and legal entities (Net)	-	-	1,878
Banks (Gross) ¹	-	-	100
Specific provisions (-)	-	-	100
Banks (Net)	-	-	-
Other Loans and receivables (Gross)	-	-	-
Specific provisions (-)	-	-	-
Other Loans and receivables (Net)	-	-	-

¹ Foreign bank

Collection policy on loans determined as loss and other receivables

Loans determined as loans and other receivables are collected via legal follow-up and conversion of guarantees to cash.

Information on write-off policy

Loans under legal follow-up are classified and are made provision according to "Regulation on Procedures and Principles Concerning Loans and Other Receivable's Nature Definition and Provisions". These loans are collected in collaboration with Corporate and Commercial Credits Monitor and Follow-up Department and Legal and Legislation Services Department and other related departments. However if mentioned loans could not be collected in any way, write-off procedure is implemented. This procedure is implemented by getting the opinion of Legal and Legislation Services Department and by obtaining approvals from Corporate and Commercial Credits Monitor and Follow-up Department and the Board of Directors.

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I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

6. Information on held to maturity financial assets

Information on transaction of repo and collateral/blocked financial assets (Net)

There are amounting TL 27,406 marketable securities as held to maturity and subject to repurchase transactions as of 30 September 2015 (31 December 2014: None). There are amounting TL 3,937 financial assets as collateral/blocked as of 30 September 2015 (31 December 2014: None).

Information on government held to maturity financial assets

	Current Period		Prior Period	
	TL	FC	TL	FC
Government bonds	35,324	-	24,503	-
Treasury Bonds	-	-	-	-
Other Public Bonds	-	145,136	-	91,232
Total	35,324	145,136	24,503	91,232

Information of investments held to maturity

	Current Period	Prior Period
Debt Instruments	235,000	141,677
Quoted at stock exchange	180,618	115,735
Not-quoted at stock exchange	54,382	25,942
Impairment loss provision (-)	(158)	-
Total	234,842	141,677

Movement of marketable securities held to maturity

	Current Period	Prior Period
Balances at the Beginning of the Period	141,677	189,184
Foreign Currency Gains / Losses on Monetary assets	51,648	18,663
Purchases during the Period	82,233	29,234
Disposals through sales and redemptions ¹	(40,558)	(94,796)
Changes in amortised cost	-	-
Impairment loss provision ²	(158)	(608)
Period end balance	234,842	141,677

1 In the current period redemption amounting to TL 40,558 (31 December 2014: TL 94,796) has been realized from the portfolio.

2 Represents provisions allocated for impairment in the current year.

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I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

7. Information on associates

The Bank does not have an associate.

8. Information on subsidiaries (Net)

Information on unconsolidated subsidiaries

The Bank does not have an unconsolidated subsidiary.

Information on subsidiaries

Information on shareholder's equity for A&T Finansal Kiralama A.Ş.

	Current Period	Prior Period
CORE CAPITAL		
Paid in Capital	70,000	65,000
Capital Reserves	49	97
Legal Reserves	2,280	1,983
Extraordinary Reserves – Legal Reserve per General Legislation	3	3
Profit / Loss	7,884	7,477
<i>Net Profit</i>	5,704	5,940
<i>Prior Period Profit/Loss</i>	2,180	1,537
Intangible Assets (-)	156	202
Total Core Capital	80,060	74,358
SUPPLEMENTARY CAPITAL	-	-
CAPITAL	80,060	74,358
DEDUCTION FROM CAPITAL	-	-
NET AVAILABLE CAPITAL¹	80,060	74,358

1 There is no restriction on shareholders' equity of subsidiary. After deduction from the capital, the total net available equity is TL 80,060.

There is no internal capital adequacy assessment approach for the subsidiary. There is no additional requirements in terms of the capital of the subsidiary.

Summary information on basic features of equity items

Paid in capital has been indicated as Turkish Lira in articles of incorporation and registered in trade registry.

Effect of inflation adjustments on paid in capital is the difference caused by the inflation adjustment on shareholders' equity items.

Extraordinary reserves are the status reserves which have been transferred with the General Assembly decision after distributable profit have been transferred to legal reserves.

Legal reserves are the status reserves which have been transferred from distributable profit in accordance with the third clause of first and second paragraph of 519 and 521 articles of Turkish Commercial Code no. 6102.

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I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

	Description	Address (City/Country)	Bank's share percentage-If different voting percentage (%)	Bank's risk group share percentage (%)
1	A&T Finansal Kiralama A.Ş.	İstanbul	99.98	99.98

Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from marketable securities portfolio	Current Year Profit / Loss	Prior Years Profit / Loss	Fair value (*)
292,613	80,216	4,086	16,325	-	5,704	4,415	-

(*) The related subsidiary has no fair value as of 30 September 2015.

Movement related to subsidiaries

	Current Period	Prior Period
Balance at the Beginning of the Period	65,214	60,895
Movements during the Period	4,999	4,319
Purchases	-	-
Bonus Shares Received	4,999	4,319
Dividends from Current Year Profit	-	-
Sales	-	-
Revaluation Increase, Effect of Inflation and F/X Difference	-	-
Impairment Provision (+)	-	-
Balance at the End of the Period	70,213	65,214
Capital Commitments		
Share Percentage at the end of Period (%)	99.98	99.98

Sectoral Information on the subsidiaries

Subsidiaries	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	70,213	65,214
Finance Companies	-	-
Other Affiliates	-	-

Quoted Subsidiaries

There is no subsidiaries quoted at stock exchange of the bank.

9. Information on joint ventures

The Bank has no joint ventures.

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I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

10. Information on Financial Lease Receivables (Net)

The Bank has no financial lease operation.

11. Information on financial derivatives for hedging

The Bank has no financial derivatives for hedging .

12. Information on investment property

The bank has no investment property.

13. Information on tax assets

As of 30 September 2015, there is no tax receivable under current tax asset after the deduction of tax liability.

The Bank has calculated TL 2,877 deferred tax asset and TL 581 deferred tax liability over taxable temporary differences as of 30 September 2015 and recorded the net amount of asset and liability to the financial statement. (31 December 2014: TL 2,557 deferred tax asset and TL 477 deferred tax liability).

The detail of deferred tax asset and liability is as follows:

	Current Period		Prior Period	
	Accumulated temporary differences	Deferred tax asset/(liability)	Accumulated temporary differences	Deferred tax asset/(liability)
Provisions for employee rights	8,469	1,694	8,595	1,719
Unearned Income	3,500	700	3,148	630
Interest accruals	461	92	-	-
Depreciation difference for tangible and intangible assets	314	63	908	182
Derivative financial instruments	-	-	1	-
Other	1,641	328	131	26
Deferred tax asset	14,385	2,877	12,783	2,557
Interest accruals	-	-	1,411	282
Other	2,903	581	973	195
Deferred tax liability	2,903	581	2,384	477
Deferred tax asset / (liability), net	11,482	2,296	10,399	2,080

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I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

14. Information about fixed assets held for sale

	Current Period	Prior Period
Cost	17	17
Impairment (-)	7	6
Accumulated Depreciation (-)	-	-
Prior Period Net Book Value	10	11
Opening Balance	17	17
Additions	-	-
Disposals (-)	-	-
Accumulated Impairment (-)	7	6
Impairment (-)	1	1
Accumulated Depreciation (-)	-	-
Depreciation of disposals	-	-
Depreciation Expenses (-)	-	-
Closing Net Book Value	9	10

15. Information on other assets

Other assets is amounting to TL 22,999 (31 December 2014: TL 15,235) and does not exceed 10% of total assets of balance sheet except off balance sheet commitments.

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II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES

1. Information on maturity profile of deposits

Current Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6 Months- 1 Year	1 Year and over	Accumu- lating Deposit Accounts	Total
Saving Deposits	15,024	-	4,457	1,222	1,245	-	-	-	21,948
Foreign Currency Deposits	403,128	-	16,447	19,220	5,910	32,461	7,241	-	484,407
Residents in Turkey	130,636	-	5,510	7,358	1,670	16,315	267	-	161,756
Residents Abroad	272,492	-	10,937	11,862	4,240	16,146	6,974	-	322,651
Public Sector Deposits	-	-	-	-	-	-	-	-	-
Commercial Deposits	7,112	-	259	393	101	-	-	-	7,865
Other Ins. Deposits	5,186	-	-	-	-	-	-	-	5,186
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	298,973	-	382,868	879,844	341,731	235,189	638,002	-	2,776,607
Central Bank	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	10,003	-	-	-	-	-	10,003
Foreign Banks	298,973	-	372,865	879,844	341,731	235,189	638,002	-	2,766,604
Special Financial Inst.	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	729,423	-	404,031	900,679	348,987	267,650	645,243	-	3,296,013

Prior Period	Demand	7 Days Notice	Up to 1 Months	1-3 Months	3-6 Months	6 Months- 1 Year	1 Year and over	Accumu- lating Deposit Accounts	Total
Saving Deposits	5,818	-	276	3,922	1,385	141	-	-	11,542
Foreign Currency Deposits	473,215	-	12,398	7,612	3,899	7,509	13,189	-	517,822
Residents in Turkey	161,961	-	3,629	4,746	420	6,972	103	-	177,831
Residents Abroad	311,254	-	8,769	2,866	3,479	537	13,086	-	339,991
Public Sector Deposits	-	-	-	-	-	-	-	-	-
Commercial Deposits	9,590	-	7	1,197	97	-	-	-	10,891
Other Ins. Deposits	29,457	-	-	34	-	-	-	-	29,491
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	287,476	-	442,190	881,768	215,953	232,599	478,001	-	2,537,987
Central Bank	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	-	-	-	-	-	-
Foreign Banks	287,476	-	442,190	881,768	215,953	232,599	478,001	-	2,537,987
Special Financial Inst.	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	805,556	-	454,871	894,533	221,334	240,249	491,190	-	3,107,733

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II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES (Continued)

Information on saving deposits insured by Saving Deposit Insurance Fund and the total amount of the deposits exceeding the insurance coverage limit

	Covered by Deposit Insurance Fund		Not covered by Deposit Insurance Fund	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	15,632	6,632	6,316	4,910
Foreign Currency Saving Deposits	61,483	45,366	152,625	102,352
Other Saving Deposits	-	-	-	-
Foreign Branches' Deposits Under Foreign Insurance Coverage			-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
Total	77,115	51,998	158,941	107,262

Amounts not covered by deposit insurance

Individual deposits not covered by deposit insurance

	Current Period	Prior Period
Deposits and Other Accounts held at Foreign Branches	-	-
Deposits and Other Accounts held by Shareholders and their Relatives	-	-
Deposits and Other Accounts of the Chairman and Members of Board of Directors, Chief Executive Officer, Senior Executive Officers and their Relatives	1,869	714
Deposits and Other Accounts held as Assets subject to the Crime defined in the Article 282 of the Turkish Criminal Code no. 5237 dated 26 December 2004	-	-
Deposits at Depositary Banks established for Off-Shore Banking Activities in Turkey	-	-
Total	1,869	714

2. Information on financial derivatives through profit or loss

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	-	-	-	-
Swap transactions	-	-	187	-
Futures transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	-	-	187	-

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II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES (Continued)

3. Information on Funds Borrowed

Information on banks and other financial institutions

	Current Period		Prior Period	
	TL	FC	TL	FC
Borrowing from Central Bank	-	-	-	-
From Domestic Banks and Institutions	4,426	917	6,067	817
From Foreign Banks, Institutions and Funds	-	-	-	-
Total	4,426	917	6,067	817

Presentation of funds borrowed based on maturity profile

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	4,426	917	6,067	817
Long-Term	-	-	-	-
Total	4,426	917	6,067	817

Additional explanation related to the concentrations of the Bank's major liabilities on the basis of concentrations, fund providing customers, sector groups and other criteria where risk concentration is observed

Domestic borrowings consist of Eximbank loans.

4. Information on other foreign resources

The other external resources is amounting to TL 22,896 (31 December 2014: TL 19,575) and this amount does not exceed 10% of the total balance sheet.

5. Information on financial lease obligations

None.

6. Information on liabilities arised from financial derivative transactions for hedging purposes

The Bank does not have financial derivative instruments for hedging purposes.

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II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES (Continued)

7. Information on provisions

Information on general provisions

	Current Period	Prior Period
Provisions for Loans and Receivables in Group I	17,186	15,004
Additional provisions for the loans with extended payment plan	-	-
Provisions for Loans and Receivables in Group II	425	-
Additional provisions for the loans with extended payment plan	-	-
Provisions for Non-Cash Loans	5,669	4,680
Other	-	-
Total	23,280	19,684

Provisions for currency exchange gain/loss on foreign currency indexed loans

	Current Period	Prior Period
Foreign Exchange Provisions for Foreign Currency Indexed Loans ^(*)	2	30

(*) Foreign exchange differences of foreign currency indexed loans are netted off with loans.

Special provisions set aside for non-funded and non-cash loans

As of 30 September 2015, special provisions set aside for non-funded and non-cash loans amounting to TL 1,589 (31 December 2014: TL 1,547).

Reserve for employee termination benefits

The Bank reserved for employee severance indemnities in the accompanying unconsolidated financial statements using actuarial method in compliance with the updated TAS 19 - Employee Benefits. Accumulated all actuarial gains and losses in equity are recognized in other capital reserves.

As at 30 September 2015 and 31 December 2014, the major actuarial assumptions used in the calculation of the total liability are as follows:

	Current Period	Prior Period
Discount Rate	%3.35	%2.84
Expected Rate of Salary/Limit Increase	%5.00	%5.00
Estimated Employee Turnover Rate	%5.30	%5.44

In accordance with existing Turkish Labour Law, the Bank is required to make lump-sum termination indemnities to each employee who has completed one year of service with the Bank and whose employment is terminated due to retirement or for reasons other than resignation or as mentioned in related legislation. The computation of the liability is based upon the retirement pay ceiling announced. The applicable ceiling amount as at 30 September 2015 is TL 3,828 (full TL) (31 December 2014: TL 3,438 (full TL)). Reserve for employee termination benefits are calculated via net present value of estimated provision of probable liabilities will be arised in the future and reflected in the financial statements.

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II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES (Continued)

Movement of employee termination benefits are as follows:

	Current Period	Prior Period
Balances at Beginning of Period	4,890	4,272
Provision booked in current period	886	1,060
Provision paid in current period (-)	53	442
Balances at End of the Period	5,723	4,890

The employee termination benefit liability of the Bank is the amount as at 30 September 2015 is TL 5,723 (31 December 2014: TL 4,890). In addition to this, the unused vacation provision and other employee benefits amount as at 30 September 2015 is TL 2,746 (31 December 2014: TL 3,705).

Information on other provisions

Provisions for probable risks

These financial statements include a free provision that is out of reporting standards, amounting to TL 9,000 which was charged to the income statement in the prior year, provided by the Bank management in line with the conservatism principle considering the circumstances that may arise from any changes in the economy or market conditions.

In the case of the other provisions, exceeds the 10% of the total provisions, those accounts and balances.

	Current Period	Prior Period
Free provisions for possible risks	9,000	9,000
Provisions for non-cash loans	1,589	1,547
Provisions for law suits	37	67

8. Information on tax payables

Information on corporate tax liability

As of 30 September 2015, corporate tax payable after deducting the prepaid tax is TL 2,583 (31 December 2014: TL 3,267)

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II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES (Continued)

Information on tax payables

	Current Period	Prior Period
Corporate Tax	2,583	3,267
Banking Insurance Transaction Tax (BITT)	833	612
Taxation of Securities	392	1,798
Value added taxes payable	33	78
Corporate tax payable-limited	27	5
Foreign Exchange Legislation Tax	-	-
Property tax	22	18
Other	1,615	772
Total	5,505	6,550

Information on premiums

	Current Period	Prior Period
Social Security Premiums - Employee	238	64
Social Security Premiums - Employer	352	442
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 share	17	14
Unemployment Insurance - Employer share	34	29
Other	-	-
Total	641	549

Information on deferred tax liability

The net amount of assets and liabilities that is calculated over the temporary differences between the applied accounting policies and tax regulation is recorded as net deferred tax asset with an amount of TL 2,296. Detailed information on net deferred tax is presented in footnote I-15 in Section Five.

9. Information on Shareholders' Equity

Presentation of Paid-in Capital

	Current Period	Prior Period
Common Stock	440,000	440,000
Preferred Stock	-	-

Paid-in capital amount, explanation as to whether the registered share capital system is applicable at bank; if so the amount of registered share capital

Registered share capital system is not implemented in the Bank.

Information on share capital increases and their sources; other information on any increase in capital shares during the current period

None.

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II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES (Continued)

Information on share capital increases from capital reserves

None.

Capital commitments for current financial year and following period, general purpose of these commitments and estimated resources necessary for these commitments

No capital commitments have been made to current financial year and following period.

The impacts of the foresights, which are prophesied according to Bank's prior periods income, profitability, and liquidity indicators and uncertainty, to shareholders' equity

None.

Information on the privileges given to stocks representing the capital

The share capital can be increased or decreased one or more times. Such an increase may be accomplished through the transfer of monies from the reserves to the capital account and the issuance of "bonus" shares in consequence thereof.

Every shareholder shall have the preferential (pre-emptive) right to subscribe for a proportion of new shares corresponding to the number of shares held by him and such right may be exercised within a period of thirty days from the date of receipt by each shareholder of an invitation to the shareholders to that effect. Such invitation shall be made by registered mail to the address contained in the share register.

These preferential (pre-emptive) rights may only be assigned by approval of the Board of Directors upon the favourable vote of 80% of the members, present or represented.

New shares may not be issued at a price less than the nominal value of the original shares issued.

Fractional shares shall be allocated by the Board of Directors.

The Bank may not finance the acquisition of its own shares whether directly or indirectly.

Arabian shareholders are treated under the same legislation with Turkish citizens. This includes the transfer of distributed other revenues, guarantees, shares, dividends. And in a similar manner Arabian shareholders are benefited and protected by law No.6224, Foreign Capital Incentive Law.

Information on marketable securities value increase fund

The Bank does not have marketable securities value increase fund.

Information on legal reserve

As decided in the 37th Annual General Meeting which is held on 26 March 2015, in the current period, amount of TL 3,526 have been transferred to legal reserves from profits of previous years according to 519th amendment of Turkish Commercial Code no 6102. (31 December 2014: TL 2,533).

Information on minority shares

None.

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III. INFORMATION AND DISCLOSURES RELATED TO OFF-BALANCE SHEETS

1. Information on contingent liabilities in the off-balance sheets

Type and amount of irrevocable commitments

The Bank has TL 64,029 (31 December 2014: TL 79,418) as irrevocable commitments.

Type and amount of possible losses from off-balance sheet items

As of the balance sheet date, the Bank has allocated the provision amounting TL 7,258 over total non-cash loans (31 December 2014: TL 6,227).

Guarantees, bills of exchange and acceptances and other letters of credit which can be counted as financial collateral

The total amount of non-cash loans including guarantees, bills of exchange and acceptances and sureties on letters of credits and other guarantees is TL 725,781 (31 December 2014: TL 558,697).

Final guarantees, temporary guarantees, commitments and similar transactions

The total amount of the Bank's guarantee letters is TL 2,038,375 (31 December 2014: TL 1,695,666).

2. Total amount of Non-cash loans

	Current Period	Prior Period
Non-Cash Loans granted for Cash Loan Assurance	553,152	285,396
Less Than or Equal to One Year with Original Maturity	280,277	121,070
More Than One Year with Original Maturity	272,875	164,326
Other Non-Cash Loans	2,211,004	1,968,967
Total	2,764,156	2,254,363

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IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF INCOME

1. Information on interest income

Information on interest income received from loans

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Received from Loans ^(*)				
Short- Term Loans	43,255	4,487	38,681	5,092
Medium and Long- Term Loans	435	15,895	2,048	21,204
Interest Received From Non Performing Loans	-	-	140	-
Premiums Received From Resource Utilization Support Fund	-	-	-	-
Total	43,690	20,382	40,869	26,296

(*) It contains fee and commission income related to cash loans.

Information on interest income received from banks

	Current Period		Prior Period	
	TL	FC	TL	FC
From Central Bank	-	-	-	-
From Domestic Banks	2,549	16,240	1,288	20,950
From Foreign Banks	664	111	191	84
From Foreign Headquarter and Branches	-	-	-	-
Total	3,213	16,351	1,479	21,034

Information on interest income on marketable securities

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial assets held for trading	3,526	4,531	520	5,515
Financial assets where fair value change is reflected to income statement	-	-	-	-
Financial assets available for sale	-	-	-	-
Investments held to maturity	1,449	7,127	3,574	6,097
Total	4,975	11,658	4,094	11,612

Information on interest income received from associates and subsidiaries

	Current Period	Prior Period
Interest income received from associates and subsidiaries	-	272

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**IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF INCOME
(Continued)**

2. Interest Expense

Information on interest paid for funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	322	9	190	128
Central Bank	-	-	-	-
Domestic Banks	322	9	190	19
Foreign Banks	-	-	-	109
Other Institutions	-	-	-	-
Total	322	9	190	128

Information on interest expense paid to subsidiaries and associates

None.

Information on interest expense given on securities issued

None.

Maturity structure of the interest expense on deposits

Current Period	Demand Deposit	Time Deposit					Cumulative Deposit	Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More than 1 Year		
Turkish Lira								
Interbank deposits	-	67	-	-	-	-	-	67
Saving deposits	-	59	146	82	3	1	-	291
Public sector deposits	-	-	-	-	-	-	-	-
Commercial deposits	-	-	-	-	-	-	-	-
Other deposits	-	-	-	-	-	-	-	-
Deposits with 7 days notification	-	-	-	-	-	-	-	-
Total	-	126	146	82	3	1	-	358
Foreign Currency								
Foreign currency deposits	-	82	197	45	400	237	-	961
Interbank deposits	280	3,092	7,015	2,833	1,950	5,290	-	20,460
Deposits with 7 days notification	-	-	-	-	-	-	-	-
Precious metal deposits	-	-	-	-	-	-	-	-
Total	280	3,174	7,212	2,878	2,350	5,527	-	21,421
Grand Total	280	3,300	7,358	2,960	2,353	5,528	-	21,779

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**IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF INCOME
(Continued)**

3. Information on trading gain/loss

	Current Period	Prior Period
Gain	6,199,351	2,677,897
Gain from money market transactions	-	-
Gain from financial derivative transactions	9,490	536
Gain from exchange transactions	6,189,861	2,677,361
Loss (-)	(6,202,698)	(2,677,297)
Loss from money market transactions	(53)	-
Loss from financial derivative transactions	(8,575)	(640)
Loss from exchange transactions	(6,194,070)	(2,676,657)
Net Trading Gain/Loss	(3,347)	600

4. Information on income from other operations

	Current Period	Prior Period
From Reverssal of Provisions of Prior Year	2,465	835
From Communication Income	1,271	1,157
Gain on sales of assets	-	744
Other Income	36	141
Total	3,772	2,877

5. Information on impairment in loans and other receivables

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables	11,941	1,013
<i>Loans and Receivables in Group III</i>	3,888	-
<i>Loans and Receivables in Group IV</i>	4,785	749
<i>Loans and Receivables in Group V</i>	3,268	264
<i>Doubtful Receivables</i>	-	-
General Provision Expenses	3,596	247
Provision for Possible Losses	-	3000
Foreign Exchange Losses on Foreign Currency Indexed Loans	-	-
Impairment Losses on Securities	1,588	19
<i>Financial Assets through Profit or Loss</i>	1,588	19
<i>Investment Securities Available-for-Sale</i>	-	-
Other Impairment Losses	158	791
<i>Associates</i>	-	-
<i>Subsidiaries</i>	-	-
<i>Joint Ventures</i>	-	-
<i>Investment Securities Held-to-Maturity</i>	158	791
Other	-	26
Total	17,283	5,096

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ARAP TÜRK BANKASI A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2015

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF INCOME
(Continued)**

6. Information on other operating expense

	Current Period	Prior Period
Personnel Expenses	35,431	32,164
Employee Termination Benefits Expense	465	549
Tangible Fixed Asset Impairment Expense	-	-
Amortization Expenses of Tangible Assets	1,734	2,101
Intangible Fixed Asset Impairment Expense	-	-
<i>Goodwill Impairment Expense</i>	-	-
Amortization Expenses of Intangible Assets	916	885
Shareholders Equity Procedure Applied Equity Interest Impairment Expense	-	-
Disposable Fixed Asset Impairment Expense	1	1
Amortization Expense of Assets Held for Resale	-	-
Impairment Expense related to Fixed Assets held for sale and discontinued operations	-	-
Other Operating Expenses	8,044	6,967
<i>Operating Lease Expenses</i>	1,202	1,069
<i>Maintenance Expenses</i>	1,646	169
<i>Advertisement Expenses</i>	307	276
<i>Other Expenses</i>	4,889	5,453
Losses from sales of Assets	-	3
Other	4,309	3,558
Total	50,900	46,228

7. Information on profit/loss before taxes including profit/loss from discontinued operations

The pre-tax income amount from continued operations is TL 52,204 (30 September 2014: TL 75,307).

8. Information on tax provision related to continued operations and discontinued operations

Current period taxation benefit or charge and deferred tax benefit or charge

As of 30 September 2015, taxation charge is TL 10,512 (30 September 2014: TL 15,095 corporate tax expense) and deferred tax expense is TL 132 (30 September 2014: TL 72 as deferred tax income).

Deferred tax charge arising from origination or reversal of temporary differences

The Bank has TL 132 as deferred tax expense arising from origination of temporary differences (30 September 2014: TL 72 deferred tax income).

Deferred tax charge/income represented in the income statement within the context of temporary difference, financial loss and tax reduction.

The Bank has TL 132 as deferred tax expense reflected in the income statement computed over temporary difference and tax deductions and exemptions (30 September 2014: TL 72 deferred tax income).

9. Information on net profit or loss of the period including profit/loss from continued and discontinued operations

Current period profit from continued operations is TL 41,824 (30 September 2014: TL 60,284 profit).

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**IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF INCOME
(Continued)**

10. Information on net profit or loss of the period

Information on nature, dimension and frequency rate of income and expense accounts resulting from ordinary banking transactions if they are necessary for explaining the Bank's current period performance

None.

Information on the profit or loss affect of a change in an estimation related to financial statements and future period affect of the change in this estimation

There is no change in accounting estimation related to consolidated financial statements.

11. Information on 20% of other accounts in income statement, if other accounts exceed 10% of total income statement.

Other accounts which exceed the 10% of the income statement ,other than other operating income and other operating expense, amounting to TL 21,717 (30 September 2014: 20,427) consist of transfer commissions, letter of credit commissions and other.

	Current Period
Letter of Credit Commissions	17,929
Transer Commissions	2,390
Other	1,398
Total	21,717

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NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2015

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

V. INFORMATION ON THE BANK'S RISK GROUP

1. Information on the volume of transactions with the Bank's risk group, lending and deposits outstanding at period end and income and expenses in the current period

Information on the loans of the Bank's risk group

Current Period

Bank's Risk Group ^(*)	Associates, Subsidiaries and Joint Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-cash	Cash	Non-Cash	Cash	Non-cash
Loans and Other Receivables						
Balance at the beginning of the period	-	101	-	161	36,570	158,329
Balance at the end of the period	-	582	3,020	8,315	107,937	220,119
Interest and Commission Income received	-	-	-	-	1,109	-

^(*) Stated at the 2nd clause of the 49 nth article of the Law No. 5411 of Bank's Act.

Loans given to the Bank's direct and indirect shareholders are composed of forfeiting and letter of credit transactions which the interest and commission income are obtained not from the risk group but from the exporting firms.

Prior Period

Bank's Risk Group ^(*)	Associates, Subsidiaries and Joint Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-cash	Cash	Non-Cash	Cash	Non-cash
Loans and Other Receivables						
Balance at the beginning of the period	31,597	21	4,267	13,686	47,872	98,201
Balance at the end of the period	-	101	-	161	36,570	158,329
Interest and Commission Income received	272	-	-	-	40	-

^(*) Stated at the 2nd clause of the 49 nth article of the Law No. 5411 of Bank's Act.

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ARAP TÜRK BANKASI A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2015

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

V. INFORMATION ON THE BANK’S RISK GROUP (Continued)

Information on deposits of the Bank’s risk group

Bank’s Risk Group (*)	Associates, Subsidiaries and Joint Ventures		Bank’s Direct and Indirect Shareholders		Other Components in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Balance at the beginning of the period	96	126	1,525,229	1,378,134	545,393	508,101
Balance at the end of the period	116	96	1,643,625	1,525,229	715,898	545,393
Interest expense on deposits	-	-	6,318	7,511	1,800	2,525

(*) Stated at the 2nd clause of the 49 nth article of the Law No. 5411 of Bank’s Act..

Information on forward transactions, options and other contracts related to Bank’s risk group

None.

Information on benefits provided for top level management:

For the period then ended 30 September 2015, TL 8,039 (30 September 2014: TL 4,874) has been paid to the top level management of the Bank as salaries and fringe benefit.

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NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2015

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SECTION SIX

OTHER DISCLOSURES AND FOOTNOTES

I. OTHER INFORMATION ON BANK’S OPERATIONS

None.

II. INFORMATION ON EVENTS AFTER THE BALANCE SHEET DATE

None.

SECTION SEVEN

INDEPENDENT AUDITOR’S REVIEW REPORT

I. INFORMATION ON INDEPENDENT AUDITOR’S REVIEW REPORT

As of 30 September 2015, unconsolidated financial statements and explanatory notes of the Bank disclosed herein were reviewed by Bařaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Mřavirlik A.. (a member of PricewaterhouseCoopers) and Independent Auditor’s Review Report is presented preceding the financial statements.

II. INFORMATION AND FOOTNOTES PREPARED BY THE INDEPENDENT AUDITOR

None.

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