

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

ARAP TÜRK BANKASI A.Ş.

**PUBLICLY ANNOUNCED
CONSOLIDATED 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 consolidated balance sheet of Arap Türk Bankası A.Ş. ("the Bank") and its subsidiary (together will be referred as "the Group") at 30 September 2015 and the related consolidated income statement, consolidated statement of income and expense items under shareholders' equity, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the consolidated 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 of Turkey 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 Consolidated 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 preceding paragraph on the consolidated financial statements, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not give a true and fair view of the financial position of Arap Türk Bankası A.Ş. and its subsidiary 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 consolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in the accompanying consolidated financial statements. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

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

Didem Demir Kaya, SMMM
Partner

Istanbul, 30 October 2015

**ARAP TÜRK BANKASI A.Ş. CONSOLIDATED 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 consolidated 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 Footnotes 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 PARENT BANK
- CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE PARENT BANK
- EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATION RELATED TO FINANCIAL POSITION OF THE CONSOLIDATED GROUP
- DISCLOSURES AND FOOTNOTES RELATED TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
- OTHER DISCLOSURES
- INDEPENDENT AUDITOR'S REVIEW REPORT

The subsidiaries, associates and jointly controlled companies included in the consolidated interim financial report are as follows:

	Subsidiaries	Associates	Jointly Controlled Companies
1	A&T Finansal Kiralama A.Ş.	-	-

The consolidated 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 consolidated 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


Abdurauif Ibrahim Shneba
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 CONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2015
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

SECTION ONE

GENERAL INFORMATION ABOUT THE PARENT BANK

I. PARENT 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. PARENT 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 Parent 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 Parent 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 CONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2015

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

III. INFORMATION ABOUT THE PARENT 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 Bakır	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 Institution Division

⁽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 PARENT 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 TÜRK BANKASI A.Ş.

NOTES TO CONSOLIDATED 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 PARENT BANK

The Parent 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 PARENT BANK AND ITS SUBSIDIARIES OR THE REIMBURSEMENT OF LIABILITIES

Immediately transfer of the shareholders’ equity between the Parent 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 Parent Bank and its subsidiary. The Bank charge or pay cost of the services according to the service agreements done between the Parent Bank and its subsidiary.

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ARAP TÜRK BANKASI A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2015
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

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CONSOLIDATED FINANCIAL STATEMENTS

- I. Consolidated Balance Sheet (Statement of Financial Position)**
- II. Statement of Consolidated Off Balance Sheet Items**
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- V. Statement of Changes in Consolidated Shareholders’ Equity**
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Arap Türk Bankası Anonim Şirketi
Consolidated 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)	6.519	744.200	750.719	6.564	347.676	354.240
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	(2)	22.474	174.706	197.180	43.716	119.715	163.431
2.1 Financial assets held for trading		22.474	174.706	197.180	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		2	1.414	1.416	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)	28.039	1.165.133	1.193.172	15.378	1.571.948	1.587.326
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	(5)	723.126	777.233	1.500.359	663.412	700.886	1.364.298
6.1 Loans		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)	-	-	-	-	-	-
10.1 Financial subsidiaries		-	-	-	-	-	-
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)	57.760	206.465	264.225	54.880	163.063	217.943
12.1 Finance lease receivables		69.078	226.531	295.609	67.294	180.921	248.215
12.2 Operational leasing receivables		-	-	-	-	-	-
12.3 Others		-	-	-	-	-	-
12.4 Unearned income (-)		11.318	20.066	31.384	12.414	17.858	30.272
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)		23.392	-	23.392	25.097	-	25.097
XV. INTANGIBLE ASSETS (Net)		2.766	-	2.766	3.179	-	3.179
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		2.766	-	2.766	3.179	-	3.179
XVI. INVESTMENT PROPERTY (Net)	(12)	-	-	-	-	-	-
XVII. TAX ASSET	(13)	2.091	-	2.091	2.101	-	2.101
17.1 Current tax asset		-	-	-	-	-	-
17.2 Deferred tax asset		2.091	-	2.091	2.101	-	2.101
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)	17.532	8.968	26.500	13.861	4.593	18.454
TOTAL ASSETS		939.215	3.257.484	4.196.699	879.833	3.025.990	3.905.823

Arap Türk Bankası Anonim Şirketi
Consolidated 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)	45.167	3.250.730	3.295.897	52.040	3.055.598	3.107.638
1.1	Deposits held by the Bank's risk group		230	2.359.293	2.359.523	907	2.069.716	2.070.623
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	206.472	210.898	6.067	176.002	182.069
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		489	3.787	4.276	615	3.723	4.338
VIII.	OTHER EXTERNAL RESOURCES	(4)	16.541	6.355	22.896	11.357	8.218	19.575
IX.	FACTORING PAYABLES		-	-	-	-	-	-
X.	LEASE PAYABLES (Net)	(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)	42.411	1.322	43.733	38.671	1.524	40.195
12.1	General provisions		23.280	-	23.280	19.684	-	19.684
12.2	Restructuring reserves		-	-	-	-	-	-
12.3	Reserves for employee benefit		9.744	-	9.744	9.653	244	9.897
12.4	Insurance technical reserves (Net)		-	-	-	-	-	-
12.5	Other provisions		9.387	1.322	10.709	9.334	1.280	10.614
XIII.	TAX LIABILITY	(8)	8.053	-	8.053	7.367	-	7.367
13.1	Current tax liability		8.053	-	8.053	7.367	-	7.367
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)	583.662	-	583.662	541.519	-	541.519
16.1	Paid-in capital		440.000	-	440.000	440.000	-	440.000
16.2	Supplementary capital		(2.177)	-	(2.177)	(1.791)	-	(1.791)
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		(2.177)	-	(2.177)	(1.791)	-	(1.791)
16.3	Profit reserves		17.472	-	17.472	13.649	-	13.649
16.3.1	Legal reserves		17.469	-	17.469	13.646	-	13.646
16.3.2	Status reserves		-	-	-	-	-	-
16.3.3	Extraordinary reserves		3	-	3	3	-	3
16.3.4	Other profit reserves		-	-	-	-	-	-
16.4	Profit or loss		128.367	-	128.367	89.661	-	89.661
16.4.1	Prior years income/loss		85.838	-	85.838	17.534	-	17.534
16.4.2	Current year income/loss		42.529	-	42.529	72.127	-	72.127
16.5	Minority Interest		-	-	-	-	-	-
	TOTAL LIABILITIES		728.033	3.468.666	4.196.699	660.758	3.245.065	3.905.823

Arap Türk Bankası Anonim Şirketi

Statement of Consolidated 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)		203.258	2.768.811	2.972.069	256.681	2.233.673	2.490.354
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)	8.966	73.356	82.322	6.897	82.012	88.909
2.1. Irrevocable commitments		7.449	62.010	69.459	6.897	82.012	88.909
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		-	5.430	5.430	-	9.491	9.491
2.2. Revocable commitments		1.517	11.346	12.863	-	-	-
2.2.1. Revocable loan granting commitments		-	-	-	-	-	-
2.2.2. Other revocable commitments		1.517	11.346	12.863	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		243	125.348	125.591	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		243	125.348	125.591	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		243	125.348	125.591	73.432	73.650	147.082
3.2.2.1. Foreign currency swap-buy		243	63.258	63.501	-	73.650	73.650
3.2.2.2. Foreign currency swap-sell		-	62.090	62.090	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)		501.826	838.013	1.339.839	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		304.661	831.710	1.136.371	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		204.426	502.903	707.329	28	2.704	2.732
5.7. Pledged items-depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF BALANCE SHEET COMMITMENTS (A+B)		705.084	3.606.824	4.311.908	586.044	2.539.816	3.125.860

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

Arap Türk Bankası Anonim Şirketi

Consolidated Income Statement For The Period Ended 30 September 2015

(Thousands of Turkish Lira)

INCOME AND EXPENSES	Footnotes (5-IV)	Reviewed	Reviewed	Reviewed	Reviewed
		CURRENT PERIOD (01/01/2015-30/09/2015)	CURRENT PERIOD (01/07/2015-30/09/2015)	PRIOR PERIOD (01/01/2014-30/09/2014)	PRIOR PERIOD (01/07/2014-30/09/2014)
I. INTEREST INCOME	(1)	117.354	40.357	118.489	37.850
1.1 Interest on loans		64.072	22.458	66.893	22.628
1.2 Interest received from reserve deposits		213	141	-	-
1.3 Interest received from banks		20.945	6.216	23.435	6.018
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 valued at fair value through profit or loss		-	-	-	-
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		14.754	5.313	11.502	4.140
1.7 Other interest income		193	45	288	48
II. INTEREST EXPENSE	(2)	26.339	8.779	25.213	8.197
2.1 Interest on deposits		21.779	7.152	21.892	6.973
2.2 Interest on funds borrowed		4.321	1.519	3.267	1.224
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)		91.015	31.578	93.276	29.653
IV. NET FEES AND COMMISSIONS INCOME/EXPENSE		36.629	11.602	35.174	12.005
4.1 Fees and commissions received		37.410	11.844	35.633	12.129
4.1.1 Non-cash loans		15.249	5.387	14.935	4.749
4.1.2 Other		22.161	6.457	20.698	7.380
4.2 Fees and commissions paid	(11)	781	242	459	124
4.2.1 Non-cash loans		1	-	1	1
4.2.2 Other		780	242	458	123
V. DIVIDEND INCOME		68	-	62	10
VI. NET TRADING INCOME/EXPENSE	(3)	(3.172)	(1.998)	742	(277)
6.1 Profit/losses on trading account securities		(53)	(2)	-	-
6.2 Loss/Profit on derivative transactions		969	1.558	(113)	(151)
6.3 Foreign exchange profit/losses		(4.088)	(3.554)	855	(126)
VII. OTHER OPERATING INCOME	(4)	4.105	438	3.166	559
VIII. TOTAL OPERATING INCOME/EXPENSE (III+IV+V+VI+VII)		128.645	41.620	132.420	41.950
IX. PROVISION FOR LOAN LOSSES and OTHER RECEIVABLES (-)	(5)	17.910	7.788	5.150	2.703
X. OTHER OPERATING EXPENSES (-)	(6)	56.416	18.973	51.069	17.080
XI. NET OPERATING INCOME/LOSS (VIII-IX-X)		54.319	14.859	76.201	22.167
XII. INCOME RESULTED FROM MERGERS		-	-	-	-
XIII. INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING		-	-	-	-
XIV. GAIN/LOSS ON NET MONETARY POSITION		-	-	-	-
XV. INCOME/LOSS FROM CONTINUING OPERATIONS BEFORE TAXES (XI+...+XIV)	(7)	54.319	14.859	76.201	22.167
XVI. PROVISION FOR TAXES FOR CONTINUING OPERATIONS (±)		(11.790)	(3.302)	(15.821)	(4.887)
16.1. Current tax provision	(8)	(11.684)	(3.080)	(15.095)	(4.803)
16.2. Deferred tax provision		(106)	(222)	(726)	(84)
XVII. NET PROFIT/LOSSES FROM CONTINUING OPERATIONS (XV±XVI)	(9)	42.529	11.557	60.380	17.280
XVIII. INCOME FROM DISCONTINUED OPERATIONS		-	-	-	-
18.1. Income from assets 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. Expense on assets 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)		42.529	11.557	60.380	17.280
23.1 Group's profit/loss		42.529	11.557	60.380	17.280
23.2 Minority shares		-	-	-	-
Earnings/Losses per share		0,0010	0,0003	0,0014	0,0004

Arap Türk Bankası Anonim Şirketi
Statement of Recognized Income and Expense In
Consolidated Shareholders' Equity For the Period Ended 30 September 2015

(Thousands of Turkish Lira)

STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED IN SHAREHOLDERS' EQUITY		Reviewed	Reviewed
		CURRENT PERIOD (01/01/2015-30/09/2015)	PRIOR PERIOD (01/01/2014-30/09/2014)
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	(482)	(871)
IX.	DEFERRED TAXES ON VALUE INCREASES/DECREASES	96	174
X.	NET INCOME/EXPENSE ITEMS ACCOUNTED DIRECTLY UNDER SHAREHOLDERS' EQUITY (I+II+...+IX)	(386)	(697)
XI.	CURRENT PERIOD PROFIT/LOSSES	42.529	60.380
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	42.529	60.380
XII.	TOTAL PROFIT/LOSS ACCOUNTED FOR THE CURRENT PERIOD (X±XI)	42.143	59.683

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

(Thousands of Turkish Lira)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Footnotes	Paid-in Capital	Capital Reserves from Inflation Adjustments to Paid in Capital	Share premium	Share Cancellation Profits	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 Assets	Bonus Shares of Equity Participations	Hedging Reserves	Accu. Rev.Surp. on Assets Held for Sale and Assets of Discont. Op.s	Total Shareholders' Equity	Minority	Total Shareholders'
PRIOR PERIOD (30/09/2014)																			
I. Balances at the beginning of the period		240.000	9.096	-	-	10.917	-	3	(1.485)	48.534	162.633	-	-	-	-	-	469.698	-	469.698
II. Corrections made as per TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effects of corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of changes in accounting policies (1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted balances at the beginning of the period (I+II)		240.000	9.096	-	-	10.917	-	3	(1.485)	48.534	162.633	-	-	-	-	-	469.698	-	469.698
Changes within 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		-	-	-	-	-	-	-	(697)	-	-	-	-	-	-	-	-	(697)	(697)
XIX. Current Period Net Profit		-	-	-	-	-	-	-	-	60.380	-	-	-	-	-	-	-	60.380	60.380
XX. Profit distribution		-	-	-	-	-	-	-	-	(48.534)	45.805	-	-	-	-	-	-	-	-
20.1 Dividends distributed		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.2 Transfers to Reserves		-	-	-	-	2.729	-	-	-	(48.534)	45.805	-	-	-	-	-	-	-	-
20.3 Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at end of period (III+IV+V+.....+XVIII+XIX+XX)		440.000	-	-	-	13.646	-	3	(2.182)	60.380	17.534	-	-	-	-	-	529.381	-	529.381
CURRENT PERIOD (30/09/2015)																			
I. Balances at end of prior period		440.000	-	-	-	13.646	-	3	(1.791)	72.127	17.534	-	-	-	-	-	541.519	-	541.519
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		-	-	-	-	-	-	-	(386)	-	-	-	-	-	-	-	-	(386)	(386)
XVII. Current Period Net Profit		-	-	-	-	-	-	-	-	42.529	-	-	-	-	-	-	-	42.529	42.529
XVIII. Profit distribution		-	-	-	-	-	-	-	-	(72.127)	68.304	-	-	-	-	-	-	-	-
18.1 Dividends distributed		-	-	-	-	3.823	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2 Transfers to legal reserves		-	-	-	-	-	-	-	-	(72.127)	68.304	-	-	-	-	-	-	-	-
18.3 Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing balances (I+II+III+.....+XVI+XVII+XVIII)		440.000	-	-	-	17.469	-	3	(2.177)	42.529	85.838	-	-	-	-	-	583.662	-	583.662

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

(Thousands of Turkish Lira)

	Reviewed	
	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	31.086	(14.060)
1.1.1 Interests Received	151.279	128.853
1.1.2 Interest Paid	(19.094)	(19.697)
1.1.3 Dividend Received	-	52
1.1.4 Fees and Commissions Received	37.410	35.633
1.1.5 Other Income	4.200	3.053
1.1.6 Collections From Previously Written-off Loans and Other Receivables	17.459	223
1.1.7 Payments to Personnel and Service Suppliers	(47.250)	(40.771)
1.1.8 Taxes Paid	(11.094)	(14.351)
1.1.9 Others	(101.824)	(107.055)
1.2 Changes in Operating Assets and Liabilities	(28.219)	199.369
1.2.1 Net Decrease in Financial Assets Held For Trading	(35.448)	(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	14.018	58.542
1.2.4 Net (Increase) in Loans	(197.823)	103.915
1.2.5 Net Decrease in Other Assets	(9.478)	453
1.2.6 Net Increase /(Decrease) in Bank Deposits	193.323	(579)
1.2.7 Net Increase (Decrease) in Other Deposits	(48.669)	103.853
1.2.8 Net Increase/ (Decrease) in Funds Borrowed	26.994	9.009
1.2.9 Net Increase/ (Decrease) in Matured Payables	-	-
1.2.10 Net Increase in Other Liabilities	28.864	(30.865)
I. Net Cash Flow From Banking Operations	2.867	185.309
B. CASH FLOWS FROM INVESTING ACTIVITIES		
II. Net Cash Flow From Investing Activities	(40.212)	56.444
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	(147)	(3.263)
2.4 Sales of Tangible Assets	15	1.122
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	(82.233)	(24.655)
2.8 Cash Obtained From Sale of Investments Held-to-Maturity	40.558	84.296
2.9 Others	1.595	(1.056)
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 Others	-	-
IV. Effect of Change in Foreign Exchange Rate On Cash and Cash Equivalents	22.674	98.075
V. Net (Decrease)/Increase in Cash and Cash Equivalents	(14.671)	339.828
VI. Cash and Cash Equivalents at Beginning of Period	1.709.917	1.247.222
VII. Cash and Cash Equivalents at the End of Period	1.695.246	1.587.050

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SECTION THREE

EXPLANATIONS ON ACCOUNTING POLICIES

I. EXPLANATIONS FOR BASIS OF PRESENTATION AND FOOTNOTES

The consolidated financial statements are prepared within the scope of the “Regulation on Accounting Applications for Banks and Safeguarding of Documents” related with Banking Act numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006 and other regulations related to reporting principles on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by Banking Regulation and Supervision Authority (together referred as BRSA Accounting and Reporting Legislation) and in case where a specific regulation is not made by BRSA, Turkish Accounting Standards, 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 consolidated financial statements and notes to these statements have been prepared in accordance with the “Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements”, published in Official Gazette no. 28337, dated 28 June 2012, and amendments to this Communiqué. The Bank maintains its books in Turkish Lira in accordance with the Banking Act, Turkish Commercial Code and Turkish Tax Legislation.

Consolidated 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.

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

There is not any different accounting policy applied while the preparation of the consolidated financial statements.

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 consolidated financial statements are to be distributed and International Financial Reporting Standards (“IFRS”) have not been quantified in these consolidated financial statements. Accordingly, these consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

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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, security transactions (treasury transactions) together with international banking services. The Parent Bank uses financial instruments intensively because of the nature of the Parent Bank. The main funding resources are deposits, borrowing and equity and these resources are invested in qualified financial assets. The Parent 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 Group’s exchange rates prevailing at the balance sheet date in the Parent Bank financial statements, whereas for other associations over CBRT rates subjected to evaluation.

III. INFORMATION ON CONSOLIDATED ASSOCIATES AND SUBSIDIARIES

The accompanying consolidated financial statements are prepared in accordance with "Communiqué on Preparation of Consolidated Financial Statements" which is published in the Official Gazette No. 26340 dated November 8, 2006. The Parent Bank directly owns the shares of A&T Finansal Kiralama A.Ş. and this subsidiary is consolidated accordingly. As of 30 September 2015 and 31 December 2014, the Parent Bank has no associates.

A&T Finansal Kiralama Anonim Şirketi, was founded in 1997 with the aim to provide financial leasing services.

The Parent Bank and its subsidiary A&T Finansal Kiralama A.Ş that is included in consolidation are together referred to as “Group” in the disclosures and footnotes related to the consolidated financial statements.

“Full Consolidation” method has been applied in consolidating the financial statements of the Bank with the financial statements of its subsidiary. In accordance with this method, the financial statements of the Parent Bank and its subsidiary are combined on a line-by-line basis by adding together the all items of assets, liabilities, income, expenses and off-balance sheet items, in preparing consolidated financial statements. Minority interests are presented separately in the consolidated balance sheet and consolidated statement of income.

The major principles applied in the consolidation of subsidiaries

The carrying amount of the Parent Bank’s net investment in the subsidiary and the Parent Bank’s portion of equity of the subsidiary are eliminated.

All intercompany transactions and intercompany balances between the consolidated subsidiary and the Parent Bank are eliminated.

The financial statements which have been used in the consolidation are prepared as of 30 September 2015 and appropriate adjustments are made to financial statements to use uniform accounting policies for similar transactions and events in similar circumstances.

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IV. INFORMATION ON FORWARD TRANSACTIONS, OPTIONS AND DERIVATIVE INSTRUMENTS

The Group 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.

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.

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VII. INFORMATION ON FINANCIAL ASSETS

The Group 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.

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.

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VII. INFORMATION ON FINANCIAL ASSETS (Continued)

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.

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 Group 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 Group 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. Is collected which is provisioned in the same year, the impairment loss is deducted from loans and other receivables.

If there is objective evidence that certain leasing receivables will not be collected; the Group assess that receivables in accordance with the Regulation on Identification of and Provision against Non-Performing Receivables of Financial Leasing, Factoring and Financing Companies published on the Official Gazette no.26588 dated 20 July 2007.

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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.

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 Group’s assets discarded or assets held for sales. Information on discontinued operations is presented separately in consolidated income statement. As at reporting date, the Group does not have any discontinued operations.

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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 Group’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.

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.

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XIV. INFORMATION ON LEASING ACTIVITIES

Finance leasing activities as the lessee

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 consolidated 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 Group does not provide financial leasing services as a lessor.

Finance leasing activities as the lessor

The total of minimum rent amounts are recorded at “finance lease receivables” account in gross amounts comprising the principal amounts and interests. The interest, the difference between the total of rent amounts and the cost of the fixed assets, is recorded at “unearned income” account. As the rents are collected, “finance lease receivables” account is decreased by the rent amount; and the interest component is recorded at consolidated income statement as interest income.

Operational leases

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

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

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.

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XVI. INFORMATION ON LIABILITIES REGARDING EMPLOYEE BENEFITS

Reserve for employee termination benefits

In accordance with existing Turkish Labour Law, the Group 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)).

The Group reserved for employee severance indemnities in the accompanying consolidated 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 retained earnings.

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

The Parent Bank	Cari Dönem	Önceki Dönem
Discount Rate	%3.35	%2.84
Expected Rate of Salary/Limit Increase	%5.00	%5.00
Estimated Employee Turnover Rate	%5.30	%5.44

Subsidiary	Cari Dönem	Önceki Dönem
Discount Rate	%2.84	%2.84
Expected Rate of Salary/Limit Increase	%5.00	%5.00
Estimated Employee Turnover Rate	%0.00	%0.00

Other benefits to employees

The Group 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 consolidated financial statements.

XVII. INFORMATION ON TAX APPLICATIONS

Corporate tax

The corporate tax rate is 20%. Corporate tax rate is calculated on the total income of the Group 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%.

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XVII. INFORMATION ON TAX APPLICATIONS (Continued)

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. 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.

Investment incentive

Investment incentive certificates which are obtained prior to April 24, 2003, can deduct 19.8% investment allowance tax withholding. After this date, encouraging, undocumented activities directly related to the investment expenses of companies can deduct 40%. There is no withholding tax for The investments without investment incentive certificates.

As the matter of fact, the Group's subsidiary which operates in the leasing sector has taken advantage of the investment allowances while arranging the corporate tax returns for the year 2014 that are not depended on withholdings. The investment allowances were gained during the incentive certificateless investment expenses after 24 April 2003. The Group has benefited from investment allowances arising from investment expenditures before April 24, 2003 tied to incentive certificates and subject to 19,8 % withholding tax for the First, Second and Third Advance Tax Period of 2015.

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XVII. INFORMATION ON TAX APPLICATIONS (Continued)

Deferred taxes

The Group calculates and accounts deferred tax assets and liabilities in accordance with the TAS 12 - Income Taxes; deferred tax assets and liabilities are recognized on all taxable temporary differences arising between the carrying values of assets and liabilities in the consolidated 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.

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 Group did not issue any stocks convertible into bonds.

The Group does not have borrowing instruments issued by itself.

XIX. INFORMATION ON SHARE ISSUANCES

The Group has not issued any share in the year.

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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

According to the Income Tax Legislation Temporary Article 61, A&T Finansal Kiralama A.Ş. has unused investment allowances that are subject to withholding amounting TL 7,926 (31 December 2014: TL 7,801). There is TL 2,004 left for investment allowances subject to withholding after deducting TL 5,922 from this amount which will be used as of 30 September 2015 prepaid tax period.

XXII. INFORMATION ON SEGMENT REPORTING

Operating segment is the unit that operates in only one product or service of the Group 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 as per the statutory consolidated financial statements 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 Parent 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 consolidated 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.

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 marketplacements and time deposits at banks which has original maturity less than three months.

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SECTION FOUR

INFORMATION ON THE CONSOLIDATED FINANCIAL POSITION OF THE GROUP

I. INFORMATION ON CONSOLIDATED 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 Group's consolidated capital adequacy ratio is occurred 15.55% (31 December 2014: 15.23%) 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 CONSOLIDATED CAPITAL ADEQUACY RATIO (Continued)

Information on Parent Bank and consolidated capital adequacy standard ratio

	The Parent Bank							
	%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	-
<i>Risk Types</i>								
Contingent and Non-Contingent Receivables from Sovereign 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 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 Mutual Funds	-	-	-	-	-	-	-	-
Other Receivables	13,662	-	-	-	-	100,227	-	-

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I. INFORMATION ON CONSOLIDATED CAPITAL ADEQUACY RATIO (Continued)

	Consolidated							
	%0	%10	%20	%50	%75	%100	%150	%200
The amount subject to credit risk	789,058	-	385,358	2,243,454	-	2,056,722	97,358	-
<i>Risk Types</i>								
Contingent and Non-Contingent Receivables from Sovereign Governments and Central Banks	775,395	-	-	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	-	-	385,358	2,034,807	-	24,780	-	-
Contingent and Non-Contingent Corporate Receivables	-	-	-	-	-	1,959,421	-	-
Contingent and Non-Contingent Retail Receivables	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables Secured by 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 Mutual Funds	-	-	-	-	-	-	-	-
Other Receivables	13,663	-	-	-	-	36,520	-	-

Capital adequacy ratio

	The Parent Bank		Consolidated	
	Current period	Prior Period	Current period	Prior Period
Required Capital for Credit Risk (Amount Based to Credit Risk*0.08) (RCFCR)	255,468	244,896	272,126	258,813
Required Capital for Market Risk (RCFMR)	21,255	19,129	21,150	19,702
Required Capital for Operational Risk (RCFOR)(*)	20,081	17,568	21,792	18,905
Shareholders' Equity	602,747	557,034	612,579	566,164
Shareholders' Equity/((RCFCR+RCFMR+RCFOR) *12.5*100)	16.25	15.83	15.55	15.23
Tier 1 Capital/((RCFCR+RCFMR+RCFOR) *12.5*100)	15.62	15.27	14.96	14.70
Common Equity Tier 1 Capital/((RCFCR+RCFMR+RCFOR) *12.5*100)	15.66	15.33	15.01	14.77

(*) In accordance with the BDDK, 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 CONSOLIDATED CAPITAL ADEQUACY RATIO (Continued)

Information on Consolidated Shareholders’ Equity

	Current Period	Prior Period
COMMON EQUITY TIER 1 CAPITAL	590,968	549,033
Paid-in capital(*)	437,823	438,209
Share premium	-	-
Share cancellation profit	-	-
Legal reserves	17,472	13,649
Income passed on to shareholders’ equity in accordance with Turkey Accounting Standards (TAS).	-	-
Profit	128,367	89,661
Net Income for current period	42,529	72,127
Prior period profit	85,838	17,534
Provisions for possible risks	9,000	9,000
Bonus shares of Associates, Subsidiaries and Joint-Ventures	-	-
Minority Shares	-	-
Common Equity Tier 1 Capital Before Deductions	592,662	550,519
Deductions From Common Equity Tier 1Capital	1,694	1,486
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. (-)	1,106	636
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 1Capital	1,694	1,486
Total Common Equity Tier 1Capital	590,968	549,033

(*) The amount contains TL (2,177) actuarial loss/gain amount that accounted under “Other Reserves” according to TAS 19 (31 December 2014: (1,791) TL).

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	Current Period	Prior Period
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)	-	-
Supplementary capital shares of third parties	-	-
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 (-)	-	-
Total Deductions From Additional Tier 1 Capital	-	-
Total Additional Tier 1 Capital	-	-
Deductions From Tier 1 Capital	1,660	2,543
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. (-)	1,660	2,543
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	589,308	546,490
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 shares of third parties	-	-
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

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Information on Consolidated Shareholders’ Equity

	Current Period	Prior Period
CAPITAL	612,588	566,174
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 Common Tier 1 capital, 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 Common Tier 1 capital, 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 Common Tier 1 capital generating from exceed amount generating from investments to Common Tier 1 capital 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	612,579	566,164
Amounts Below Overrun Amounts In Applied Reducing Procedures	-	-
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	-	-

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

	Consolidated	
	Considered Amount of Current Period Shareholders’ Equity Calculation	Total Amount
Common Tier 1 capital share amount of minority shareholders	-	-
Additional core capital share amount of third parties	-	-
Supplementary 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)	-	-

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Informations on addition debt instruments to shareholders’ equity calculating:

Exporter	-
Code of debt instrument (CUSIP, ISIN vb.)	-
Legislation 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 CONSOLIDATED MARKET RISK

The Parent 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 the parent 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.

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II. INFORMATION ON CONSOLIDATED MARKET RISK (Continued)

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.

The Parent 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 limits at the level of risk factors in order to restrain the market risk. The ratio of the Market Risk / Equity rate can be maximum 50% and for limiting daily VaR results, the amount under daily risk / equity rate can be maximum 1%.

1. Information related to consolidated 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	17,356	15,607
(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	33	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)	21,150	19,702
(XI) Market Value at Risk (12.5 x IX) or (12.5 x X)	264,379	246,275

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III. INFORMATION ON CONSOLIDATED FOREIGN CURRENCY EXCHANGE RATE RISK

Whether the Group 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 Group complies with net general position-shareholders’ 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 Group 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 Parent Bank are as follows

Date	US Dollars	EUR
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 Parent 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 is TL 3.0034 for USD and TL 3.3736 for EUR.

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

Information on currency risk of the Group

Current Period	Euro	US 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	330,673	822,789	11,671	1,165,133
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	154,055	61,378	-	215,433
Total Assets	1,284,272	2,152,388	12,189	3,448,849
Liabilities				
Bank Deposits	1,007,796	1,756,783	1,841	2,766,420
Foreign Currency Deposits	205,864	272,449	5,997	484,310
Money Market Borrowings	-	-	-	-
Funds Borrowed from Other Financial Institutions	153,694	52,778	-	206,472
Marketable Securities Issued	-	-	-	-
Miscellaneous Payables	2,255	1,527	5	3,787
Financial Derivatives held for Hedging (Liabilities)	-	-	-	-
Other Liabilities	2,857	4,362	458	7,677
Total Liabilities	1,372,466	2,087,899	8,301	3,468,666
Net Balance Sheet Position	(88,194)	64,489	3,888	(19,817)
Net Off Balance Sheet Position	61,308	(59,740)	-	1,568
Financial Derivatives (Assets)	63,019	3,382	-	66,401
Financial Derivatives (Liabilities)	(1,711)	(63,122)	-	(64,833)
Non-Cash Loans	805,575	1,315,152	449,380	2,570,107
Prior Period				
Total Assets	1,310,500	1,859,677	2157	3,172,334
Total Liabilities	1,372,557	1,870,825	1683	3,245,065
Balance Sheet Position, net	(62,057)	(11,148)	474	(72,731)
Off Balance Sheet Position, net	61,020	11,686	-	72,706
Financial Derivatives (Assets)	63,387	13,016	-	76,403
Financial Derivatives (Liabilities)	(2,367)	(1,330)	-	(3,697)
Non-cash Loans	678,343	1,006,029	393,639	2,078,011

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

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 CONSOLIDATED 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% 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% appreciation of TL;

	Current Period		Prior Period	
	Income Statement	Shareholders’ Equity ^(*)	Income Statement	Shareholders’ Equity ^(*)
Euro	2,689	2,689	104	104
US Dollar	(475)	(475)	(54)	(54)
Other Currencies	(389)	(389)	(47)	(47)
Total	1,825	1,825	3	3

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

Assuming 10% devaluation of TL;

	Current Period		Prior Period	
	Income Statement	Shareholders’ Equity (*)	Income Statement	Shareholders’ Equity (*)
Euro	(2,689)	(2,689)	(104)	(104)
US Dollar	475	475	54	54
Other Currencies	389	389	47	47
Total	(1,825)	(1,825)	(3)	(3)

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

IV. INFORMATION ON CONSOLIDATED 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 Parent 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 Parent 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 CONSOLIDATED INTEREST RATE RISK (Continued)

The expected effects of the fluctuations of market interest rates on the Parent 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/ shareholders’ 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 Parent 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 has a limited negative effect on the Parent Bank’s financial position, the Parent 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	-	-	-	-	463,901	750,719
Banks	923,181	269,052	-	-	-	939	1,193,172
Financial assets at fair value through Profit or Loss	41,682	11,637	20,823	123,038	-	-	197,180
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	40,942	-	234,842
Other assets ¹	22,019	26,364	64,375	151,547	-	54,678	318,983
Total assets	2,189,183	568,691	512,765	368,088	14,731	543,241	4,196,699
Liabilities							
Bank deposits	1,093,253	1,261,895	421,459	-	-	-	2,776,607
Other deposits	44,950	4,387	39,608	-	-	430,345	519,290
Money market borrowings	27,284	-	-	-	-	-	27,284
Miscellaneous payables	-	-	-	-	-	4,276	4,276
Marketable securities issued	-	-	-	-	-	-	-
Funds Borrowed From Other Fin. Ins.	21,523	58,597	127,351	3,427	-	-	210,898
Other liabilities ²	5	-	-	-	-	658,339	658,344
Total liabilities	1,187,015	1,324,879	588,418	3,427	-	1,092,960	4,196,699
Long Position in the Balance Sheet	1,002,168	-	-	364,661	14,731	-	1,381,560
Short Position in the Balance Sheet	-	(756,188)	(75,653)	-	-	(549,719)	(1,381,560)
Long Position in the Off-balance Sheet	1,919	61,582	-	-	-	-	63,501
Short Position in the Off-balance Sheet	(1,918)	(60,172)	-	-	-	-	(62,090)
Total Position	1,002,169	(754,778)	(75,653)	364,661	14,731	(549,719)	1,411

¹ Other Assets: The amount of TL 54,678 in the Non-Interest Bearing column includes; Tangible Assets amounting TL 23,392, Intangible Assets amounting to TL 2,766, Deferred Tax Assets amounting to TL 2,091, Assets Held for Sale amounting to TL 9, Miscellaneous Receivables amounting to TL 8,069 and Other Assets amounting to TL 18,351.

² Other Liabilities: The amount of TL 658,339 in the Non-Interest Bearing Column includes; Shareholders Equity amounting to TL 583,662, Provisions amounting to TL 43,733, Tax, Duty and Premium Payable amounting to TL 8,053 and Other Foreign Resources amounting to TL 22,891.

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IV. INFORMATION ON CONSOLIDATED 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	1,363,392	222,639	-	-	-	1,295	1,587,326
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
Investment securities 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	18,831	16,288	53,678	129,272	-	48,715	266,784
Total Asset	2,003,876	581,327	497,542	390,064	30,899	402,115	3,905,823
Liabilities							
Bank deposits	863,390	963,996	710,600	-	-	-	2,537,986
Other deposits	26,705	11,490	13,472	-	-	517,985	569,652
Money market borrowings	2,935	-	-	-	-	-	2,935
Miscellaneous payables	-	-	-	-	-	4,338	4,338
Marketable securities issued	-	-	-	-	-	-	-
Funds Borrowed From Other Fin. Ins.	26,985	137,676	5,808	11,600	-	-	182,069
Other liabilities ²	188	-	-	-	-	608,655	608,843
Total Liabilities	920,203	1,113,162	729,880	11,600	-	1,130,978	3,905,823
Balance Sheet Long Position	1,083,673	-	-	378,464	30,899	-	1,493,036
Balance Sheet Short Position	-	(531,835)	(232,338)	-	-	(728,863)	(1,493,036)
Off Balance Sheet Long Position	59,546	14,104	-	-	-	-	73,650
Off Balance Sheet Short Position	(59,173)	(14,259)	-	-	-	-	(73,432)
Total Position	1,084,046	(531,990)	(232,338)	378,464	30,899	(728,863)	218

¹ Other Assets: The amount of TL 48,715 in the Non-Interest Bearing column is composed of Tangible Assets amounting TL 25,097, Intangible Assets amounting to TL 3,179, Deferred Tax Assets amounting to TL 2,101, Assets Held for Sale amounting to TL 10, Miscellaneous Receivables amounting to TL 3,366 and Other Assets amounting to TL 14,962.

² Other Liabilities: The amount of TL 608,655 in the Non-Interest Bearing Column is composed of Shareholders Equity amounting to TL 541,519, Provisions amounting to TL 40,195, Tax, Duty and Premium Payable amounting to TL 7,367 and Other Foreign Resources amounting to TL 19,574.

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IV. INFORMATION ON CONSOLIDATED 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	-	12.38
Financial assets at fair value through profit or loss	-	5.95	-	10.64
Money market placement	-	-	-	-
Financial assets available-for-sale	-	-	-	-
Loans	3.03	3.75	-	12.97
Investment securities held-to-maturity	5.14	7.06	-	10.77
Financial Lease Receivables	6.96	7.37	-	14.07
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	2.40	3.32	-	6.71
Prior Period				
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	-	10.24
Financial assets at fair value through profit or loss	-	5.76	-	9.61
Money market placement	-	-	-	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
Financial Lease Receivables	11.69	11.03	-	14.34
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	2.76	3.35	-	7.15

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IV. INFORMATION ON CONSOLIDATED 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 of the Parent Bank are considered taking into account the developments in the market by Asset-Liability Committee.

The interest rate risk of the banking book items measurement is included The Parent 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
TRY	500	(8,815)	%(1.46)
	(400)	11,050	%1.83
EURO	200	98,138	%16.28
	(200)	353,817	%58.71
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

Prior Period

Currency	Applied Shock (+/- x basis point)	Revenue/ Loss	Revenue/Shareholders' Equity Loss/ Shareholders' Equity
TRY	500	(19,833)	%(3.56)
	(400)	34,207	%6.14
EURO	200	36,506	%6.55
	(200)	342,112	%61.42
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

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V. INFORMATION ON STOCK POSITION RISK

Equity investment risk due from banking book

The Parent 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 CONSOLIDATED 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.

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

Shareholders’ 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.

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VI. INFORMATION ON CONSOLIDATED LIQUIDITY RISK (Continued)

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	Unallocated	Total
Assets								
Cash (cash in vault, effectives, money in transit, cheques purchased) and Central Bank balances	13,663	737,056	-	-	-	-	-	750,719
Banks	49,495	874,625	269,052	-	-	-	-	1,193,172
Financial Assets at Fair Value through Profit or Loss	2	41,680	11,637	20,823	123,038	-	-	197,180
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	2,203	22,019	21,441	65,644	155,201	-	52,475	318,983
Total Assets	65,363	2,590,863	514,091	557,418	400,314	14,731	53,919	4,196,699
Liabilities								
Interbank Deposits	298,778	794,475	1,261,895	421,459	-	-	-	2,776,607
Other Deposits	430,334	44,961	4,387	39,608	-	-	-	519,290
Funds provided from other financial institutions	-	259	2,569	102,114	105,956	-	-	210,898
Money market borrowings	-	27,284	-	-	-	-	-	27,284
Marketable securities issued	-	-	-	-	-	-	-	-
Miscellaneous payables	-	-	-	-	-	-	4,276	4,276
Other liabilities ²	-	7,148	2,576	-	-	-	648,620	658,344
Total Liabilities	729,112	874,127	1,271,427	563,181	105,956	-	652,896	4,196,699
Liquidity Gap	(663,749)	1,716,736	(757,336)	(5,763)	294,358	14,731	(598,977)	-
Prior Period								
Total Assets	22,464	2,297,746	427,860	661,921	415,814	30,899	49,119	3,905,823
Total Liabilities	805,461	626,034	979,570	752,347	141,881	-	600,530	3,905,823
Net Liquidity Gap	(782,997)	1,671,712	(551,710)	(90,426)	273,933	30,899	(551,411)	-

¹ Other assets amounting TL 52,475 at the undistributed part; Tangible Assets amounting TL 23,392, Intangible Assets amounting TL 2,766, Deferred Tax Asset amounting TL 2,091, Asset Held For Sale amounting TL 9, Miscellaneous Receivables amounting to TL 4,453 and Other Assets amounting to TL 19,764.

² Other liabilities amounting TL 648,620 at the undistributed part consists of Shareholders Equity amounting TL 583,662, Provisions amounting TL 43,733, and Other Foreign Resources TL 21,225.

Information on securitization positions

The Group has no securitization positions.

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VI. INFORMATION ON CONSOLIDATED LIQUIDITY RISK (Continued)

Information on credit risk mitigation techniques

The Parent 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 based on risk types

Risk Types-Current Period	Amount⁽¹⁾	Financial Collaterals	Other/Physical Collaterals	Guarantees and credit derivatives
Contingent and Non-Contingent Receivables from Sovereign Governments and Central Banks	956,006	-	-	-
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	2,522,993	83,964	-	-
Contingent and Non-Contingent Corporate Receivables	1,962,725	6,608	-	-
Contingent and Non-Contingent Retail Receivables	-	-	-	-
Contingent and Non-Contingent Receivables Secured by 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 Mutual Funds	-	-	-	-
Other Receivables	50,182	-	-	-
Total	5,887,003	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 not taken into consideration regarding the “Regulation on Measurement and Assessment of Capital Adequacy of Banks”, Article 6.

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VI. INFORMATION ON CONSOLIDATED LIQUIDITY RISK (Continued)

Risk Types-Prior Period	Amount ⁽¹⁾	Financial Collaterals	Other/Physical Collaterals	Guarantees and credit derivatives
Contingent and Non-Contingent Receivables from Sovereign Governments and Central Banks	464,333	-	-	-
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	2,700,637	506	-	-
Contingent and Non-Contingent Corporate Receivables	1,692,706	3,962	-	-
Contingent and Non-Contingent Retail Receivables	-	-	-	-
Contingent and Non-Contingent Receivables Secured by Property ⁽²⁾	56,649	-	-	-
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 Mutual Funds	-	-	-	-
Other Receivables	41,632	-	-	-
Total	5,211,993	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 not taken into consideration regarding the “Regulation on Measurement and Assessment of Capital Adequacy of Banks”, Article 6.

Risk management target and policies

The Parent 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 Parent Bank’s Audit Committee and the Internal Systems Director.
- c) **Risk management system**
The Risk Management System is composed of identifying, evaluating, tracing, controlling, administrating, reporting the potential risks that The Parent Bank may encounter and the limitation procedures mechanism of these risks.
- d) **Risk management principles**
The Parent 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 Parent 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, The Parent Bank and market data reviewed regularly. Within the scope of classifying risks besides of legal limits also The Parent Bank internal limits are provided.

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VII. INFORMATION ON CONSOLIDATED 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	Leasing	Other	Total Operations
Interest Income	(857)	62,326	17,211	12,335	-	91,015
Commission Income	-	36,215	-	414	-	36,629
Unallocated Income/Expenses (Net)	-	-	-	-	(73,325)	(73,325)
Operating Income	(857)	98,541	17,211	12,749	(73,325)	54,319
<i>Income from Subsidiaries</i>						-
<i>Income before tax</i>						54,319
<i>Tax Provision</i>						(11,790)
Net Profit for the year						42,529
Current Period	Retail Banking	Corporate and Commercial Banking	Treasury	Leasing	Other	Total Operations
Segment Assets	944	1,499,415	2,423,891	292,613	-	4,216,863
Unallocated assets	-	-	-	-	(20,164)	(20,164)
Total Assets	944	1,499,415	2,423,891	292,613	(20,164)	4,196,699
Segment Liabilities	236,056	287,900	2,804,568	212,397	-	3,540,921
Unallocated Liabilities	-	-	-	-	72,116	72,116
Equity	-	-	-	-	583,662	583,662
Total Liabilities	236,056	287,900	2,804,568	212,397	655,778	4,196,699
Prior Period	Retail Banking	Corporate and Commercial Banking	Treasury	Leasing	Other	Total Operations
Interest Income	(475)	65,371	18,886	9,494	-	93,276
Commission Income	-	34,991	-	183	-	35,174
Unallocated Income/Expenses (Net)	-	-	-	-	(52,249)	(52,249)
Operating Income	(475)	100,362	18,886	9,677	(52,249)	76,201
<i>Income from Subsidiaries</i>						-
<i>Income before tax</i>						76,201
<i>Tax Provision</i>						(15,821)
Net Profit for the year						60,380
Prior Period	Retail Banking	Corporate and Commercial Banking	Treasury	Leasing	Other	Total Operations
Segment Assets	740	1,363,558	2,269,600	254,426	-	3,888,324
Unallocated assets	-	-	-	-	17,499	17,499
Total Assets	740	1,363,558	2,269,600	254,426	17,499	3,905,823
Segment Liabilities	159,260	414,674	2,543,523	179,866	-	3,297,323
Unallocated Liabilities	-	-	-	-	66,981	66,981
Equity	-	-	-	-	541,519	541,519
Total Liabilities	159,260	414,674	2,543,523	179,866	608,500	3,905,823

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SECTION FIVE

**INFORMATION ON DISCLOSURES AND FOOTNOTES OF
CONSOLIDATED 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	2,137	11,526	1,367	7,006
Central Bank of Turkey	4,382	732,674	5,197	340,670
Other	-	-	-	-
Total	6,519	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 Communique no.2005/1 “Reserve Deposits “ of the Central Bank of Turkey (31 December 2014: between 6% and 13%). According to change, in the Communique 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).

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	2	1,414	782	-
Futures	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	2	1,414	782	-

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

3. Information on banks and other financial institutions

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic banks	18,032	1,135,119	15,378	1,565,553
Foreign banks	10,007	30,014	-	6,395
Foreign head offices and branches	-	-	-	-
Total	28,039	1,165,133	15,378	1,571,948

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.

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

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

5. Information on Loans

Information on all types of loans and advances given to shareholders and employees of the Parent 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		
	Loans and other receivables (Total)	Amendments on Conditions of Contract		Loans and other receivables (Total)	Amendments on Conditions of Contract	
		Amendments related to the extension of the payment plan	Other		Amendments related to the extension of the payment plan	Other
Cash Loans						
Non-specialized loans	1,478,080	-	-	-	-	-
Corporation 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 loans, credit cards and loans given to employees

	Short Term	Medium 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	Medium 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 (Net)

Information on restructured loans of non-performing loans

None.

Information on movement of total non-performing loans

	III. Group <i>Loans and receivables with limited collectibles</i>	IV. Group <i>Loans and receivables with doubtful collectibles</i>	V. Group <i>Uncollectible loans and receivables</i>
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: TL 2,427).

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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	IV. Group	V. Group
	Loans and	Loans and	
	receivables with	receivables with	Non-performing
	limited	doubtful	loans and
	collectibility	collectibility	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)K	-	-	-
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 amounting to TL 40,558 (31 December 2014: TL TL 94,796) redemption has been realized.

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 Group does not have an associate.

8. Information on consolidated subsidiaries (Net)

Information on consolidated subsidiaries

The Parent Bank does not have an unconsolidated subsidiary.

Information on subsidiaries

Information on Shareholders’ Equity for A&T Finansal Kiralama A.Ş.

	Current Period	Prior Period
CORE CAPITAL		
Paid in Capital	70,000	65,000
Effect of Inflation Adjustment on Paid in Capital	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 Period Profit / Loss	Prior Period 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 consolidated 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

Valuation methods of investments in subsidiaries

The method used in the accounting of subsidiaries is explained in Section Three.

Sectoral Information on the subsidiaries

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

Quoted Subsidiaries

The Parent Bank does not have a subsidiary that is quoted.

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

Subsidiaries sold in the current year

None.

Subsidiaries acquired in the current year

None.

9. Information on joint ventures of the Parent Bank

The Parent Bank does not have joint ventures.

10. Information on Financial Lease Receivables (Net)

Maturity analysis of financial lease receivables

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	122,590	109,024	97,843	84,690
Between 1-4 years	173,019	155,201	150,372	133,253
Over 4 years	-	-	-	-
Total	295,609	264,225	248,215	217,943

Information on net financial lease investments

	Current Period	Prior Period
Gross Financial Lease Investment	295,609	248,215
Earned Financial Lease Income (-)	31,384	30,272
Cancelled Leasing Amounts	-	-
Net Investment on Leases	264,225	217,943

There is a provision amounting to TL 1,448 for doubtful financial lease receivables in net financial lease investment. (31 December 2014: TL 833).

The movement of doubtful receivables is as follows

	Current Period	Prior Period
Opening Balance	833	1,053
Provisions	615	5
Collections	-	225
Ending Balance	1,448	833

11. Information on financial derivatives for hedging

The Group does not have any financial derivatives for hedging.

12. Information on investment property

The Group does not have any investment property.

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

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. (31 December 2014: None).

Group has calculated TL 3,694 deferred tax asset and TL 1,603 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 3,292 deferred tax asset and TL 1,191 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)
Investment allowance	-	-	515	103
Provisions regarding employee rights	9,744	1,949	9,897	1,979
Interest accruals	461	92	-	-
Unearned Income	3,500	700	3,148	630
Depreciation difference for tangible and intangible assets	314	63	908	182
Derivative financial instruments	-	-	1	-
Other	4,452	890	1,988	398
Deferred tax asset	18,471	3,694	16,457	3,292
Depreciation difference for tangible and intangible assets	1,032	206	2,337	467
Interest accruals	4,079	816	2,647	529
Other	2,903	581	973	195
Deferred tax liability	8,014	1,603	5,957	1,191
Deferred tax asset / (liability), net	10,457	2,091	10,500	2,101

Investment incentive was abolished being effective from January 1, 2006. In case that, entities do not have sufficient taxable income, deduction of the unused investment incentive as of December 31, 2005 from 2006, 2007 and 2008 income was allowed however it was not permitted to defer this investment incentive to subsequent periods after 2008. The Constitutional Court abolished this regulation on October 15, 2009 and the time constraint related to investment incentive has been removed. The resolution has been published in the Official Gazette on January 8, 2010. The Group may use the investment incentive amounting TL 515 according to the article no.19 of GVK which is not subject to withholding, by deducting the stoppage subjected amount TL 7,801 according to the temporary article no.61 of GVK from future profits. The Group does not have net deferred tax assets occurred from unused investment incentives which can be deducted from future profits. (31 December 2014: TL 103). Partially or fully recoverable of defferred tax asset is estimated under current conditions.

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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 (-).net	-	-
Accumulated Impairment (-)	7	6
Impairment (-)	1	1
Accumulated Depreciation (-)	-	-
Depreciation	-	-
Depreciation Expenses (-)	-	-
Closing Net Book Value	9	10

15. Information on other assets

Other assets is amounting to TL 26,500 (31 December 2014: TL 18,454) 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
Foreign Currency Deposits	403,031	-	16,447	19,220	5,910	32,461	7,241	-	484,310
Residents in Turkey	130,539	-	5,510	7,358	1,670	16,315	267	-	161,659
Residents Abroad	272,492	-	10,937	11,862	4,240	16,146	6,974	-	322,651
Public Sector Deposits	-	-	-	-	-	-	-	-	-
Commercial Deposits	7,093	-	259	393	101	-	-	-	7,846
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	729,307	-	404,031	900,679	348,987	267,650	645,243	-	3,295,897

Prior 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
Foreign Currency Deposits	473,127	-	12,398	7,612	3,899	7,509	13,189	-	517,734
Residents in Turkey	161,873	-	3,629	4,746	420	6,972	103	-	177,743
Residents Abroad	311,254	-	8,769	2,866	3,479	537	13,086	-	339,991
Public Sector Deposits	-	-	-	-	-	-	-	-	-
Commercial Deposits	9,583	-	7	1,197	97	-	-	-	10,884
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 Institutions	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	805,461	-	454,871	894,533	221,334	240,249	491,190	-	3,107,638

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II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES (Continued)

Information on savings 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 September 2004	-	-
Deposits at Depository Banks established for Off-Shore Banking Activities in Turkey	-	-
Total	1,869	714

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II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES (Continued)

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	-

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	75,557	6,067	72,311
From Foreign Banks, Institutions and Funds	-	130,915	-	103,691
Total	4,426	206,472	6,067	176,002

Presentation of funds borrowed based on maturity profile

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	4,426	100,516	6,067	34,121
Medium and Long-Term	-	105,956	-	141,881
Total	4,426	206,472	6,067	176,002

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 Group 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 ¹	2	30

¹ 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 are TL 1,589 (31 December 2014: TL 1,547)

Reserve for employee termination benefits

The Group reserved for employee severance indemnities in the accompanying consolidated 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:

The Parent Bank	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	%5.42
Subsidiary	Current Period	Prior Period
Discount Rate	%2.84	%2.84
Expected Rate of Salary/Limit Increase	%5.00	%5.00
Estimated Employee Turnover Rate	%0.00	%0.00

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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.

Movement of employee termination benefits are as follows:

	Current Period	Prior Period
Balances at Beginning of period	5,350	4,666
Provision booked in current period	981	1,126
Provision paid in current period (-)	103	442
Balances at End of the Period	6,228	5,350

The employee termination benefit liability of the Group is the amount as at 30 September 2015 is TL 6,228 (31 December 2014: TL 5,350). In addition to this, the unused vacation provision and other employee benefits amount as at 30 September 2015 is TL 3,516 (31 December 2014: TL 4,547).

Information on other provisions

Provisions for probable risks

These financial statements include a free provision that is out of reporting standarts, amounting to TL 9,000 thousand which was charged to the income statement in the current period, 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
Other	83	-

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 3,755 (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	3,755	3,267
Banking Insurance Transaction Tax (BITT)	833	612
Taxation of Securities	392	1,798
Value added taxes payable	569	81
Corporate tax payable-limited	27	5
Foreign Exchange Legislation Tax	-	-
Property tax	22	18
Other	1,759	983
Total	7,357	6,764

Information on premiums

	Current Period	Prior Period
Social Security Premiums – Employee	262	87
Social Security Premiums – Employer	378	468
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	19	16
Unemployment Insurance – Employer share	37	32
Other	-	-
Total	696	603

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 2,091. Detailed information on net deferred tax is presented in footnote I-13 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	-	-

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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 Parent Bank.

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

None.

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 Group’s prior periods income, profitability, and liquidity indicators and uncertainty, to shareholders’ equity

None.

Information on the privileges given to stocks representing the capital

According to the master agreement, 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.

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II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES (Continued)

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 Parent Bank does not have marketable securities value increase fund.

Information on legal reserve

In the current period there is TL 3,823 transferred to legal reserves from retained earnings. (31 December 2014: TL 2,729).

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 Group has TL 69,459 (31 December 2014: TL 88,909) as irrevocable commitments.

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

As of 30 September 2015, the Group 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 Group’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 ⁽¹⁾				
Short- Term Loans	43,255	4,487	38,681	5,092
Medium and Long- Term Loans	435	15,895	2,048	20,932
Interest Received From Non Performing Loans	-	-	140	-
Premiums Received From Resource Utilization Support Fund	-	-	-	-
Total	43,690	20,382	40,869	26,024

⁽¹⁾ 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	3,916	16,254	2,131	21,029
From Foreign Banks	664	111	191	84
From Foreign Headquarter and Branches	-	-	-	-
Total	4,580	16,365	2,322	21,113

Information on interest income received from 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

None.

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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	3,999	311	2,956
Central Bank	-	-	-	-
Domestic Banks	322	2,034	311	1,886
Foreign Banks	-	1,965	-	1,070
Other Institutions	-	-	-	-
Total	322	3,999	311	2,956

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	Time Deposit						Cumulative Deposit	Total
	Demand Deposit	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	6,255,254	2,714,860
Gain from money market transactions	-	-
Gain from financial derivative transactions	9,550	539
Gain from exchange transactions	6,245,704	2,714,321
Loss (-)	(6,258,426)	(2,714,118)
Loss from money market transactions	(53)	-
Loss from financial derivative transactions	(8,581)	(652)
Loss from exchange transactions	(6,249,792)	(2,713,466)
Net Trading Gain/Loss	(3,172)	742

4. Information on income from other operations

	Current Period	Prior Period
From Reversal of Provisions of Prior Year	2,477	835
From Communication Income	1,271	1,157
Gain on sales of assets	38	744
Other Income	319	430
Total	4,105	3,166

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	-	3,000
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	627	80
Total	17,910	5,150

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

6. Information on other operating expense

	Current Period	Prior Period
Personnel Expenses	38,725	34,727
Employee Termination Benefits Expense	501	549
Tangible Fixed Asset Impairment Expense	-	-
Intangible Fixed Asset Impairment Expense	1,845	2,210
Amortization Expenses of Tangible Assets	-	-
Goodwill Impairment Expense	-	-
Amortization Expenses of Intangible Assets	962	929
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	-	-
Assets Impairment Expense	-	-
Other Operating Expenses	9,208	8,138
<i>Operating Lease Expenses</i>	<i>1,337</i>	<i>1,186</i>
<i>Maintenance Expenses</i>	<i>1,659</i>	<i>186</i>
<i>Advertisement Expenses</i>	<i>307</i>	<i>284</i>
<i>Other Expenses</i>	<i>5,905</i>	<i>6,482</i>
Losses from sales of Assets	-	3
Other	5,173	4,512
Total	56,416	51,069

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

The pre-tax income amount from continued operations is TL 54,319 (30 September 2014: TL 76,201).

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 11,684 (30 September 2014: TL 15,095 tax expense) and deferred tax expense is TL 106 (30 September 2014: TL 726 deferred tax expense).

Deferred tax charge arising from origination or reversal of temporary differences

The Group has TL 3 as deferred tax expense arising from origination of temporary differences (30 September 2014: TL 109 deferred tax expense).

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

The Group has TL 106 as deferred tax expense reflected in the income statement computed over temporary difference and tax deductions and exemptions (30 September 2014: TL 726 deferred tax expense).

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

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 42,529 (30 September 2014: TL 60,380 profit).

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 year 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.

Profit/loss regarding minority rights

There is no profit/loss regarding minority rights in the accompanying consolidated financial statements since the Parent Bank owns 99.98% of the consolidated subsidiary.

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 22,161 (30 September 2014: TL 20,698) consist of transfer commissions, letter of credit commissions and other.

	Current Period
Letter of Credit Commissions	17,929
Transer Commissions	2,386
Other	1,846
Total	22,161

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V. INFORMATION ON THE GROUP’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 Group’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	-	-	-	161	36,570	158,329
Balance at the end of the period	-	-	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 Parent 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	-	-	4,267	13,686	47,872	98,201
Balance at the end of the period	-	-	-	161	36,570	158,329
Interest and Commission Income received	-	-	-	-	40	-

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

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	-	-	1,525,229	1,378,134	545,393	508,101
Balance at the end of the period	-	-	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 th article of the Law No. 5411 of Bank’s Act.

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

None.

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

None.

Information on benefits provided for top level management:

For the period then ended 30 September 2015, TL 9,045 (30 September 2014: TL 5,679) has been paid to the top level management of the Bank as salaries and fringe benefit.

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SECTION SIX

OTHER DISCLOSURES AND FOOTNOTES

I. OTHER INFORMATION ON GROUP’S OPERATIONS

None.

II. INFORMATION ON EVENTS AFTER THE BALANCE SHEET DATE

None.

SECTION SEVEN

REVIEW INDEPENDENT AUDITOR’S REVIEW REPORT

I. INFORMATION ON REVIEW INDEPENDENT AUDITOR’S REVIEW REPORT

As of 30 September 2015, consolidated financial statements and explanatory notes of the Bank disclosed herein were audited by Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (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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