

FİBABANKA A.Ş. AND ITS SUBSIDIARY

**LIMITED REVIEW REPORT,
CONSOLIDATED FINANCIAL
STATEMENTS AND FOOTNOTES
FOR THE INTERIM PERIOD
1 JANUARY – 31 MARCH 2015**

**(Convenience Translation of Financial Statements and
Related Disclosures and Footnotes Originally Issued in
Turkish)**

LIMITED REVIEW REPORT FOR THE INTERIM FINANCIAL INFORMATION

To the Board of Directors of
Fibabanka A.Ş.
İstanbul

Introduction

We have reviewed the accompanying consolidated statement of financial position of Fibabanka A.Ş. (“the Bank”) and its consolidated financial affiliates (together will be referred as “the Group”) as at 31 March 2015, and the consolidated income statement, consolidated statement of income and expense items under shareholders’ equity, consolidated statement of changes in shareholders’ equity and consolidated statement of cash flows for the three month period then ended, and summary of significant accounting policies and other explanatory notes. The Bank management is responsible for the preparation and fair presentation of the accompanying interim financial information 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 the Banking Regulation and Supervision Board and circulars and pronouncements published by the Banking Regulation and Supervision Agency, (together referred as the BRSA Accounting and Reporting Regulations) and Turkish Accounting Standard 34 “Interim Financial Reporting” except for the matters regulated by the BRSA Accounting and Reporting Regulations. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, financial position of Fibabanka A.Ş. and its financial affiliates as at 31 March 2015 and of the results of its operations and its cash flows for the three-month-period then ended 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 the Banking Regulation and Supervision Board and circulars and pronouncements published by the Banking Regulation and Supervision Agency, (together referred as the BRSA Accounting and Reporting Regulations) and Turkish Accounting Standard 34 “Interim Financial Reporting” except for the matters regulated by the BRSA Accounting and Reporting Regulations.

Additional paragraph for English translation:

The effect of the differences between the accounting principles summarized in Section 3 and the 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 and reflected in the accompanying consolidated financial statements. The accounting principles used in the preparation of the accompanying consolidated financial statements differ materially from IFRS. Accordingly, the accompanying consolidated financial statements are not intended to present the Bank’s financial position and results of its operations in accordance with accounting principles generally accepted in such countries of users of the financial statements and IFRS.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK AŞ

Member of **DELOITTE TOUCHE TOHMATSU LIMITED**



Müjde Şehsuvaroğlu
Partner
Istanbul, 5 May 2015

THE CONSOLIDATED FINANCIAL REPORT OF FİBABANKA A.Ş. FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2015

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The consolidated financial report for the three months period 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 PERIOD FINANCIAL STATEMENTS OF THE PARENT BANK
- EXPLANATIONS ON THE CORRESPONDING ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATION ON FINANCIAL STRUCTURE OF THE CONSOLIDATED GROUP
- EXPLANATORY DISCLOSURES AND FOOTNOTES TO CONSOLIDATED FINANCIAL STATEMENTS
- LIMITED AUDITORS' REPORT

The consolidated subsidiaries included in this consolidated financial report are as follows:

Subsidiaries:

- Fiba Portföy Yönetimi A.Ş.

The consolidated financial statements for the three months period and the explanatory footnotes and disclosures, unless otherwise stated, are prepared in **thousands of Turkish Lira**, and in accordance with the Communiqué on Banks' Accounting Practice and Maintaining Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, related communiqués and the Banks' records, have been independently reviewed and presented as attached.

 Hüsnü Mustafa Özyeğin	 Fevzi Bozer	 Mevlüt Hamdi Aydın	 Bekir Dildar	 Elif Akşev Utku Özbeç	 Ayşe Akdaş
Chairman of Board of Directors	Deputy Chairman of Board of Directors and Chairman of the Audit Committee	Member of the Audit Committee	Member of Board of Directors and General Manager	Assistant General Manager	Financial Control Department Head

Information related to personnel to whom questions related to this financial report may be directed.

Name-Surname/Title : **Ayşe Akdaş** / Financial Control Department Head
Telephone Number : (212) 381 84 88
Fax Number : (212) 258 37 78

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FİBABANKA A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY-31 MARCH 2015

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

SECTION ONE

GENERAL INFORMATION

I. History of the Parent Bank Including Its Incorporation Date, Initial Status and Amendments to the Initial Status

On 21 December 2001, Share Transfer Agreement was signed with Novabank S.A. for the sale of all shares of Sitebank A.Ş. under the control of SDIF and the sale transaction was approved by the decision of BRSA No: 596 on 16 January 2002.

In the General Assembly held on 4 March 2003, the name of Sitebank A.Ş. was amended as BankEuropa Bankası A.Ş.

In the extraordinary General Assembly held on 28 November 2006, the name of Bank Europa Bankası A.Ş. was amended as Millennium Bank A.Ş.

In the extraordinary General Assembly held on 25 April 2011 the name of Millennium Bank A.Ş. has been amended as Fibabanka A.Ş. ("the Bank" or "the Parent Bank").

II. Shareholder Structure, Shareholders Having Direct or Indirect, Joint or Individual Control over the Management and Internal Audit of the Parent Bank, Changes in Shareholder Structure during the Current Period, if any and Information on the Parent Bank's Risk Group

On 10 February 2010, Banco Comercial Portugues S.A. and Credit Europe Bank N.V., which is an affiliate of Fiba Group, signed a share purchase agreement to transfer 95% of the Bank's shares to Credit Europe Bank N.V. and the legal approval process has been completed as of 27 December 2010. Credit Europe Bank N.V. is 100% owned by Credit Europe Group N.V. which is a banking group incorporated in Netherlands and an affiliate of Fiba Holding A.Ş.

Credit Europe Bank N.V.'s share of capital increased from 95% to 97.6% after the capital increases during 2011 and 2012. Fiba Holding A.Ş. became the ultimate parent of the Bank after acquiring 97.6% of the shares from Credit Europe Bank N.V. on 3 December 2012 and 2.4% of the shares from Banco Comercial Portugues S.A. on 7 December 2012. There were sales of equity shares to the management of the Bank in 2013. Total share of the management is 1.4%.

As of 31 March 2015, the Bank's paid in capital is TL 550,000. The Bank's paid in capital which was TL 426,650 as of 31 March 2013 was decided to be increased to TL 550,000 on Board of Directors minutes held on 25 February 2013; increase of TL 17,416 is provided by inflation adjustment to share capital, TL 9,502 is provided by profit on disposal of immovable, and TL 96,432 is paid by Fiba Holding A.Ş. in cash; legal applications have been made for the total increase of TL 123,350 of paid in capital. As of 29 May 2013, legal procedure has been finalized and capital increase recorded in financial statements.

The Bank, applied to the BRSA on January 14, 2015 for permission of the subordinated loan provided from Fiba Holding A.Ş. in the amount of USD 50 million to be converted to share capital. Following the authorization of the BRSA on March 4, 2015, the Board of Directors decision was taken on March 5, 2015 regarding share capital increase to TL 678,859,577.64 (exact amount). 127,045,000 TL (exact amount) of total capital increase is provided by Fiba Holding A.Ş. loan permitted to be converted to capital, 1,814,577.64 TL (exact amount) is provided through cash from other shareholders. Total capital increase of TL 128,859,577.64 is classified under "sundry creditors" on balance sheet liabilities as of March 31, 2015, and will be transferred to share capital following the completion of the legal procedures.

FİBABANKA A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY-31 MARCH 2015

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

III. Explanations Regarding the Shares of the Parent Bank Owned by and Areas of Responsibility of the Chairman and the Members of Board of Directors, Audit Committee Members, Chief Executive Officer, Executive Vice Presidents

<u>Name Surname</u>	<u>Title</u>	<u>Date</u>
Board of Directors		
Hüsnü Mustafa Özyeğin	Chairman	27 December 2010
Fevzi Bozer	Deputy Chairman	27 December 2010
M. Erhan Polat	Member	27 December 2010
Mehmet Güleşçi	Member	27 December 2010
Mevlüt Hamdi Aydın	Member	24 January 2013
İsmet Kaya Erdem	Member	11 February 2013
Bekir Dildar*	Member-General Manager	27 December 2010
Audit Committee		
Fevzi Bozer	Member	27 December 2010
Mevlüt Hamdi Aydın	Member	24 January 2013
Assistant General Managers		
Elif Alsev Utku Özbey	AGM-Financial Control & Reporting	7 January 2011
Adem Aykın	AGM-Information Technologies, Organizations and Projects	1 July 2011
Esra Osmanağaoğlu	AGM-Banking Operations	29 February 2012
Emre Ergun	AGM-Retail Banking	2 May 2013
Cengiz Sinanoğlu	Coordinator – Retail Credits	7 February 2013
Kerim Lokman Kuriş	Coordinator – Corporate & Commercial Banking	1 May 2014
Turgay Hasdiker	Coordinator - Corporate & Commercial Credits	13 March 2014
Ahu Dolu	Coordinator – Financial Institutions	12 August 2013
Ömer Rıfat Gencal	Coordinator – Treasury	2 February 2015

* Bekir Dildar was appointed as the General Manager on 7 January 2011.

The Bank's equity shares owned by the individuals listed above are not material.

FİBABANKA A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY-31 MARCH 2015

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

IV. Individuals and Institutions That Have Qualified Shares in the Parent Bank

54,225,499,787 shares of 55,000,000,000 total shares are owned by Fiba Holding A.Ş., 774,500,213 shares are owned by other shareholders.

Name Surname/ Commercial Title	Share Amount (Nominal)	Share Ratios	Paid in Capital (Nominal)	Unpaid Shares
Fiba Holding A.Ş.	542,255	98.6%	542,255	--
Hüsnü Mustafa Özyeğin	502,500	91.4%	502,500	--

V. Summary Information on the Parent Bank's Services and Activity Areas

The Bank was incorporated as a privately owned bank authorized for customer deposit acceptance and the Head Office of the Bank is located in Istanbul, Turkey. As of 31 March 2015, the Bank serves with 68 domestic branches and 1,226 employees.

VI. Other Information

The Bank's Commercial Title:	Fibabanka Anonim Şirketi
The Bank's Head Office Address:	Emirhan Cad. Barbaros Plaza İş Merkezi No:113 Dikilitaş/Beşiktaş 34349 İstanbul
The Bank's Phone and Fax Numbers:	Telephone : (0212) 381 82 00 Fax : (0212) 258 37 78
The Bank's Web Site Address:	www.fibabanka.com.tr
The Bank's E-Mail Address:	malikontrol@fibabanka.com.tr
Reporting Period:	1 January 2014 – 31 March 2015

The financial statements, related disclosures and notes in this report are prepared, unless otherwise stated, in thousands of Turkish Lira (TL).

VII. Information on application differences between consolidation practices as per the Regulation on Preparation of Consolidated Financial Statements of Banks and as per the Turkish Accounting Standards, and entities subject to full or proportional consolidation or deducted from equity or not subject to any of these three methods

As per the Regulation on Preparation of Consolidated Financial Statements of Banks, the investments in financial subsidiaries are subject to consolidation whereas as per the Turkish Accounting Standards, the investments in both financial and non-financial subsidiaries are subject to consolidation. There are no investments in entities subject to proportional consolidation or to deduction from equity.

VIII. Current or likely actual or legal barriers to immediate transfer of equity or repayment of debts between parent bank and its subsidiaries

None.

SECTION TWO
CONSOLIDATED FINANCIAL STATEMENTS

FİBABANKA A.Ş.
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF 31 MARCH 2015

(Amount expressed in thousands of Turkish Lira)

ASSETS	Note	CURRENT PERIOD (31/03/2015)			PRIOR PERIOD (31/12/2014)		
		TL	FC	Total	TL	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK	(5.1.1)	78,280	1,034,800	1,113,080	75,863	947,246	1,023,109
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (Net)	(5.1.2)	57,758	8,897	66,655	26,752	5,888	32,640
2.1 Financial Assets Held for Trading		57,758	8,897	66,655	26,752	5,888	32,640
2.1.1 Government Debt Securities		15,540	3,442	18,982	16,072	3,499	19,571
2.1.2 Share Certificates		-	-	-	-	-	-
2.1.3 Derivative Financial Assets Held for Trading		42,218	5,100	47,318	10,680	2,111	12,791
2.1.4 Other Marketable Securities		-	355	355	-	278	278
2.2 Financial Assets Classified at Fair Value Through Profit and Loss		-	-	-	-	-	-
2.2.1 Government Securities		-	-	-	-	-	-
2.2.2 Share Certificates		-	-	-	-	-	-
2.2.3 Loans		-	-	-	-	-	-
2.2.4 Other Securities		-	-	-	-	-	-
III. BANKS	(5.1.3)	260,640	55,136	315,776	225,488	37,391	262,879
IV. MONEY MARKET PLACEMENTS		-	101,800	101,800	-	23,189	23,189
4.1 Interbank Money Market Placements		-	-	-	-	-	-
4.2 Istanbul Stock Exchange Money Market Placements		-	101,800	101,800	-	23,189	23,189
4.3 Receivables from Reverse Repurchase Agreements		-	-	-	-	-	-
V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(5.1.4)	58,861	426,862	485,723	18,070	363,839	381,909
5.1 Share Certificates		-	-	-	-	-	-
5.2 Government Securities		58,856	365	59,221	18,070	-	18,070
5.3 Other Marketable Securities		5	426,497	426,502	-	363,839	363,839
VI. LOANS	(5.1.5)	4,515,088	2,074,576	6,589,664	4,142,840	2,046,794	6,189,634
6.1 Loans		4,451,175	2,074,576	6,525,751	4,070,172	2,046,794	6,116,966
6.1.1 Loans to the Bank's Risk Group		-	-	-	188	-	188
6.1.2 Government Securities		-	-	-	-	-	-
6.1.3 Others		4,451,175	2,074,576	6,525,751	4,069,984	2,046,794	6,116,778
6.2 Non-Performing Loans		134,007	-	134,007	128,725	-	128,725
6.3 Specific Provisions (-)		70,094	-	70,094	56,057	-	56,057
VII. FACTORING RECEIVABLES		-	-	-	-	-	-
VIII. INVESTMENTS HELD TO MATURITY (Net)	(5.1.6)	-	-	-	-	-	-
8.1 Government Debt Securities		-	-	-	-	-	-
8.2 Other Marketable Securities		-	-	-	-	-	-
IX. INVESTMENTS IN ASSOCIATES (Net)	(5.1.7)	-	-	-	-	-	-
9.1 Associates Accounted for Using the Equity Method		-	-	-	-	-	-
9.2 Unconsolidated Associates		-	-	-	-	-	-
9.2.1 Financial Associates		-	-	-	-	-	-
9.2.2 Non-Financial Associates		-	-	-	-	-	-
X. INVESTMENTS IN SUBSIDIARIES (Net)	(5.1.8)	-	-	-	-	-	-
10.1 Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
10.2 Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
XI. JOINTLY CONTROLLED ENTITIES (JOINT VENTURES) (Net)	(5.1.9)	-	-	-	-	-	-
11.1 Jointly Controlled Entities Accounted for Using the Equity Method		-	-	-	-	-	-
11.2 Unconsolidated Jointly Controlled Entities		-	-	-	-	-	-
11.2.1 Jointly Controlled Financial Entities		-	-	-	-	-	-
11.2.2 Jointly Controlled Non-Financial Entities		-	-	-	-	-	-
XII. LEASE RECEIVABLES	(5.1.10)	-	-	-	-	-	-
12.1 Finance Lease Receivables		-	-	-	-	-	-
12.2 Operating Lease Receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned Income (-)		-	-	-	-	-	-
XIII. DERIVATIVE FINANCIAL ASSETS FOR HEDGING PURPOSES	(5.1.11)	-	-	-	-	-	-
13.1 Fair Value Hedge		-	-	-	-	-	-
13.2 Cash Flow Hedge		-	-	-	-	-	-
13.3 Net Foreign Investment Hedge		-	-	-	-	-	-
XIV. TANGIBLE ASSETS (Net)	(5.1.12)	200,319	-	200,319	31,494	-	31,494
XV. INTANGIBLE ASSETS (Net)	(5.1.13)	4,590	-	4,590	5,336	-	5,336
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		4,590	-	4,590	5,336	-	5,336
XVI. INVESTMENT PROPERTY (Net)	(5.1.14)	-	-	-	-	-	-
XVII. TAX ASSETS		118	-	118	2,338	-	2,338
17.1 Current Tax Asset		118	-	118	102	-	102
17.2 Deferred Tax Asset	(5.1.15)	-	-	-	2,236	-	2,236
XVIII. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(5.1.16)	662	-	662	919	-	919
18.1 Held for Sale		662	-	662	919	-	919
18.2 Discontinued Operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(5.1.17)	63,183	8,829	72,012	58,831	24,442	83,273
TOTAL ASSETS		5,239,499	3,710,900	8,950,399	4,587,931	3,448,789	8,036,720

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

FİBANKA A.Ş.								
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)								
AS OF 31 MARCH 2015								
(Amount expressed in thousands of Turkish Lira)								
LIABILITIES	Note	CURRENT PERIOD (31/03/2015)			PRIOR PERIOD (31/12/2014)			
		TL	FC	Total	TL	FC	Total	
I. DEPOSITS	(5.II.1)	2.706.816	2.931.286	5.638.102	2.755.788	2.485.577	5.241.365	
1.1 Deposits from the Bank's Risk Group		132.809	57.571	190.380	164.225	28.171	192.396	
1.2 Other		2.574.007	2.873.715	5.447.722	2.591.563	2.457.406	5.048.969	
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(5.II.2)	33.760	5.101	38.861	9.599	2.113	11.712	
III. FUNDS BORROWED	(5.II.3)	21.374	1.065.116	1.086.490	22.216	824.133	846.349	
IV. MONEY MARKET FUNDS		53.208	353.835	407.043	19.320	306.657	325.977	
4.1 Interbank Money Market Funds		-	-	-	-	-	-	
4.2 Istanbul Stock Exchange Money Market Funds		-	-	-	-	-	-	
4.3 Funds Provided Under Repurchase Agreements		53.208	353.835	407.043	19.320	306.657	325.977	
V. MARKETABLE SECURITIES ISSUED (Net)	(5.II.4)	554.598	-	554.598	472.935	-	472.935	
5.1 Bills		483.045	-	483.045	315.810	-	315.810	
5.2 Asset-backed Securities		-	-	-	-	-	-	
5.3 Bonds		71.553	-	71.553	157.125	-	157.125	
VI. FUNDS		-	-	-	-	-	-	
6.1 Borrower Funds		-	-	-	-	-	-	
6.2 Other		-	-	-	-	-	-	
VII. SUNDRY CREDITORS	(5.II.5)	195.615	17.489	213.104	52.734	8.516	61.250	
VIII. OTHER LIABILITIES	(5.II.5)	106.005	9.335	115.340	95.984	5.424	101.408	
IX. FACTORING PAYABLES		-	-	-	-	-	-	
X. LEASE PAYABLES (Net)	(5.II.6)	-	217	217	-	211	211	
10.1 Finance Lease Payables		-	238	238	-	233	233	
10.2 Operating Lease Payables		-	-	-	-	-	-	
10.3 Other		-	-	-	-	-	-	
10.4 Deferred Finance Lease Expenses (-)		-	21	21	-	22	22	
XI. DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING PURPOSES	(5.II.7)	-	-	-	-	-	-	
11.1 Fair Value Hedge		-	-	-	-	-	-	
11.2 Cash Flow Hedge		-	-	-	-	-	-	
11.3 Net Foreign Investment Hedge		-	-	-	-	-	-	
XII. PROVISIONS	(5.II.8)	85.636	-	85.636	77.412	-	77.412	
12.1 General Loan Loss Provision		65.701	-	65.701	60.513	-	60.513	
12.2 Provision for Restructuring		-	-	-	-	-	-	
12.3 Reserves for Employee Benefits		13.322	-	13.322	11.752	-	11.752	
12.4 Insurance Technical Reserves (Net)		-	-	-	-	-	-	
12.5 Other Provisions		6.613	-	6.613	5.147	-	5.147	
XIII. TAX LIABILITY	(5.II.9)	16.996	-	16.996	20.399	-	20.399	
13.1 Current Tax Liability		16.695	-	16.695	20.399	-	20.399	
13.2 Deferred Tax Liability		301	-	301	-	-	-	
XIV. PAYABLES RELATED TO ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS	(5.II.10)	-	-	-	-	-	-	
14.1 Held for Sale		-	-	-	-	-	-	
14.2 Discontinued Operations		-	-	-	-	-	-	
XV. SUBORDINATED LOANS	(5.II.11)	-	190.108	190.108	-	291.574	291.574	
XVI. SHAREHOLDERS' EQUITY	(5.II.12)	614.587	(10.683)	603.904	594.376	(8.248)	586.128	
16.1 Paid-in Capital		550.000	-	550.000	550.000	-	550.000	
16.2 Capital Reserves		(2.902)	(10.683)	(13.585)	(2.289)	(8.248)	(10.537)	
16.2.1 Share premium		-	-	-	-	-	-	
16.2.2 Share Cancellation Profits		-	-	-	-	-	-	
16.2.3 Marketable Securities Revaluation Reserve		(728)	(10.683)	(11.411)	(115)	(8.248)	(8.363)	
16.2.4 Tangible Assets Revaluation Reserve		-	-	-	-	-	-	
16.2.5 Intangible Assets Revaluation Reserve		-	-	-	-	-	-	
16.2.6 Investment Property Revaluation Reserve		-	-	-	-	-	-	
16.2.7 Bonus Shares Obtained from Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-	-	-	-	-	
16.2.8 Hedge Funds (Effective Portion)		-	-	-	-	-	-	
16.2.9 Accumulated Revaluation Reserves on Assets Held for Sale and Discontinued Operations		-	-	-	-	-	-	
16.2.10 Other Capital Reserves		(2.174)	-	(2.174)	(2.174)	-	(2.174)	
16.3 Profit Reserves		-	-	-	-	-	-	
16.3.1 Legal Reserves		-	-	-	-	-	-	
16.3.2 Statutory Reserves		-	-	-	-	-	-	
16.3.3 Extraordinary Reserves		-	-	-	-	-	-	
16.3.4 Other Profit Reserves		-	-	-	-	-	-	
16.4 Profit or Loss		67.436	-	67.436	46.612	-	46.612	
16.4.1 Prior Years' Profit/Loss		46.612	-	46.612	(27.527)	-	(27.527)	
16.4.2 Current Year Profit/Loss		20.824	-	20.824	74.139	-	74.139	
16.5 Minority Interest	(5.II.13)	53	-	53	53	-	53	
TOTAL LIABILITIES AND EQUITY		4.388.595	4.561.804	8.950.399	4.120.763	3.915.957	8.036.720	

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

FİBABANKA A.Ş.
**CONSOLIDATED OFF-BALANCE SHEET COMMITMENTS
AS OF 31 MARCH 2015**

(Amount expressed in thousands of Turkish Lira)

	Note	CURRENT PERIOD (31/03/2015)			PRIOR PERIOD (31/12/2014)		
		TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I-II+III)		3,044.165	5,386.512	8,430.677	1,367.607	3,132.471	4,500.078
I. GUARANTEES AND SURETYSHIPS	(5.III.1)	323.314	651.637	974.951	330.142	717.539	1,047.681
1.1. Letters of Guarantee		323.314	246.434	569.748	329.927	236.904	566.831
1.1.1. Guarantees Subject to State Tender Law		-	-	-	-	-	-
1.1.2. Guarantees Given for Foreign Trade Operations		-	-	-	-	-	-
1.1.3. Other Letters of Guarantee		323.314	246.434	569.748	329.927	236.904	566.831
1.2. Bank Loans		-	124.589	124.589	215	161.402	161.617
1.2.1. Import Letters of Acceptance		-	-	-	-	-	-
1.2.2. Other Bank Acceptances		-	124.589	124.589	215	161.402	161.617
1.3. Letters of Credit		-	280.614	280.614	-	319.233	319.233
1.3.1. Documentary Letters of Credit		-	-	-	-	-	-
1.3.2. Other Letters of Credit		-	280.614	280.614	-	319.233	319.233
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. Purchase Guarantees for Securities Issued		-	-	-	-	-	-
1.7. Factoring Guarantees		-	-	-	-	-	-
1.8. Other Guarantees		-	-	-	-	-	-
1.9. Other Suretyships		-	-	-	-	-	-
II. COMMITMENTS		785.125	724.716	1,509.841	409.273	323.241	732.514
2.1. Irrevocable Commitments	(5.III.1)	785.125	724.716	1,509.841	409.273	323.241	732.514
2.1.1. Forward Asset Purchase and Sales Commitments		523.556	724.716	1,248.272	168.630	323.241	491.871
2.1.2. Forward Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3. Share Capital Commitment to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4. Loan Granting Commitments		88.477	-	88.477	93.359	-	93.359
2.1.5. Securities Underwriting Commitments		-	-	-	-	-	-
2.1.6. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7. Payment Commitment for Checks		133.047	-	133.047	121.680	-	121.680
2.1.8. Tax and Fund Liabilities from Export Commitments		2.490	-	2.490	2.357	-	2.357
2.1.9. Commitments for Credit Card Expenditure Limits		34.117	-	34.117	20.444	-	20.444
2.1.10. Commitments for Promotions Related with Credit Cards and Banking Activities		1	-	1	-	-	-
2.1.11. Receivables from Short Sale Commitments		-	-	-	-	-	-
2.1.12. Payables for Short Sale Commitments		-	-	-	-	-	-
2.1.13. Other Irrevocable Commitments		3.437	-	3.437	2.803	-	2.803
2.2. Revocable Commitments		-	-	-	-	-	-
2.2.1. Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2. Other Revocable Commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS	(5.III.5)	1,935.726	4,010.159	5,945.885	628.192	2,091.691	2,719.883
3.1. Derivative Financial Instruments for Hedging Purposes		-	-	-	-	-	-
3.1.1. Fair Value Hedge		-	-	-	-	-	-
3.1.2. Cash Flow Hedge		-	-	-	-	-	-
3.1.3. Hedge of Net Investment in Foreign Operations		-	-	-	-	-	-
3.2. Held for Trading Transactions		1,935.726	4,010.159	5,945.885	628.192	2,091.691	2,719.883
3.2.1. Forward Foreign Currency Buy/Sell Transactions		65.341	164.331	229.672	26.593	167.277	193.870
3.2.1.1. Forward Foreign Currency Transactions-Buy		27.969	83.270	111.239	13.269	82.463	95.732
3.2.1.2. Forward Foreign Currency Transactions-Sell		37.372	81.061	118.433	13.324	84.814	98.138
3.2.2. Swap Transactions Related to F.C. and Interest Rates		1,286.697	2,957.922	4,244.619	182.598	1,198.868	1,381.466
3.2.2.1. Foreign Currency Swap-Buy		472.548	1,656.756	2,129.304	44.771	647.938	692.709
3.2.2.2. Foreign Currency Swap-Sell		814.149	1,301.166	2,115.315	137.827	550.930	688.757
3.2.2.3. Interest Rate Swaps-Buy		-	-	-	-	-	-
3.2.2.4. Interest Rate Swaps-Sell		-	-	-	-	-	-
3.2.3. Foreign Currency, Interest Rate and Securities Options		583.688	887.906	1,471.594	419.001	725.546	1,144.547
3.2.3.1. Foreign Currency Options-Buy		134.058	604.065	738.123	115.694	448.009	563.703
3.2.3.2. Foreign Currency Options-Sell		449.630	283.841	733.471	303.307	277.537	580.844
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 ITEMS (IV+V+VI)		46,648.965	25,517.632	72,166.597	44,324.399	23,058.109	67,382.508
IV. ITEMS HELD IN CUSTODY		277.385	156.111	433.496	290.576	193.439	484.015
4.1. Assets under Management		116.037	-	116.037	109.121	-	109.121
4.2. Investment Securities Held in Custody		24.802	47.362	72.164	34.355	43.824	78.179
4.3. Checks Received for Collection		66.989	106.946	173.935	74.771	148.225	222.996
4.4. Commercial Notes Received for Collection		69.557	1.803	71.360	72.329	1.390	73.719
4.5. Other Assets Received for Collection		-	-	-	-	-	-
4.6. Assets Received for Public Offering		-	-	-	-	-	-
4.7. Other Items under Custody		-	-	-	-	-	-
4.8. Custodians		-	-	-	-	-	-
V. PLEDGED ITEMS		46,371.580	25,361.521	71,733.101	44,033.823	22,864.670	66,898.493
5.1. Marketable Securities		49.625	4.461	54.086	44.140	4.422	48.562
5.2. Guarantee Notes		206.550	21.177	227.727	301.859	47.744	349.603
5.3. Commodity		11.808	-	11.808	19.633	-	19.633
5.4. Warranty		-	-	-	-	-	-
5.5. Properties		4,414.151	3,902.645	8,316.796	4,164.382	3,845.047	8,009.429
5.6. Other Pledged Items		41,689.446	21,433.238	63,122.684	39,503.809	18,967.457	58,471.266
5.7. Pledged Items-Depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)		49,693.130	30,904.144	80,597.274	45,692.006	26,190.580	71,882.586

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

FİBABANKA A.Ş.
CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD 1 JANUARY - 31 MARCH 2015
(Amount expressed in thousands of Turkish Lira)

INCOME STATEMENT		Note	CURRENT PERIOD (01/01/2015- 31/03/2015)	PRIOR PERIOD (01/01/2014- 31/03/2014)
I.	INTEREST INCOME	(5.IV.1)	193,468	157,321
1.1	Interest Income on Loans		183,420	151,399
1.2	Interest Received from Statutory Reserves		200	-
1.3	Interest Received from Banks		4,279	2,085
1.4	Interest Received from Money Market Placements		75	258
1.5	Interest Received from Marketable Securities Portfolio		5,454	3,569
1.5.1	Financial Assets Held for Trading		269	221
1.5.2	Financial Assets at Fair Value Through Profit and Loss		-	-
1.5.3	Financial Assets Available for Sale		5,185	3,348
1.5.4	Investments Held to Maturity		-	-
1.6	Finance Lease Income		-	-
1.7	Other Interest Income		40	10
II.	INTEREST EXPENSE		102,201	91,488
2.1	Interest on Deposits	(5.IV.2)	78,696	74,216
2.2	Interest on Funds Borrowed	(5.IV.2)	9,748	8,266
2.3	Interest on Money Market Funds		-	-
2.4	Interest on Securities Issued	(5.IV.2)	12,510	8,158
2.5	Other Interest Expense		1,247	848
III.	NET INTEREST INCOME/EXPENSE (I - II)		91,267	65,833
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSE		6,873	3,717
4.1	Fees and Commissions Received		10,995	5,934
4.1.1	Non-cash Loans		3,328	1,803
4.1.2	Other	(5.IV.12)	7,667	4,131
4.2	Fees and Commissions Paid		4,122	2,217
4.2.1	Non-cash Loans		24	9
4.2.2	Other	(5.IV.12)	4,098	2,208
V.	DIVIDEND INCOME	(5.IV.3)	-	-
VI.	TRADING INCOME / LOSS (Net)	(5.IV.4)	(4,970)	11,248
6.1	Gains/Losses on Securities Trading		(302)	290
6.2	Derivative Financial Transactions Gains/Losses		(9,790)	16,568
6.3	Foreign Exchange Gains/Losses		5,122	(5,610)
VII.	OTHER OPERATING INCOME	(5.IV.5)	10,929	1,896
VIII.	TOTAL OPERATING INCOME/EXPENSE (III+IV+V+VI+VII)		104,099	82,694
IX.	PROVISION FOR LOSSES ON LOANS AND OTHER RECEIVABLES (-)	(5.IV.6)	21,421	9,235
X.	OTHER OPERATING EXPENSES (-)	(5.IV.7)	56,168	48,153
XI.	NET OPERATING INCOME / LOSS (VIII-IX-X)		26,510	25,306
XII.	AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER		-	-
XIII.	PROFIT/LOSS FROM ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD		-	-
XIV.	NET MONETARY POSITION GAIN/LOSS		-	-
XV.	PROFIT/LOSS ON CONTINUING OPERATIONS BEFORE TAX (XI+...+XIV)	(5.IV.8)	26,510	25,306
XVI.	TAX PROVISION FOR CONTINUING OPERATIONS (±)	(5.IV.9)	(5,686)	(5,543)
16.1	Current Tax Charge		(2,386)	-
16.2	Deferred Tax Charge /(Benefit)		(3,300)	(5,543)
XVII.	NET PERIOD PROFIT/LOSS FROM CONTINUING OPERATIONS (XV±XVI)	(5.IV.10)	20,824	19,763
XVIII.	INCOME ON DISCONTINUED OPERATIONS		-	-
18.1	Income on Assets Held for Sale		-	-
18.2	Gain on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-
18.3	Other Income on Discontinued Operations		-	-
XIX.	EXPENSE ON DISCONTINUED OPERATIONS (-)		-	-
19.1	Expense on Assets Held for Sale		-	-
19.2	Loss on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-
19.3	Other Expense on Discontinued Operations		-	-
XX.	PROFIT/LOSS ON DISCONTINUED OPERATIONS BEFORE TAX (XVIII-XIX)		-	-
XXI.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
21.1	Current Tax Charge		-	-
21.2	Deferred Tax Charge /(Benefit)		-	-
XXII.	NET PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)		-	-
XXIII.	NET PERIOD PROFIT/LOSS (XVII+XXII)	(5.IV.11)	20,824	19,763
23.1	Group's Profit/Loss		20,824	19,764
23.2	Minority Interest Profit/Loss		-	(1)
	Earnings per Share		0,00038	0,00036

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

FİBABANKA A.Ş.

**CONSOLIDATED STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY
FOR THE PERIOD 1 JANUARY - 31 MARCH 2015**

(Amount expressed in thousands of Turkish Lira)

	CURRENT PERIOD (01/01/2015-31/03/2015)	PRIOR PERIOD (01/01/2014-31/03/2014)
STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER EQUITY		
I. ADDITIONS TO MARKETABLE SECURITIES REVALUATION RESERVES FROM FINANCIAL ASSETS AVAILABLE FOR SALE	(3,807)	10,856
II. TANGIBLE ASSETS REVALUATION RESERVES	-	-
III. INTANGIBLE ASSETS REVALUATION RESERVES	-	-
IV. TRANSLATION ADJUSTMENT FOR FOREIGN CURRENCY TRANSACTIONS	-	-
V. PROFIT/LOSS ON CASH FLOW HEDGE DERIVATIVE FINANCIAL ASSETS (Effective Portion of the Changes in Fair Value)	-	-
VI. PROFIT/LOSS ON NET FOREIGN INVESTMENT HEDGE DERIVATIVE FINANCIAL ASSETS (Effective Portion of the Changes in Fair Value)	-	-
VII. THE EFFECT OF CORRECTIONS OF THE ERRORS AND CHANGES IN THE ACCOUNTING POLICY	-	-
VIII. OTHER INCOME AND EXPENSES RECOGNISED IN EQUITY IN ACCORDANCE WITH TAS	-	-
IX. DEFERRED TAX EFFECT OF REVALUATION	762	(2,039)
X. NET INCOME/EXPENSE DIRECTLY RECOGNISED IN EQUITY (I+II+...+IX)	(3,045)	8,817
XI. PROFIT/LOSS FOR THE PERIOD	(3)	(662)
11.1 Net Changes in the Fair Values of Marketable Securities (Transfer to Profit/Loss)	(3)	(662)
11.2 The Portion of Cash-flow Hedge Derivative Financial Assets Reclassified in and Transferred to Income Statement	-	-
11.3 The Portion of Net Foreign Investment Hedge Derivative Financial Assets Reclassified in and Transferred to Income Statement	-	-
11.4 Other	-	-
XII. TOTAL PROFIT/LOSS RECOGNISED FOR THE PERIOD (X±XI)	(3,048)	8,155

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

FIRABANK A.Ş. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD 1 JANUARY - 31 MARCH 2015 (Amount expressed in thousands of Turkish Lira)																			
CHANGES IN SHAREHOLDERS' EQUITY	Note	Paid-in Capital	Paid-in Capital Inflation Adjustment	Share Premium	Share Cancellation Profits	Legal Reserves	Statutory Reserves	Extraordinary Reserves	Other Reserves	Current Period Profit/Loss	Prior Period Profit/Loss	Marketable Securities Revaluation Reserve	Tangible and Intangible Assets Revaluation Reserve	Bonus Shares from Equity Participation	Hedge Funds	Accumulated Rev. Reserve on Assets Held for Sale and Discontinued Oper.	Total Equity Excluding Minority Interest	Minority Interests	Total Equity
PRIOR PERIOD (01/01/2014 - 31/03/2014)																			
I. Beginning Balance		550,000	-	-	-	-	-	-	-	43,703	(72,576)	(24,057)	-	-	-	-	497,070	54	497,124
II. Corrections made according TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 The Effect of Correction of Errors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 The Effect of Changes in Account Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Balance (I-II)		550,000	-	-	-	-	-	-	-	43,703	(72,576)	(24,057)	-	-	-	-	497,070	54	497,124
Changes during the Period																			
IV. Increase/Decrease Due to Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Marketable Securities Revaluation Reserve		-	-	-	-	-	-	-	-	-	-	8,155	-	-	-	-	8,155	-	8,155
VI. Hedge Funds (Effective Portion)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1 Cash Flow Hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2 Net Foreign Investment Hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Tangible Assets Revaluation Reserve		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Intangible Assets Revaluation Reserve		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Bonus Shares from Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Foreign Exchange Differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. The Effect of Disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. The Effect of Reclassification of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. The Effect of Changes in the Equity of Subsidiaries on the Equity of the Bank		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Capital Increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1 Cash		-	-	-	-	-	-	-	-	19,764	-	-	-	-	-	-	19,764	-	19,763
14.2 Internal Sources		-	-	-	-	-	-	-	-	(43,703)	43,703	-	-	-	-	-	-	-	-
XV. Share Issue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Share Cancellation Profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Paid-in-Capital Inflation Adjustment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII. Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX. Net Profit/Loss for the Period		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XX. Profit Distribution		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.1 Dividend Paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.2 Transfer to Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.3 Other		-	-	-	-	-	-	-	-	(43,703)	43,703	-	-	-	-	-	-	-	-
Ending Balance (III+IV+V+.....+XVIII+XIX+XX)		550,000	-	-	-	-	-	-	-	19,764	(28,873)	(15,902)	-	-	-	-	524,989	53	525,042
CURRENT PERIOD (01/01/2015 - 31/03/2015)																			
I. Prior Period End Balance		550,000	-	-	-	-	-	-	(2,174)	74,139	(27,527)	(8,363)	-	-	-	-	586,075	53	586,128
Changes during the Period																			
II. Increase/Decrease Due to Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Marketable Securities Revaluation Reserve		-	-	-	-	-	-	-	-	-	-	(3,048)	-	-	-	-	(3,048)	-	(3,048)
IV. Hedge Funds (Effective Portion)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1 Cash Flow Hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2 Net Foreign Investment Hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Tangible Assets Revaluation Reserve		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Intangible Assets Revaluation Reserve		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Bonus Shares from Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Foreign Exchange Differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. The Effect of Disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. The Effect of Reclassification of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. The Effect of Changes in the Equity of Subsidiaries on the Equity of the Bank		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Capital Increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2 Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Share Issue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Share Cancellation Profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Paid-in-Capital Inflation Adjustment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Net Profit/Loss for the Period		-	-	-	-	-	-	-	-	20,824	-	-	-	-	-	-	20,824	-	20,824
XVIII. Profit Distribution		-	-	-	-	-	-	-	-	(74,139)	74,139	-	-	-	-	-	-	-	-
18.1 Dividend Paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2 Transfer to Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.3 Other		-	-	-	-	-	-	-	-	(74,139)	74,139	-	-	-	-	-	-	-	-
Ending Balance (I+II+III+....+XVI+XVII+XVIII)		550,000	-	-	-	-	-	-	(2,174)	20,824	46,612	(11,411)	-	-	-	-	603,851	53	603,904

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

FİBABANKA A.Ş.
CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 1 JANUARY - 31 MARCH 2015
(Amount expressed in thousands of Turkish Lira)

	Note	CURRENT PERIOD (01/01/2015- 31/03/2015)	PRIOR PERIOD (01/01/2014- 31/03/2014)
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating Profit / Loss before Changes in Operating Assets and Liabilities		64.752	57.864
1.1.1 Interest Received (+)		169.685	154.198
1.1.2 Interest Paid (-)		94.732	80.092
1.1.3 Dividend Received (+)		-	-
1.1.4 Fees and Commissions Received (+)		9.930	6.404
1.1.5 Other Income (+)		7.265	18.100
1.1.6 Collections from Previously Written Off Loans (+)		256	126
1.1.7 Cash Payments to Personnel and Service Suppliers (-)		42.754	32.946
1.1.8 Taxes Paid (-)		4.092	1.954
1.1.9 Other (+/-)		19.194	(5.972)
1.2 Changes in Banking Operations Assets and Liabilities		177.551	(142.296)
1.2.1 Net (Increase) Decrease in Financial Assets Held for Trading (+/-)		(43.011)	294
1.2.2 Net(Increase) Decrease in Financial Assets at Fair Value through Profit or Loss (+/-)		-	-
1.2.3 Net (Increase) Decrease in Due From Banks (+/-)		254.982	244.249
1.2.4 Net (Increase) Decrease in Loans (+/-)		(448.089)	(172.093)
1.2.5 Net (Increase) Decrease in Other Assets (+/-)		9.493	(6.237)
1.2.6 Net Increase (Decrease) in Bank Deposits (+/-)		86	19.896
1.2.7 Net Increase (Decrease) in Other Deposits (+/-)		388.973	(132.787)
1.2.8 Net Increase (Decrease) in Borrower Funds (+/-)		237.982	95.640
1.2.9 Net Increase (Decrease) in Matured Payables (+/-)		-	-
1.2.10 Net Increase (Decrease) in Other Liabilities (+/-)		(222.865)	(191.258)
I Net Cash Flow Provided from Banking Operations (+/-)		242.303	(84.432)
B. CASH FLOW FROM INVESTING ACTIVITIES			
II Net Cash Flow Provided from Investment Activities (+/-)		(271.739)	9.009
2.1 Cash Paid for Purchase of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures) (-)		-	-
2.2 Cash Obtained from Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures) (+)		-	-
2.3 Tangible Asset Purchases (-)		171.182	296
2.4 Tangible Asset Sales (+)		4.614	53
2.5 Cash Paid for Purchase of Financial Assets Available for Sale (-)		105.127	7.940
2.6 Cash Obtained from Sales of Financial Assets Available for Sale (+)		156	17.771
2.7 Cash Paid for Purchase of Investment Securities (-)		-	-
2.8 Cash Obtained from Sales of Investment Securities (+)		-	-
2.9 Other (+/-)		(200)	(579)
C. CASH FLOWS FROM FINANCIAL ACTIVITIES			
III Net Cash Provided from Financing Activities (+/-)		84.032	107.262
3.1 Cash Obtained from Funds Borrowed and Securities Issued (+)		293.492	212.515
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued (-)		209.460	105.253
3.3 Share Certificates Issued (+)		-	-
3.4 Dividends Paid (-)		-	-
3.5 Payments for Finance Leases (-)		-	-
3.6 Other (+/-)		-	-
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents (+/-)		14.822	6.971
V. Net Increase in Cash and Cash Equivalents (I+II+III+IV)		69.418	38.810
VI. Cash and Cash Equivalents at the Beginning of the Period (+)		155.773	195.826
VII. Cash and Cash Equivalents at the End of the Period (V+VI)		225.191	234.636

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

FİBABANKA A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
1 JANUARY-31 MARCH 2015

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

SECTION THREE

ACCOUNTING PRINCIPLES

I. Explanations on the basis of presentation

1. Preparation of the financial statements and the accompanying footnotes in accordance with Turkish Accounting Standards and the Communiqué on Principles and Procedures on the Accounting Practice and Documentation of Banks

As per the Article 37 of “Accounting and Recording Rules” of the Turkish Banking Law No. 5411 published on the Official Gazette no.25983 dated 1 November 2005 and became effective, the Bank keeps its accounting records and prepares its consolidated financial statements and the related footnotes in accordance with accounting and valuation standards described in “Regulation on Accounting Applications for Banks and Safeguarding of Documents” published by the Banking Regulatory and Supervisory Agency (“BRSA”) and in effect since 1 November 2006, and Turkish Accounting Standards (“TAS”), Turkish Financial Reporting Standards (“TFRS”) and the related statements and guidance announced by the Public Oversight, Accounting and Auditing Standards Authority (“KGK”).

The consolidated financial statements are prepared in thousands of TL based on the historical cost convention, except for the financial assets and liabilities carried at fair value.

2. Accounting policies and valuation principles applied in preparation of consolidated financial statements

The accounting policies and valuation principles used in the preparation of the consolidated financial statements are selected and applied in accordance with the requirements set out in TAS, TFRS, the Communiqué “Principles and Procedures on the Accounting Procedures and Retention of Banking Documentation” published in the Official Gazette numbered 26333 on 1 November 2006, the Communiqué “Publicly Disclosed Financial Statements and the Accompanying Explanations and Footnotes by Banks” published in the Official Gazette numbered 28337 on 28 June 2012. The accounting policies and valuation principles applied in the preparation of the accompanying financial statements are explained in Notes II and XXIV below.

II. Explanations on the usage strategy of financial instruments and on foreign currency transactions

1. Usage strategy of the financial instruments

The major factor in managing interest rate and liquidity risk at the balance sheet is parallel movement of asset and liability side.

Exchange rate risk, interest rate risk and liquidity risk are controlled and measured by various risk management systems, and the balance sheet is managed under the limits set by these systems and the limits legally required. Value at risk models are used for this purpose.

Purchase-sale transactions of short and long-term financial instruments are realized within pre-determined risk limits that are allowed for the purpose of increasing risk-free return on capital.

The foreign currency position is controlled by the equilibrium of a currency basket to eliminate the foreign exchange risk.

FİBABANKA A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
1 JANUARY-31 MARCH 2015

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

2. Foreign currency transactions

2.1 Foreign currency exchange rates used in converting transactions denominated in foreign currencies and their presentation in the financial statements

The Group recognizes the foreign currency transactions in accordance with TAS 21 “The Effects of Changes in Foreign Exchange Rates”. Foreign exchange gains and losses arising from the foreign currency transactions as of 31 March 2015 are translated into Turkish Lira by using the exchange rates at the date of the transaction and recognized in accounting records. At the end of the periods, foreign currency assets and liabilities are converted into Turkish Lira by using the spot foreign currency exchange rates of the Bank at the end of the period and the related currency translation differences are recognized as foreign exchange gains and losses.

As at the end of the related periods foreign currency exchange rates are as follows:

	31 March 2015	31 December 2014
US Dollar	2.6102	2.3189
Euro	2.8309	2.8207

2.2 Foreign exchange gains and losses included in the income statement

As of 31 March 2015, net foreign exchange profit included in the income statement amounts is TL 5,122 (1 January – 31 March 2014: TL 5,610 loss).

III. Explanations on subsidiary

Fiba Portföy Yönetimi A.Ş. (“Fiba Portföy”); the subsidiary of the Bank established in November 2013; was consolidated by using full consolidation method in the consolidated financial statements dated 31 March 2015. Fibabanka A.Ş. and Fiba Portföy Yönetimi A.Ş. together are referred to as “the Group” in the report.

Capital Markets Board (“CMB”) approved Fiba Portföy’s licence application for portfolio management activity and the licence numbered PYŞ. PY 56/1267 and dated 12 December 2013 was assigned to Fiba Portföy.

The objective of Fiba Portföy is to manage portfolios consisting of financial assets as a representative by entering into portfolio management contracts in accordance with CMB laws and relevant regulations and also to perform capital markets operations. Besides, Fiba Portföy can manage the portfolios of local and foreign investment funds, investment trusts, local/foreign real persons, brokerage companies and other similar legal entities within the context of the related regulation as portfolio management activities. On the condition that, the requirements of the Capital Markets regulations are fulfilled and necessary approvals and licences from the Capital Markets Board are obtained; Fiba Portföy can also perform investment advisory services, market consultancy in Borsa İstanbul A.Ş. Emerging Companies Market, and intermediary services for the trading of investment fund certificates. The Bank owns 99% of the equity of Fiba Portföy whose headquarters is located in Istanbul.

According to full consolidation method, the subsidiary’s 100% of assets, liabilities, revenues, expenditures and off-balance sheet liabilities were combined with the Parent Bank’s assets, liabilities, revenues, expenditures and off-balance sheet liabilities. Book value of the investment in the Group’s subsidiary and the portion of the cost of subsidiary’s capital belonging to the Group are eliminated. All intragroup balances and income and expenses relating to transactions between the Bank and its subsidiary are eliminated in full on consolidation. Minority shares in the net income of consolidated subsidiary determined the net income of the Group and were demonstrated as a separate item in the income statement. Minority shares were presented under equity in the consolidated financial statement.

FİBABANKA A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
1 JANUARY-31 MARCH 2015

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

IV. Explanations on forward transactions, options and derivative instruments

The Parent Bank's derivative transactions mainly consist of foreign currency swaps, foreign currency options and forward foreign currency purchase/sale contracts. The Parent Bank does not have any embedded derivatives separated from the host contract.

In accordance with TAS 39 "Financial Instruments: Recognition and Measurement", forward foreign currency purchase/sale contracts, swaps and options are classified as "hedging purpose" and "trading purpose" transactions. Derivatives are initially recognized at cost including the transaction costs. Also, the assets and liabilities arising from the derivative transactions are recorded as off-balance sheet items at their contractual notional amounts. The derivative transactions held for trading are valued at fair-value using market prices or pricing models subsequent to initial recognition and are presented in "derivative financial assets held for trading" or "derivative financial liabilities held for trading" items of the balance sheet depending on the difference's being positive or negative. The derivative transactions held for hedging are valued at fair value using market prices or pricing models subsequent to initial recognition and are presented in "derivative financial assets held for hedging purpose" or "derivative financial liabilities held for hedging" items of the balance sheet depending on the difference's being positive or negative. Gains and losses arising from a change in the fair value are recognized in the income statement.

V. Explanations on interest income and expenses

Interest income and expenses calculated using internal rate of return are recognized on accrual basis. In accordance with Banking Act No: 5411 Articles 53 and 93, based on the prevailing communique, interest accruals on loans becoming non-performing are reversed and also ceased to accrue interest on such loans until these loans are classified as performing or collected.

VI. Explanations on fee and commission income and expenses

Fee and commission income / expenses are recognized based on cash basis or accrual basis upon the nature of the transaction.

VII. Explanations on financial assets

Financial assets include cash on hand, contractual rights to receive cash or another financial asset from the counterparty or the right to exchange of financial instruments or equity instrument transactions of the counterparty. Financial assets are classified into four groups as financial assets at fair value through profit or loss, held to maturity investments, loans and receivables and available-for-sale financial assets.

1. Financial assets at fair value through profit or loss

1.1 *Financial assets held for trading*

Financial assets held for trading are recognized at their fair values and any gain or losses resulting from such valuation are recorded in the profit and loss accounts. Interests received during the holding period of such financial assets and the difference between the amortized cost (calculated using internal rate of return) and the acquisition cost are recognized as interest income in the income statement. Gains and losses on sale of held for trading financial assets before their maturity and the difference between market value and amortized cost (calculated using internal rate of return) of such financial assets are recognized in gains and losses on securities trading under income statement.

1.2 *Financial assets at fair value through profit or loss*

The Group does not have any financial assets designated as "financial assets at fair value through profit or loss".

FİBABANKA A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
1 JANUARY-31 MARCH 2015

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

2. Available for sale financial assets

Financial assets available-for-sale, are financial assets other than assets held for trading purposes, investments held-to-maturity and originated loans and receivables. Financial assets available-for-sale are measured at their fair values subsequently.

Interest income of the investments securities available-for-sale; based on the internal rate of return; are included in the income statement. Unrecognized gain/losses derived from the difference between their fair value and the discounted values are recorded in “Marketable Securities Revaluation Reserve” under the shareholders’ equity. In case of disposal, gains/losses recognized under equity are realized and recognized directly in the income statement.

Purchase and sale transactions of securities are accounted for on a settlement date basis.

3. Held to maturity investments

The Group does not have any held to maturity investments as of 31 March 2015.

4. Loans and receivables

Loans and receivables are financial assets, which are generated by providing funds, goods or services to the debtor.

Loans and receivables are financial assets with fixed or determinable repayment schedules and they are not traded in an active market.

Loans are initially measured at their acquisition cost and subsequently measured at amortized cost calculated using effective interest rate method in accordance with TAS 39 “Financial Instruments: Recognition and Measurement”. Duty charges, transaction fees and other expenses paid for the collaterals of the loans are considered as part of the transaction costs and charged to the customers.

VIII. Explanations on impairment of financial assets

Financial asset or groups of financial assets are reviewed by the Group at each balance sheet date to determine whether there is objective evidence of impairment. If any such indicator exists, the Group determines the amount of impairment.

Impairment loss incurs if, and only if, there is objective evidence that the reliably estimated future cash flows of financial asset or group of financial assets are adversely affected by an event(s) (“loss event(s)”) incurred subsequent to initial recognition.

The Group provides specific and general allowances for loan and other receivables classified in accordance with the Communiqué published on the Official Gazette No.2633 dated November 1, 2006. The allowances are recorded in the income statement of the related period.

IX. Explanations on offsetting financial instruments

If the fair values of equity shares held for trading and quoted at the stock exchanges are lower than their carrying values, allowance for impairment is recognized and the recognized impairment is offset with the related assets on the face of the balance sheet.

Specific allowances for non-performing loan and other receivables are provided in accordance with “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves”. Such allowances are offset with loans under follow-up on the asset side. Other financial assets and liabilities are offset when the Bank has a legally enforceable right to offset.

FİBABANKA A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
1 JANUARY-31 MARCH 2015

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

X. Explanations on sale and repurchase agreements and securities lending transactions

Securities subject to repo (repurchase agreements) are classified as “Financial assets at fair value through profit and loss”, “Financial assets available for sale” or “Investments held to maturity” according to their purposes to be held in the Group’s portfolio and evaluated within the principles of the relevant portfolio. Funds obtained from repurchase agreements are followed under the “Funds from repo transactions” account in liabilities, and interest expense accruals are calculated using the effective interest (internal rate of return) method on the difference between the sales and repurchase prices corresponding to the period designated by a repurchase agreement.

Reverse repo transactions are recorded under the “Receivables from reverse repurchase agreements” account.

XI. Explanations on noncurrent assets held for sale and discontinued operations and the related liabilities

A tangible asset (or a disposal group) classified as “asset held for sale” is measured at the lower of the carrying value or fair value less costs to sell. Assets held for sale are not depreciated and presented in the financial statements separately. An asset (or a disposal group) is regarded as “asset held for sale” only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. For a highly probable sale, there must be a valid plan prepared by the management for the sale of asset including identification of possible buyers and completion of sale process. Furthermore, the asset should be actively marketed at a price consistent with its fair value.

Events or circumstances may extend the period to complete the sale beyond one year. An extension of the period required to complete a sale does not preclude an asset (or disposal group) from being classified as held for sale if the delay is caused by events or circumstances beyond the entity's control and there is sufficient evidence that the entity remains committed to its plan to sell the asset (or disposal group).

A discontinued operation is a part of the Bank’s business classified as disposed or held-for-sale. The operating results of the discontinued operations are disclosed separately in the income statement.

XII. Explanations on goodwill and other intangible assets

As at the balance sheet date, there is no goodwill in the accompanying financial statements. The intangible assets of the Group consist of software, intangible rights and other intangible assets.

The costs of the intangible assets purchased before 1 January 2005 are recognized at their inflation adjusted costs as of 31 December 2004 and intangible assets purchased after 1 January 2005 are recognized at their acquisition cost less accumulated amortization and impairment, if any.

Estimated useful lives of the intangible assets are 3 to 10 years, and amortization rates are 10% to 33.3%.

If there is objective evidence of impairment, the asset’s recoverable amount is estimated in accordance with the Turkish Accounting Standard 36 (TAS 36) “Impairment of Assets” and if the recoverable amount is less than the carrying value of the related asset, an allowance for impairment is recognized.

FİBABANKA A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
1 JANUARY-31 MARCH 2015

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

XIII. Explanations on tangible assets

Tangible assets are measured at cost in accordance with the Turkish Accounting Standard 16 (TAS 16) "Tangible Assets".

The costs of the tangible assets purchased before 1 January 2005 are recognized at their inflation adjusted costs as of 31 December 2004 and tangible assets purchased after 1 January 2005 are recognized at their acquisition cost less accumulated depreciation and impairment, if any.

If there is objective evidence of impairment, the asset's recoverable amount is estimated in accordance with the Turkish Accounting Standard 36 (TAS 36) "Impairment of Assets" and if the recoverable amount is less than the carrying value of the related asset, an allowance for impairment is recognized.

Gains/losses from the sale of the tangible assets are calculated as the difference between the net book value and the net sales price.

Maintenance and repair costs incurred for tangible assets are recorded as expense.

There are no restrictions such as pledges, mortgages or any other restriction on tangible assets.

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

Depreciation rates and estimated useful lives used for the tangible assets are as follows:

Tangible Asset	Estimated useful lives (Years)	Depreciation Rate (%)
Safe boxes	2-50	2-50
Vehicles	5	20
Real estate	50	2
Other Tangible Assets	4-50	2-25

XIV. Explanations on leasing transactions

Duration of financial leasing contracts is maximum 4 years. Tangible assets obtained via financial leasing are classified as the Group's assets or liabilities resulting from financial leasing according to its nature. Assets obtained via financial leasing are depreciated in accordance with the principals for tangible assets. Rent payments for operating leases are recorded at equal amounts as expense during the payment period.

XV. Explanations on provisions and contingent liabilities

Provisions and contingent liabilities are accounted in accordance with TAS 37 "Provisions, Contingent Liabilities and Contingent Assets". In the financial statements, a provision is made if there is a present obligation that arises from past events as of the balance sheet date, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and if a reliable estimate can be made of the amount of the obligation. If the amount is not reliably estimated and there is no probability of cash outflow from the Bank to settle the liability, the related liability is considered as "contingent" and disclosed in the notes to the financial statements.

Provisions recognized during the period are recognized within "other operating expenses"; reversals of provisions recognized in the prior periods are recognized within "other operating income".

FİBABANKA A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
1 JANUARY-31 MARCH 2015

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

XVI. Explanations on contingent assets

The contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the Group. If an inflow of economic benefits has become probable, then the contingent asset is disclosed in the notes to the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements of the period in which the change occurs.

XVII. Explanations on liabilities for employee benefits

As per the existing labour laws and agreements in Turkey, entities are required to pay severance for the employees retired or fired. These payments are qualified as recognized retirement benefit plan according to revised TAS 19 Standard on the Benefits Provided to Employees. Severance payment liability recognized in the balance sheet is calculated according to the net present value of expected amount in the future arising from all employees' retirements and represented in financial statements. All the actuarial gains and losses as are accounted for as other comprehensive income.

The major assumptions used in the actuarial calculation are as follows:

- Calculation is based on discount rate is as 8.20%, inflation rate as 6.00% and real rate of rise in salary as 0.00%.
- As ceiling salary amount TL 3,438.22 (full basis TL) (in use as of 31 December 2014) is based on.
- Individuals' earliest retirement age is considered as retirement age.
- CSO 1980 mortality table is used for the death probabilities of male and female employees.

There is no employee foundation, fund or similar institutions.

FİBABANKA A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
1 JANUARY-31 MARCH 2015

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

XVIII. Explanations on taxation

1. Current Tax

Effective from 1 January 2006, statutory income is subject to corporate tax at 20%. This rate is applied to accounting income modified for certain exemptions (like dividend income) and deductions (like investment incentives), and additions for certain non-tax deductible expenses and allowances for tax purposes.

If there is no dividend distribution planned, no further tax charges are made. Dividends paid to the resident institutions and the institutions working through local offices or representatives are not subject to withholding tax. As per the decisions no.2009/14593 and no.2009/14594 of the Council of Ministers published in the Official Gazette no.27130 dated 3 February 2009, certain duty rates included in the articles no.15 and 30 of the new Corporate Tax Law no.5520 are revised. Accordingly, the withholding tax rate on the dividend payments other than the ones paid to the non-resident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions is 15%. In applying the withholding tax rates on dividend payments to the non-resident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

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

In accordance with the tax legislation, tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

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 returns are open 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.

2. Deferred tax

The Group calculates and recognizes tax for taxable temporary differences arising between the carrying values of assets and liabilities in the financial statements and their corresponding balances considered in the calculation of the tax base according to the Turkish Accounting Standard 12 (TAS 12) "Income Taxes".

As of 31 March 2015, TL 301 of deferred tax liabilities was recognized in the Group's financial statements. (31 December 2014: TL 2,236, deferred tax asset). The deferred tax asset is calculated as the net of taxable and deductible temporary differences.

Deferred tax benefit/ (charge) is recognized within "Deferred tax benefit/ (charge)" in the income statement. As of 31 March 2015, deferred tax charge is TL 3,300 (1 January - 31 March 2014: TL 5,543 charge). Deferred tax effects of the transactions and events recognized directly in the shareholders' equity are also recognized directly in the shareholders' equity which is TL 3,396 (benefit) (31 December 2014: TL 2,634 benefit).

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3. Transfer pricing

The article 13 of the Corporate Tax Law describes the issue of transfer pricing under the title of “disguised profit distribution” by way of transfer pricing. “The General Communiqué on Disguised Profit Distribution by Way of Transfer Pricing” published at 18 November 2007, explains the application related issues on this topic.

According to this Communiqué, if the taxpayers conduct transactions like purchase and sale of goods or services with the related parties where the prices are not determined according to the arm’s length principle, then it will be concluded that there is a disguised profit distribution by way of transfer pricing. Such disguised profit distributions will not be deducted from the corporate tax base for tax purposes.

As stated in the “7.1 Annual Documentation” section of this communiqué, the taxpayers are required to fill out the “Transfer Pricing, Controlled Foreign Entities and Thin Capitalization” form for the purchase and sale of goods or services conducted with their related parties in a taxation period, attach these forms to their corporate tax returns and submit to the tax offices. Related forms are submitted to tax offices by the Group on time.

XIX. Additional explanations on borrowings

The Group provides resources from both domestic and foreign foundations and real persons through borrowings and securities issued.

Borrowing funds are initially measured at acquisition cost and subsequently measured at amortized cost. In the accompanying financial statements, foreign currency denominated borrowing funds are translated to Turkish Lira with the Group’s spot foreign exchange buying rates and interest expenses incurred during the period relating to the borrowing funds are recognized in income statement.

The Group applies general hedging techniques for mitigating the liquidity risk, interest rate risk and currency risk of the borrowing funds. Those techniques do not meet the definition of hedge accounting according to TAS 39. There are no convertible bonds or any other bonds issued by the Bank as at the balance sheet date.

XX. Explanations on share certificates issued

None.

XXI. Explanations on bank acceptances and bills of guarantee

Bank acceptances and bills of guarantee are presented within off-balance sheet liabilities as being possible liabilities and commitments. Cash transactions relating to bank acceptances and bills of guarantee are realized concurrently with the customer payments.

As of the balance sheet date, there are no bank acceptances and bills of guarantee recognized as liability against an asset.

XXII. Explanation on government incentives

As of the balance sheet date, the Group does not have any government incentives.

XXIII. Explanations on segment reporting

Segment reporting is presented under section four, note VI.

XXIV. Other matters

None.

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SECTION FOUR

FINANCIAL POSITION AND RISK MANAGEMENT

I. Explanations on consolidated capital adequacy ratio

As of 31 March 2015, the consolidated capital adequacy standard ratio is 12.30%. (31 December 2014: %13.23).

1. The risk measurement methods used in the determination of consolidated capital adequacy ratio

The calculation of the capital adequacy standard ratio is performed in accordance with "Regulation on Measurement and Assessment of Capital Adequacy of Banks" which was published in the Official Gazette No. 28337, dated 28 June 2012. In the calculation of capital adequacy standard ratio, the data prepared from accounting records in compliance with the current legislation are used.

The items deducted from the equity in the calculation of the shareholders' equity are not included in the calculation of risk-weighted assets, non-cash loans and contingent liabilities. In the calculation of risk weighted assets, the assets subject to amortisation or impairment, are taken into account on a net basis after being reduced by the related amortisations and provisions.

Credit risk is calculated by using Standardized Approach the CSA simple method. Cash risk amount is classified in accordance with Article 6 of the "Regulation on Measurement and Assessment of Capital Adequacy of Banks". Risk weights are applied as per "Regulation on Measurement and Assessment of Capital Adequacy of Banks-Annex 1" after applying the risk mitigation techniques in accordance with the "The Regulation on Credit Risk Mitigation Techniques".

In the calculation of the value at credit risk for the non-cash loans and commitments such transactions are weighted after netting with specific provisions that are classified under liabilities and calculated based on the "Regulation on Identification of and Provision against Non-Performing Loans and Other Receivables" published in the Official Gazette No. 26333, dated 1 November 2006, The net amounts are then multiplied by rate of; if the risk is high one hundred percent, if the risk is medium fifty percent if the risk is medium/low twenty percent and if the risk is low zero percent; reduced as per the "Regulation on Credit Risk Mitigation Techniques" and then included in the relevant exposure category defined in the Article 6 of the "Regulation on Measurement and Assessment of Capital Adequacy of Banks" and weighted as per "Appendix-1 of the Regulation on Measurement and Assessment of Capital Adequacy of Banks".

In the calculation of the value at credit risk for the derivative financial instruments, the receivables from counterparties are multiplied by the rates stated in the Article 21 and Appendix-2 of "the Regulation on Measurement and Assessment of Capital Adequacy of Banks", reduced as per the "Regulation on Credit Risk Mitigation Techniques" and then included in the relevant exposure category and weighted for a second time. The risk amount related to the Bank's derivative financial instruments are calculated using the "Fair Value Method".

The Group determines its risk profile, in accordance with the Regulation on Internal Systems of Banks, by setting the measurement criteria for credit risk, market risk, operational risk, and interest risk arising from the banking book, concentration risk, liquidity risk, reputation risk, strategic risk and the other type of risks identified at the minimum.

The Group is developing an assessment method for internal capital adequacy utilising the concentration risks identified based on current risk profile and stress tests approved by the Risk Committee.

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2. Information on the consolidated capital adequacy ratio of the Parent Bank

Current Period	0%	10%	20%	50%	75%	100%	150%	200%
Credit Risk Related Amount	--	--	70,457	913,865	942,631	4,802,409	115,392	142,596
Exposure Categories	1,621,983	--	352,283	1,827,730	1,256,841	4,802,409	76,928	71,298
Conditional and Unconditional Receivables from Central Governments or Central Banks	1,168,797	--	--	369	--	--	--	--
Conditional and Unconditional Receivables from Regional or Local Governments	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from Administrative Units and Non-Commercial Enterprises	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from Multilateral Development Banks	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from International Organisations	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from Banks and Brokerage Houses	353,833	--	352,283	553,087	--	9,171	212	--
Conditional and Unconditional Corporate Receivables	1,752	--	--	--	--	4,165,229	--	--
Conditional and Unconditional Retail Receivables	2,739	--	--	--	1,256,841	--	--	--
Conditional and Unconditional Receivables Secured by Mortgages	400	--	--	1,268,739	--	278,216	--	--
Past Due Receivables	--	--	--	3,978	--	51,503	436	-
Receivables Defined in High Risk Category by BRSA	--	--	--	1,557	--	4,184	76,280	71,298
Securities Collateralised by Mortgages	--	--	--	--	--	--	--	--
Securitisation Positions	--	--	--	--	--	--	--	--
Short-term Receivables from banks, Brokerage Houses and Corporates	--	--	--	--	--	--	--	--
Investments Similar to Collective Investment Funds	--	--	--	--	--	--	--	--
Other Receivables	94,462	--	--	--	--	294,106	--	--
Total Risk Weighted Assets	1,621,983	--	352,283	1,827,730	1,256,841	4,802,409	76,928	71,298

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2. Information on the consolidated capital adequacy ratio of the Parent Bank (cont'd)

Prior Period	0%	10%	20%	50%	75%	100%	150%	200%
Credit Risk Related Amount	--	--	56,086	777,460	949,838	4,412,592	143,858	160,328
Exposure Categories	1,393,463	--	280,430	1,554,920	1,266,451	4,412,592	95,905	80,164
Conditional and Unconditional Receivables from Central Governments or Central Banks	989,897	--	--	18,070	--	--	--	--
Conditional and Unconditional Receivables from Regional or Local Governments	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from Administrative Units and Non-Commercial Enterprises	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from Multilateral Development Banks	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from International Organisations	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from Banks and Brokerage Houses	306,657	--	280,430	417,222	--	--	539	--
Conditional and Unconditional Corporate Receivables	--	--	--	--	--	4,008,965	--	--
Conditional and Unconditional Retail Receivables	--	--	--	--	1,266,451	--	--	--
Conditional and Unconditional Receivables Secured by Mortgages	1,850	--	--	1,115,701	--	228,043	--	--
Past Due Receivables	--	--	--	3,374	--	41,536	4,084	-
Receivables Defined in High Risk Category by BRSA	--	--	--	553	--	3,851	91,282	80,164
Securities Collateralised by Mortgages	--	--	--	--	--	--	--	--
Securitisation Positions	--	--	--	--	--	--	--	--
Short-term Receivables from banks, Brokerage Houses and Corporates	--	--	--	--	--	--	--	--
Investments Similar to Collective Investment Funds	--	--	--	--	--	--	--	--
Other Receivables	95,059	--	--	--	--	130,197	--	--
Total Risk Weighted Assets	1,393,463	--	280,430	1,554,920	1,266,451	4,412,592	95,905	80,164

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3. Information on the consolidated capital adequacy ratio

Current Period	0%	10%	20%	50%	75%	100%	150%	200%
Credit Risk Related Amount	--	--	70,522	913,865	942,631	4,802,700	115,392	142,596
Exposure Categories	1,616,538	--	352,611	1,827,730	1,256,841	4,802,700	76,928	71,298
Conditional and Unconditional Receivables from Central Governments or Central Banks	1,168,797	--	--	369	--	--	--	--
Conditional and Unconditional Receivables from Regional or Local Governments	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from Administrative Units and Non-Commercial Enterprises	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from Multilateral Development Banks	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from International Organisations	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from Banks and Brokerage Houses	353,833	--	352,611	553,087	--	9,171	212	--
Conditional and Unconditional Corporate Receivables	1,752	--	--	--	--	4,165,229	--	--
Conditional and Unconditional Retail Receivables	2,739	--	--	--	1,256,841	--	--	--
Conditional and Unconditional Receivables Secured by Mortgages	400	--	--	1,268,739	--	278,216	--	--
Past Due Receivables	--	--	--	3,978	--	51,503	436	-
Receivables Defined in High Risk Category by BRSA	--	--	--	1,557	--	4,184	76,280	71,298
Securities Collateralised by Mortgages	--	--	--	--	--	--	--	--
Securitisation Positions	--	--	--	--	--	--	--	--
Short-term Receivables from banks, Brokerage Houses and Corporates	--	--	--	--	--	--	--	--
Investments Similar to Collective Investment Funds	--	--	--	--	--	--	--	--
Other Receivables	89,017	--	--	--	--	294,397	--	--
Total Risk Weighted Assets	1,616,538	--	352,611	1,827,730	1,256,841	4,802,700	76,928	71,298

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3. Information on the consolidated capital adequacy ratio (cont'd)

Prior Period	0%	10%	20%	50%	75%	100%	150%	200%
Credit Risk Related Amount	--	--	56,151	777,460	949,838	4,412,792	143,858	160,328
Exposure Categories	1,388,018	--	280,753	1,554,920	1,266,451	4,412,792	95,905	80,164
Conditional and Unconditional Receivables from Central Governments or Central Banks	989,897	--	--	18,070	--	--	--	--
Conditional and Unconditional Receivables from Regional or Local Governments	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from Administrative Units and Non-Commercial Enterprises	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from Multilateral Development Banks	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from International Organisations	--	--	--	--	--	--	--	--
Conditional and Unconditional Receivables from Banks and Brokerage Houses	306,657	--	280,753	417,222	--	--	539	--
Conditional and Unconditional Corporate Receivables	--	--	--	--	--	4,008,965	--	--
Conditional and Unconditional Retail Receivables	--	--	--	--	1,266,451	--	--	--
Conditional and Unconditional Receivables Secured by Mortgages	1,850	--	--	1,115,701	--	228,043	--	--
Past Due Receivables	--	--	--	3,374	--	41,536	4,084	-
Receivables Defined in High Risk Category by BRSA	--	--	--	553	--	3,851	91,282	80,164
Securities Collateralised by Mortgages	--	--	--	--	--	--	--	--
Securitisation Positions	--	--	--	--	--	--	--	--
Short-term Receivables from banks, Brokerage Houses and Corporates	--	--	--	--	--	--	--	--
Investments Similar to Collective Investment Funds	--	--	--	--	--	--	--	--
Other Receivables	89,614	--	--	--	--	130,397	--	--
Total Risk Weighted Assets	1,388,018	--	280,753	1,554,920	1,266,451	4,412,792	95,905	80,164

4. Summary information related to the consolidated capital adequacy ratio

	BANK		CONSOLIDATED	
	Current Period	Prior Period	Current Period	Prior Period
Capital Requirement for Credit Risk (Value at Credit Risk*0.08) (CRCR)	558,988	520,013	559,016	520,034
Capital Requirement for Market Risk (CRMR)	7,335	2,144	7,335	2,144
Capital Requirement for Operational Risk (CROR)	39,019	25,668	39,079	25,673
Equity	931,000	906,455	930,868	906,281
Equity/((CRCR+MRMR+ORCR) * 12.5 * 100)	% 12.30	% 13.24	% 12.30	% 13.23
Core Capital /((CRCR+MRMR+ORCR)*12.5*100)	% 9.38	% 8.17	% 9.38	% 8.16
Tier 1 Capital /((CRCR+MRMR+ORCR)*12.5*100)	% 7.68	% 8.20	% 7.68	% 8.20

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5. Information related to the consolidated components of shareholders' equity

TIER I CAPITAL	Current Period	Prior Period
Paid-in Capital to be Entitled for Compensation after All Creditors	550,000	550,000
Share Premium	--	--
Share Cancellation Profits	--	--
Reserves	--	--
Other Comprehensive Income according to TAS	--	--
Profit	189,742	168,918
Current Period Profit	20,824	74,210
Prior Period Profit	168,918	94,708
General Reserves for Possible Losses	--	--
Bonus Shares from Associates, Subsidiaries and Joint-Ventures not Accounted in Current Period's Profit	--	--
Minority Interest	32	43
Tier I Capital Before Deductions	739,774	718,961
Deductions From Tier I Capital		
Current and Prior Periods' Losses not Covered by Reserves, and Losses Accounted under Equity according to TAS (-)	135,891	132,843
Leasehold Improvements on Operational Leases (-)	18,294	19,573
Goodwill and Other Intangible Assets and Related Deferred Taxes (-)	4,590	5,336
Net Deferred Tax Asset/Liability (-)	--	--
Shares Obtained against Article 56, Paragraph 4 of the Banking Law (-)	--	--
Direct and Indirect Investments of the Bank on its own Tier I Capital (-)	--	--
Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	--	--
Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	--	--
Mortgage Servicing Rights Exceeding the 10% Threshold of Tier I Capital (-)	--	--
Net Deferred Tax Assets arising from Temporary Differences Exceeding the 10% Threshold of Tier I Capital (-)	--	--
Amount Exceeding the 15% Threshold of Tier I Capital as per the Article 2, Clause 2 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (-)	--	--
The Portion of Net Long Position of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital not deducted from Tier I Capital (-)	--	--
Mortgage Servicing Rights not deducted (-)	--	--
Excess Amount arising from Deferred Tax Assets from Temporary Differences (-)	--	--
Other items to be Defined by the BRSA (-)	--	--
Deductions from Tier I Capital in cases where there are no adequate Additional Tier I or Tier II Capitals (-)	--	--
Total Deductions from Tier I Capital	158,775	157,252
Total Tier I Capital	580,999	561,209
ADDITIONAL CORE CAPITAL		
Preferred Stock not Included in Tier I Capital and the Related Share Premiums	--	--
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Issued or Obtained after 1.1.2014)	--	--
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Issued or Obtained before 1.1.2014)	128,860	--
Shares in Additional Core Capital by third parties	--	--
Additional Core Capital before Deductions	128,860	--
Deductions from Additional Core Capital		
Direct and Indirect Investments of the Bank on its own Additional Core Capital (-)	--	--
Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding	--	--

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the 10% Threshold of above Tier I Capital (-)		--
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Consolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital (-)	--	--
Other items to be Defined by the BRSA (-)	--	--
Deductions from Additional Core Capital in cases where there are no adequate Tier II Capital (-)	--	--
Total Deductions from Additional Core Capital	--	--
Total Additional Core Capital	128,860	--

Deductions from Core Capital	--	2,236
Goodwill and Other Intangible Assets and Related Deferred Taxes not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (-)	--	--
Net Deferred Tax Asset/Liability not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (-)	--	2,236
Total Core Capital	709,859	558,973

TIER II CAPITAL

Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Issued or Obtained after 1.1.2014)	--	--
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Issued or Obtained before 1.1.2014)	155,600	287,101
Pledged Assets of the Shareholders to be used for the Bank's Capital	--	--
General Provisions	65,701	60,513
Tier II Capital before Deductions	--	--

Deductions from Tier II Capital
221,301
347,614

Direct and Indirect Investments of the Bank on its own Tier II Capital (-)		
Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	--	--
The Total of Net Long Position of the Direct or Indirect Investments in Additional Core Capital and Tier II Capital of Consolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of Tier I Capital (-)	--	--
Other items to be Defined by the BRSA (-)	--	--
Total Deductions from Tier II Capital	--	--
Total Tier II Capital	--	--

CAPITAL
221,301
347,614

Loans Granted against the Articles 50 and 51 of the Banking Law (-)	931,160	906,587
Net Book Values of Movables and Immovable Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years (-)	--	--
Loans to Banks, Financial Institutions (domestic/foreign) or Qualified Shareholders in the form of Subordinated Debts or Debt Instruments Purchased from Such Parties and Qualified as Subordinated Debts (-)	--	--
Deductions as per the Article 20, Clause 2 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (-)	--	--
Other items to be Defined by the BRSA (-)	292	306
The Portion of Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Tier I Capital, Additional Core Capital or Tier II Capital as per the Temporary Article 2, Clause 1 of the Regulation (-)	--	--
The Portion of Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Additional Core Capital or Tier II Capital as per the Temporary Article 2, Clause 1 of the Regulation (-)	--	--
The Portion of Net Long Position of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital, of the Net Deferred Tax Assets arising from Temporary Differences and of the Mortgage Servicing Rights not deducted from Tier I Capital as per the Temporary Article 2, Clause 2, Paragraph (1) and (2)	--	--

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and Temporary Article 2, Clause 1 of the Regulation (-)		--
EQUITY	930,868	906,281
Amounts lower than Excesses as per Deduction Rules	--	--
Remaining Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital	--	--
Remaining Total of Net Long Positions of the Investments in Tier I Capital of Consolidated Banks and Financial Institutions where the Bank Owns more than 10% or less of the Tier I Capital	--	--
Remaining Mortgage Servicing Rights	--	--
Net Deferred Tax Assets arising from Temporary Differences	--	--

Components of items of shareholders' equity subject to temporary applications

Current Period	The Bank	
	Amount Included in Equity Calculation (*)	Total Amount (*)
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Issued before 1.1.2014)	155,600	155,600

The Bank, applied to the BRSA on January 14, 2015 for permission of the subordinated loan provided from Fiba Holding A.Ş. in the amount of USD 50 million to be converted to share capital. Following the authorization of the BRSA on March 4, 2015, the Board of Directors decision was taken on March 5, 2015 regarding share capital increase to TL 678,859,577.64 (exact amount). 127,045,000 TL (exact amount) of total capital increase is provided by Fiba Holding A.Ş. loan permitted to be converted to capital, 1,814,577.64 TL (exact amount) is provided through cash from other shareholders. Total capital increase of TL 128,859,577.64 is classified under "sundry creditors" on balance sheet liabilities as of March 31, 2015, and will be transferred to share capital following the completion of the legal procedures.

II. Explanations on consolidated market risk

Whether the bank within the financial risk management objectives hedges itself against market risk, the precautions taken by the Board of Directors for market risk, the methods used for measuring market risk and time intervals for measurement of market risk

In order to provide hedge against the market risk within the context of the risk management objectives, the Bank set its activities related with market risk management in accordance with "Regulations on Banks' Internal Control and Risk Management Systems" and "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" published in the Official Gazette no. 28337 dated 28 June 2012.

Being exposed to market risk, Bank's Board of Directors have defined risk management strategies and policies about risk managements in line with application and recommendation of group and have led to follow-up strategies periodically. The limits of risks are identified and these limits are revised periodically. Board of Directors ensure that risk management group and executive managers should identify, measure, control and manage the Bank's risk.

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II. Explanations on consolidated market risk (cont'd)

Market risk arising from trading transactions is limited through the risk appetite policy approved by Board of Directors as “low” and measured by taking into consideration BRSA’s standart methodology. Additionally Financial Control Department reports the market value of daily purchases and sales and realized profit. The risk management and asset liability committee continuously monitor compliance of trading transactions with the risk appetite policy. Market risk occurred between mismatches of asset-liability maturity is also monitored through gap reports.

Stress tests and scenario analysis are also applied in order to reflect the effects of prospective severe market fluctuations in the VaR calculations. Risk measurement methods such as cash flow projection, gap analysis are also applied. Capital to be kept for general market risk and specific risk are calculated by using a standard method in accordance with “Measurement and Assessment of Bank Capital Adequacy Regulation” and reported monthly.

In the calculation of the value at credit risk for the derivative financial instruments, the receivables from counterparties are multiplied by the rates stated in the Article 21 and Appendix-2 of “the Regulation on Measurement and Assessment of Capital Adequacy of Banks”, reduced as per the “Regulation on Credit Risk Mitigation Techniques” and then included in the relevant exposure category and weighted for a second time. The risk amount related to the Bank’s derivative financial instruments are calculated using the “Fair Value Method”.

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1. Information related to market risk

Current Period	Amount
(I) Capital Requirement to be Employed For General Market Risk - Standard Method	1,117
(II) Capital Requirement to be Employed For Specific Risk - Standard Method	50
Capital Requirement against Specific Risks of Securitisation Positions – Standard Method	--
(III) Capital Requirement to be Employed For Currency Risk - Standard Method	2,377
(IV) Capital Requirement to be Employed For Commodity Risk – Standard Method	--
(V) Capital Requirement to be Employed For Clearing Risk - Standard Method	--
(VI) Total Capital Requirement to be Employed For Market Risk Resulting From Options - Standard Method	149
(VII) Capital Requirement against Counterparty Credit Risks – Standard Method	3,642
(VIII) Total Capital Requirement to be Employed For Market Risk in Banks Using Risk Measurement	--
(IX) Total Capital Requirement to be Employed For Market Risk (I+II+III+IV+V+VI+VII+VIII)	7,335
(X) Amount Subject to Market Risk (12.5 x VIII) or (12.5 x IX)	91,688
Prior Period	Amount
(I) Capital Requirement to be Employed For General Market Risk - Standard Method	367
(II) Capital Requirement to be Employed For Specific Risk - Standard Method	58
Capital Requirement against Specific Risks of Securitisation Positions – Standard Method	--
(III) Capital Requirement to be Employed For Currency Risk - Standard Method	527
(IV) Capital Requirement to be Employed For Commodity Risk – Standard Method	--
(V) Capital Requirement to be Employed For Clearing Risk - Standard Method	--
(VI) Total Capital Requirement to be Employed For Market Risk Resulting From Options - Standard Method	35
(VII) Capital Requirement against Counterparty Credit Risks – Standard Method	1,157
(VIII) Total Capital Requirement to be Employed For Market Risk in Banks Using Risk Measurement	--
(IX) Total Capital Requirement to be Employed For Market Risk (I+II+III+IV+V+VI+VII+VIII)	2,144
(X) Amount Subject to Market Risk (12.5 x VIII) or (12.5 x IX)	26,800

2. Monthly average values at market risk

Not prepared in compliance with the Article 25 of the communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

3. Quantitative information on counterparty risk

Not prepared in compliance with the Article 25 of the communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

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III. Explanations on consolidated currency risk

Position limit on currency risk is determined in line with net general position standard ratio on foreign currency. The Bank does not take foreign exchange and parity risk; transactions are usually hedged. Measurable and manageable risks are taken within legal limits.

As of 31 March 2015, the Group's net foreign currency short position is TL 74,313 (31 December 2014: TL 549 net short position) resulting from short position on the balance sheet amounting to TL 427,845 (31 December 2014: TL 92,047 short position) and long position on the off-balance amounting to TL 353,532 (31 December 2014: TL 91,498 long position). "Standard Method" is used in legal reporting to measure the foreign exchange risk.

The announced current foreign exchange buying rates of the Bank at 31 March 2015 and the previous five working days in full TL are as follows:

US Dollar purchase rate as at the balance sheet date	(Full Basis)	TL 2.6102
Euro purchase rate as at the balance sheet date	(Full Basis)	TL 2.8309

Date	USD (Full Basis)	EUR (Full Basis)
25 Mart 2015	2.5505	2.7995
26 Mart 2015	2.5555	2.8036
27 Mart 2015	2.5962	2.8589
30 Mart 2015	2.6107	2.8292
31 Mart 2015	2.6102	2.8309

Simple arithmetic means of foreign exchange rates in March 2015 are (Full Basis) TL 2.5838 for US dollar, and (Full Basis) TL 2.8047 for Euro.

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III. Explanations on consolidated currency risk (cont'd)

Current Period	EUR	USD	Other	Total
Assets				
Cash and Balances with the Central Bank of Turkey	11,555	936,173	87,072	1,034,800
Banks	32,700	17,510	4,926	55,136
Financial Assets at Fair Value through Profit/Loss (*)	1,064	2,733	--	3,797
Interbank Money Market Placements	--	101,800	--	101,800
Financial Assets Available for Sale	53,122	373,740	--	426,862
Loans (**)	871,849	1,564,605	79,621	2,516,075
Subsidiaries, Associates and Entities Under Common Control (Joint Vent.)	--	--	--	--
Investments Held to Maturity	--	--	--	--
Derivative Financial Assets Held for Hedging Purposes	--	--	--	--
Tangible Assets	--	--	--	--
Intangible Assets	--	--	--	--
Other Assets (***)	442	629	--	1,071
Total Assets	970,732	2,997,190	171,619	4,139,541
Liabilities				
Banks Deposits	89,259	115,457	7,273	211,989
Foreign Currency Deposits	945,167	1,732,258	41,872	2,719,297
Interbank Money Market Received	44,866	308,969	--	353,835
Funds Borrowed from Other Financial Institutions	546,963	708,261	--	1,255,224
Sundry Creditors	5,817	9,913	1,759	17,489
Marketable Securities Issued	--	--	--	--
Derivative Financial Liabilities Held for Hedging Purposes	--	--	--	--
Other Liabilities(****)	1,455	8,087	10	9,552
Total Liabilities	1,633,527	2,882,945	50,914	4,567,386
Net Balance Sheet Position	(662,795)	114,245	120,705	(427,845)
Net Off-Balance Sheet Position	658,467	(185,148)	(119,787)	353,532
Financial Derivative Assets(*****)	1,268,102	1,214,914	60,664	2,543,680
Financial Derivative Liabilities(*****)	609,635	1,400,062	180,451	2,190,148
Non-Cash Loans (*****)	145,393	506,244	--	651,637
Prior Period				
Total Assets	1,053,988	2,623,701	152,356	3,830,045
Total Liabilities	1,201,158	2,657,805	63,129	3,922,092
Net Balance Sheet Position	(147,170)	(34,104)	89,227	(92,047)
Net Off-Balance Sheet Position	143,138	37,105	(88,745)	91,498
Financial Derivative Assets(*****)	369,306	739,318	144,591	1,253,215
Financial Derivative Liabilities(*****)	226,168	702,213	233,336	1,161,717
Non-Cash Loans (*****)	163,667	553,872	--	717,539

(*) The balance does not include accruals of trading derivative financial assets amounting to TL 5,100.

(**)The balance includes foreign currency indexed loans and accruals amounting to TL 441,499.

(***)The balance does not include TL 7,758 of prepaid expenses.

(****)The balance does not include trading derivative financial liabilities amounting to TL 5,101.

(*****) In the current period, exchange purchase commitments within the financial derivative assets amounted to TL 389,103 (31 December 2014: TL 160,029), exchange sale commitments within the derivative financial liabilities amounted to TL 334,567 (31 December 2014: TL 163,212).

(*****) There is no effect on the net off-balance sheet position.

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IV. Explanations on consolidated interest rate risk

Interest sensitivity of assets, liabilities and off-balance sheet items are evaluated weekly by considering market developments in the Asset-Liability Committee.

Standard method and asset-liability risk measurement methods are used to measure the Bank's interest rate risk.

Measurements by employing the standard method are carried out monthly by using maturity ladder. Bank applies interest rate shock analysis to interest rate sensitive assets and liabilities considering historic economic crises. Change in the net present value of the net assets of the Bank are monitored within the limits set by the Board of Directors.

“Interest rate sensitivity of assets, liabilities and off-balance sheet items (Based on repricing dates)”:

Current Period End	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non-interest Bearing	Total
Assets							
Cash (Cash in TL, Cash in Foreign Currency, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	58,619	--	--	--	--	1,054,461	1,113,080
Banks	282,722	--	--	--	--	33,054	315,776
Financial Assets at Fair Value Through Profit or Loss	19,929	8,993	27,107	8,278	2,348	--	66,655
Interbank Money Market Placements	101,800	--	--	--	--	--	101,800
Financial Assets Available-for-Sale	--	13,184	8,313	401,540	62,686	--	485,723
Loans	531,313	2,612,250	1,154,878	1,959,385	267,925	63,913	6,589,664
Investment Securities Held-to-Maturity	--	--	--	--	--	--	--
Other Assets (*)	--	--	--	--	--	277,701	277,701
Total Assets	994,383	2,634,427	1,190,298	2,369,203	332,959	1,429,129	8,950,399
Liabilities							
Bank Deposits	207,514	--	--	--	--	12,544	220,058
Other Deposits	3,077,114	1,612,951	402,051	15,011	--	310,917	5,418,044
Interbank Money Market Received	407,043	--	--	--	--	--	407,043
Sundry Creditors	--	--	--	--	--	213,104	213,104
Marketable Securities Issued	244,103	148,525	161,970	--	--	--	554,598
Funds Borrowed from Other Financial Institutions	14,260	658,010	603,857	471	--	--	1,276,598
Other Liabilities (**)	12,049	8,660	12,081	4,449	1,622	822,093	860,954
Total Liabilities	3,962,083	2,428,146	1,179,959	19,931	1,622	1,358,658	8,950,399
Balance Sheet Long Position	--	206,281	10,339	2,349,272	331,337	70,471	2,967,700
Balance Sheet Short Position	(2,967,700)	--	--	--	--	--	(2,967,700)
Off-Balance Sheet Long Position	--	--	--	--	--	3,602,915	3,602,915
Off-Balance Sheet Short Position	--	--	--	--	--	(3,591,242)	(3,591,242)
Total Position	(2,967,700)	206,281	10,339	2,349,272	331,337	82,144	11,673

(*) Non-interest bearing column includes TL 200,319 tangible assets, TL 4,590 intangible assets, TL 662 non-current assets held for sale and TL 72,012 other assets.

(**) Non-interest bearing column includes TL 603,904 shareholders' equity, TL 115,340 other liabilities, TL 217 lease liabilities, TL 85,636 provisions and TL 16,996 tax liabilities.

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IV. Explanations on consolidated interest rate risk (cont'd)

Interest rate sensitivity of assets, liabilities and off-balance sheet items (Based on repricing dates):

Prior Period End	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non- interest Bearing	Total
Assets							
Cash (Cash in TL, Cash in Foreign Currency, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	56,509	--	--	--	--	966,600	1,023,109
Banks	255,532	--	--	--	--	7,347	262,879
Financial Assets at Fair Value Through Profit or Loss	18,572	2,917	5,799	3,252	2,100	--	32,640
Interbank Money Market Placements	23,189	--	--	--	--	--	23,189
Financial Assets Available -for-Sale	5,154	--	19,737	257,336	99,682	--	381,909
Loans	523,493	2,393,728	1,086,028	1,801,868	311,849	72,668	6,189,634
Investment Securities Held-to- Maturity	--	--	--	--	--	--	--
Other Assets (*)	--	--	--	--	--	123,360	123,360
Total Assets	882,449	2,396,645	1,111,564	2,062,456	413,631	1,169,975	8,036,720
Liabilities							
Bank Deposits	156,003	--	--	--	--	2,845	158,848
Other Deposits	2,781,561	1,641,634	345,893	9,198	--	304,231	5,082,517
Interbank Money Market Received	325,977	--	--	--	--	--	325,977
Sundry Creditors	--	--	--	--	--	61,250	61,250
Marketable Securities Issued	46,305	163,385	263,245	--	--	--	472,935
Funds Borrowed from Other Financial Institutions	56,687	538,917	425,642	--	--	--	1,021,246
Other Liabilities (**)	2,135	2,372	5,486	1,719	116,677	785,558	913,947
Total Liabilities	3,368,668	2,346,308	1,040,266	10,917	116,677	1,153,884	8,036,720
Balance Sheet Long Position	--	50,337	71,298	2,051,539	296,954	16,091	2,486,219
Balance Sheet Short Position	(2,486,219)	--	--	--	--	--	(2,486,219)
Off-Balance Sheet Long Position	--	--	--	--	--	1,598,016	1,598,016
Off-Balance Sheet Short Position	--	--	--	--	--	(1,613,738)	(1,613,738)
Total Position	(2,486,219)	50,337	71,298	2,051,539	296,954	369	(15,722)

(*) Non-interest bearing column includes TL31,494 tangible assets, TL 5,336 intangible assets, TL 2,338 tax assets, TL 919 non-current assets held for sale and TL 83,273 other assets.

(**) Non-interest bearing column includes TL 586,128 shareholders' equity, TL 101,408 other liabilities, TL 211 lease liabilities, TL 77,412 provisions and TL 20,399 tax liabilities.

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IV. Explanations on consolidated interest rate risk (cont'd)

Average interest rates applied to financial instruments

Current Period End	EUR	USD	JPY	TL
	%	%	%	%
Assets				
Cash (Cash in TL, Cash in Foreign Currency, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	--	--	--	0.99
Banks	0.25	--	--	10.73
Financial Assets at Fair Value Through Profit/ Loss	4.20	5.29	--	14.64
Interbank Money Market Placements	--	0.80	--	--
Financial Assets Available-for-Sale	3.35	4.20	--	7.49
Loans	6.55	5.93	--	14.08
Investment Securities Held-to-Maturity	--	--	--	--
Liabilities				
Bank Deposits	0.71	0.52	--	9.22
Other Deposits	2.25	2.61	--	10.71
Interbank Money Market Received	0.53	0.73	--	7.50
Sundry Creditors	--	--	--	--
Marketable Securities Issued	--	--	--	9.54
Funds Borrowed from Other Financial Institutions	1.98	1.74	--	7.14
Prior Period End	EUR	USD	JPY	TL
	%	%	%	%
Assets				
Cash (Cash in TL, Cash in Foreign Currency, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	--	--	--	1.48
Banks	--	0.56	--	11.11
Financial Assets at Fair Value Through Profit/Loss	4.28	5.07	--	14.53
Interbank Money Market Placements	--	0.45	--	--
Financial Assets Available-for-Sale	3.39	4.17	--	5.59
Loans	6.51	5.80	--	14.17
Investment Securities Held-to-Maturity	--	--	--	--
Liabilities				
Bank Deposits	0.60	0.63	--	7.50
Other Deposits	2.41	2.67	--	10.46
Interbank Money Market Received	0.53	0.69	--	8.25
Sundry Creditors	--	--	--	--
Marketable Securities Issued	--	--	--	9.86
Funds Borrowed from Other Financial Institutions	2.02	1.65	--	7.23

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IV. Explanations on consolidated interest rate risk (cont'd)

Interest rate risk on banking book

As per the “Regulation on Measurement and Evaluation of Interest Rate Risk Resulted from Banking Book as per Standard Shock Method” published by the BRSA in 23 August 2011, the Bank analyses and reports to the Bank’s senior management the interest rate sensitivity of equity on a monthly basis by applying positive and negative shocks to the interest sensitive on balance sheet and off-balance sheet positions which are distributed into groups based on their cashflows.

	Shock Applied (+ / - x bps)	Gains/ Losses	Gains / Equity - Losses / Equity
TRY	500	-87,592	%-9,41
TRY	-400	80,822	%8,68
USD	200	-44,807	%-4,81
USD	-200	30,258	%3,25
EURO	200	-27,740	%-2,98
EURO	-200	-4,805	%-0,52
Total (For Positive Shocks)		-160,139	%-17,20
Total (For Negative Shocks)		106,275	%11,41

V. Explanations on consolidated liquidity risk

The Bank diversifies its funding resources with deposits and bank borrowings to avoid the liquidity risk. Maturity compliance between assets and liabilities are monitored and liquid assets are kept to meet probable liquidity needs that might result from market fluctuations.

According to BRSA’s “Legislation on Measurement and Assessment of Liquidity Adequacy of the Banks”; published in the Official Gazette numbered 28948, dated 21 March 2014; liquidity ratio is required to be 40 % for foreign currency assets/liabilities and 60 % for total assets/liabilities in the calculation of the bank effective from 5 January 2015. Liquidity ratios for the year 2015 are shown below:

	Liquidity Adequacy (Consolidated)	
	FC	FC + TL
Average (%)	107.67	78.83
Max. (%)	115.12	80.73
Min. (%)	94.70	76.02

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V. Explanations on consolidated liquidity risk (cont'd)

1. Presentation of assets and liabilities according to their remaining maturities:

Current Period End	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Year	5 Years and Over	Unallocated	Total
Assets								
Cash (Cash in TL, Cash in Foreign Currency, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	227,509	885,571	--	--	--	--	--	1,113,080
Banks	33,054	282,722	--	--	--	--	--	315,776
Financial Assets at Fair Value Through Profit or Loss	--	19,505	8,994	12,323	8,527	17,306	--	66,655
Interbank Money Market Placements	--	101,800	--	--	--	--	--	101,800
Financial Assets Available-for-Sale	--	--	13,184	8,313	401,540	62,686	--	485,723
Loans	--	752,380	872,483	2,862,962	1,793,077	244,849	63,913	6,589,664
Investment Securities Held-to-Maturity	--	--	--	--	--	--	--	--
Other Assets (*)	--	--	--	--	--	--	277,701	277,701
Total Assets	260,563	2,041,978	894,661	2,883,598	2,203,144	324,841	341,614	8,950,399
Liabilities								
Bank Deposits	12,544	207,514	--	--	--	--	--	220,058
Other Deposits	310,917	3,077,114	1,612,951	402,051	15,011	--	--	5,418,044
Funds Borrowed from Other Financial Institutions	--	25,152	175,182	695,362	193,774	187,128	--	1,276,598
Interbank Money Market Received	--	407,043	--	--	--	--	--	407,043
Marketable Securities Issued	--	173,603	148,525	232,470	--	--	--	554,598
Sundry Creditors	--	84,244	128,860	--	--	--	--	213,104
Other Liabilities (**)	--	130,388	10,411	16,487	9,651	1,990	692,027	860,954
Total Liabilities	323,461	4,105,058	2,075,929	1,346,370	218,436	189,118	692,027	8,950,399
Liquidity Surplus/Gap	(62,898)	(2,063,080)	(1,181,268)	1,537,228	1,984,708	135,723	(350,413)	--
Prior Period								
Total Assets	208,161	1,727,479	737,894	2,874,241	1,935,710	357,207	196,028	8,036,720
Total Liabilities	307,076	3,557,109	1,898,775	1,116,409	204,393	288,665	664,293	8,036,720
Liquidity Surplus/Gap	(98,915)	(1,829,630)	(1,160,881)	1,757,832	1,731,317	68,542	(468,265)	--

(*) Certain assets on the balance sheet that are necessary for the banking operations but not convertible into cash in the short term such as tangible assets, stationary supplies and prepaid expenses are included in this column.

(**) Shareholders' equity and provisions are classified in other liabilities in unallocated column.

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V. Explanations on consolidated liquidity risk (cont'd)

2. Explanations on consolidated securitisation positions

The Bank does not have any securitization positions as of balance sheet date.

3. Information on consolidated credit risk mitigation techniques

The Bank does not apply any netting on balance sheet and off-balance sheet. Guarantees and financial collaterals consisting of cash blokages are used as credit mitigation techniques.

Applications related to the valuation and management of collaterals are defined as follows: Appraisals for the mortgages that are received as collaterals are only performed by the firms that have been approved by the BRSA and licensed by the CMB. Appraisal reports for the real estate that are received as collaterals for commercial loans are renewed each year as long as the risk continues. As a rule, each year a different appraisal firm is preferred. Management of the appraisal process is carried out by the Loans Department. Vehicle guarantees are recorded via insurance value. Checks and promissory notes received are checked at regular intervals and replacing the negative record checks and notes received from customers is required.

The Bank's guarantees are mainly composed of cheques, notes, mortgages, guarantees, vehicle pledges and deposit pledges. The Bank's credit risk concentration is mainly consists of corporate receivables and followed by receivables that are collateralized with mortgage, SME receivables and retail receivables, respectively.

Exposure Categories *	Amount	Financial Collaterals	Other/Physical Collaterals**	Guarantees and Credit Derivatives
Receivables from Central Governments	1,169,166	47,610	--	--
Receivables, Coins, Purchased Cheques from Regional or Local Governments and CBT Banks	--	--	--	--
Receivables from Administrative Units and Non-Commercial Enterprises	--	--	--	--
Receivables from Multilateral Development Banks	--	--	--	--
Receivables from International Organisations	--	--	--	--
Receivables from Banks and Brokerage Houses	1,268,914	353,835	--	--
Corporate Receivables	4,166,981	1,753	--	2,831
Retail Receivables	1,259,580	2,741	--	--
Receivables that are Collateralized by Residential	1,547,355	400	2,451,409	--
Past due Receivables	55,917	--	51,502	--
Receivables Defined in High Risk Category by BRSA	153,319	--	33,424	--
Securities Collateralised by Mortgages	--	--	--	--
Short-term Receivables from Banks, Brokerage Houses and Corporates	--	--	--	--
Investments Similar to Collective Investment Funds	--	--	--	--
Other Receivables	383,414	--	--	--
Total	10,004,646	406,339	2,536,335	2,831

(*) Non-cash risks presented above are subject to credit conversion.

(**) Other / Physical Collaterals are shown with full amounts which are possible to be used, in line with the Regulation on Measurement and Assessment of Capital Adequacy of Banks and Credit Risk Mitigation Techniques.

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V. Explanations on consolidated liquidity risk (cont'd)

4. Information on risk management objectives and policies

The Bank does not apply any netting on balance sheet and off-balance sheet. Guarantees and financial collaterals consisting of cash blokages are used as credit mitigation techniques in accordance with Basic Financial Collateral Method.

Risk Management System refers to the Board of Directors, the Audit Committee, the Risk Management Committee, the Asset-Liability Committee and the Risk Management Department which have been composed in order to manage systemic risks that the Bank is exposed to. The Board of Directors is the owner of the Bank's Risk Management System and ensures the establishment of an effective, sufficient and appropriate risk management system as well as the continuity of the system. The main objective of the Bank's Risk Management System is to identify, measure, monitor and control the risks that the Bank is exposed to, by determining the policies, limits and procedures to control, to monitor, and if necessary to change the risk-return structure of the Bank's future cash flows and the level & the quality of related activities.

As part of the Risk Management System, the Asset and Liability Committee presentation is prepared on a weekly basis and the Risk Committee and the Board of Directors presentations are made on a monthly basis. The presentations mainly consists of the Bank's financial statements, profit and loss Analysis, Credit Risk, Market Risk, Liquidity Risk, Concentration Risk, Interest Rate Risk due to Banking Book, and Operational Risk as well as the risk that the Bank is currently exposed to or possible risks.

The Board of Directors of the Bank delegated the authorization related to the hedge accounting to the Asset and Liability Committee with the condition of providing regular information. At the same time the Bank has organised credit policies and risk mitigation policies due to credit risk. All processes of the Bank are controlled by the Bank's Internal Audit Department's control matrices regularly and are subject to supervision by the Internal Inspection Department at the same time.

FİBABANKA A.Ş. AND ITS SUBSIDIARY
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VI. Explanations on segment reporting

The Bank operates in customer banking services, individual customer current accounts, deposit accounts, long term investment products, clearing and custody services, credit and atm services, retail loans, long term mortgage loans, and all other kinds of customer banking services and commercial services. Fiba Portföy, the Bank's consolidated subsidiary, operates in portfolio management field.

Current Period 1 January – 31 March 2015	Retail Banking	Commerical & Corporate Banking	Treasury & Headquarters	Total Operations of the Bank
Operating Income	42,344	52,690	9,065	104,099
Operating Profit	(2,754)	34,705	(5,441)	26,510
Taxation				(5,686)
Net Profit/(Loss) for the Period				20,824
Current Period- 31 March 2015				
Segment Assets	2,177,416	4,348,045	2,424,938	8,950,399
Unallocated Assets				
Total Assets				8,950,399
Segment Liabilities	4,129,418	1,293,443	2,923,634	8,346,495
Unallocated Liabilities				
Shareholders' Equity				603,904
Total Liabilities				8,950,399
Prior Period 1 January – 31 March 2014	Retail Banking	Commerical & Corporate Banking	Treasury & Headquarters	Total Operations of the Bank
Operating Income	38,472	46,049	(1,827)	82,694
Operating Profit	6,100	28,683	(9,477)	25,306
Taxation				(5,543)
Net Profit/(Loss) for the Period				19,763
Prior Period- 31 December 2014				
Segment Assets	2,018,668	4,098,298	1,919,754	8,036,720
Unallocated Assets				--
Total Assets				8,036,720
Segment Liabilities	3,763,662	1,323,725	2,363,203	7,450,592
Unallocated Liabilities				--
Shareholders' Equity				586,128
Total Liabilities				8,036,720

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SECTION FIVE

EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

I. Explanations and disclosures related to the consolidated assets

1. Information on cash and balances with the Central Bank of Turkey

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL /Foreign Currency	19,661	30,889	19,354	28,867
Balances with the Central Bank of Turkey	58,619	1,003,911	56,509	918,379
Other	--	--	--	--
Total	78,280	1,034,800	75,863	947,246

1.1 Information related to the account of the Central Bank of Turkey

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	58,619	118,340	56,509	95,761
Unrestricted Time Deposits	--	--	--	--
Restricted Time Deposits	--	885,571	--	822,618
Total	58,619	1,003,911	56,509	918,379

According to the communiqué No: 2005/1 on “Reserve Deposits”, the banks operating in Turkey are required to keep reserve deposit at the rates varying from 5% - 11.50% for TL liabilities depending on maturities of liabilities, and at the rate 6% - 20% and denominated mainly in EUR and USD for FC liabilities. Reserve deposits do not earn interest. According to Central Bank of Turkey's press announcement No. 2014-72 dated October 21, 2014, the Reserve Deposits as from November of 2014 will be paid interest on the portion held in Turkish Lira.

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

2.1 Information on financial assets at fair value through profit and loss given as collateral or blocked

	Current Period		Prior Period	
	TL	FC	TL	FC
Share Certificates	--	--	--	--
Bonds, Treasury Bills and Similar Marketable Securities	9,041	--	7,258	--
Other	--	--	--	--
Total	9,041	--	7,258	--

Trading securities given as collateral represent those collaterals given to the Central Bank of Turkey, and Istanbul Stock Exchange Clearing and Custody Bank (Takasbank) for liquidity, interbank money market, foreign exchange market and other transactions, as of balance sheets dates.

2.2 Financial assets at fair value through profit and loss subject to repurchase agreements

	Current Period		Prior Period	
	TL	FC	TL	FC
Share Certificates	--	--	--	--
Bonds, Treasury Bills and Similar Marketable Securities	5,627	--	4,244	--
Total	5,627	--	4,244	--

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2.3 *Positive differences relating to derivative financial assets held-for-trading*

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	1,224	--	780	--
Swap Transactions	27,315	1	5,475	1
Futures Transactions	--	--	--	--
Options	13,679	5,099	4,425	2,110
Other	--	--	--	--
Total	42,218	5,100	10,680	2,111

3. Information on Banks

3.1 *Information on banks*

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic	260,562	1	225,436	30,146
Foreign	78	55,135	52	7,245
Foreign head-offices and branches	--	--	--	--
Total	260,640	55,136	225,488	37,391

3.2 *Due from foreign banks*

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

4. Information on financial assets available-for-sale

4.1 *Financial assets subject to repurchase agreements and provided as collateral/blocked*

	Current Period		Prior Period	
	TL	FC	TL	FC
Share Certificates	--	--	--	--
Bonds, Treasury Bills and Similar Marketable Securities	57,405	418,181	16,523	357,017
Other	--	--	--	--
Total	57,405	418,181	16,523	357,017

4.2 *Details of financial assets available-for-sale*

	Current Period		Prior Period	
	TL	FC	TL	FC
Debt instruments				
Quoted on Stock Exchange	485,723		381,909	
Unquoted on Stock Exchange	--	--	--	--
Share certificates				
Quoted on Stock Exchange	--	--	--	--
Unquoted on Stock Exchange	--	--	--	--
Impairment provision (-)	--	--	--	--
Total	485,723		381,909	

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5. Information on loans

5.1 Information on all types of loans and advances given to shareholders and employees of the Bank

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans to Shareholders	--	--	--	--
Corporate Shareholders	--	--	--	--
Individual Shareholders	--	--	--	--
Indirect Loans to Shareholders	--	--	--	--
Loans to Employees	1,655	--	2,143	--
Total	1,655	--	2,143	--

5.2 Information on the first and second group loans and other receivables including restructured or rescheduled loans

	Standard Loans and Other Receivables			Loans and Other Receivables under Close Monitoring		
	<i>Loans and Other Receivables (Total)</i>	<i>Loan and Receivables with Revised Contract Terms</i>		<i>Loans and Other Receivables (Total)</i>	<i>Loan and Receivables with Revised Contract Terms</i>	
		<i>Extension of Repayment Plan</i>	<i>Other</i>		<i>Extension of Repayment Plan</i>	<i>Other</i>
Cash Loans						
Loans	6,179,010	--	--	238,881	103,989	3,871
Working Capital Loans	--	--	--	--	--	--
Export Loans	269,356	--	--	19,973	--	--
Import Loans	--	--	--	--	--	--
Loans to Financial Sector	141,121	--	--	8	--	--
Consumer Loans	301,796	--	--	39,440	8,002	3,695
Credit Cards	21,820	--	--	750	--	--
Others	5,444,917	--	--	178,710	95,987	176
Specialization Loans	--	--	--	--	--	--
Other Receivables	--	--	--	--	--	--
Total	6,179,010	--	--	238,881	103,989	3,871

	Standard Loans and Other Receivables	Loans and Other Receivables under Close Monitoring
Number of Extensions	--	103,989
1 or 2 times	--	103,989
3, 4 or 5 times	--	--
Over 5 times	--	--

	Standard Loans and Other Receivables	Loans and Other Receivables under Close Monitoring
Extension Periods	--	103,989
0-6 months	--	19,810
6 -12 months	--	8,523
1 – 2 years	--	29,283
2 – 5 years	--	40,054
5 years and over	--	6,319

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5.2 Information on the first and second group loans and other receivables including restructured or rescheduled loans (cont'd)

The overdue analysis of close monitoring loans

<i>Current Period</i>	Corporate/ Commercial Loans	Consumer Loans	Total
1-30 days	75,312	6,669	81,981
31-60 days	59,515	21,075	80,590
61-90 days	42,343	14,923	57,266
Total	177,170	42,667	219,837

<i>Prior Period</i>	Corporate/ Commercial Loans	Consumer Loans	Total
1-30 days	32,285	6,761	39,046
31-60 days	42,511	24,188	66,699
61-90 days	43,037	12,626	55,663
Total	117,833	43,575	161,408

Maturity analysis of cash loans

Not prepared in compliance with the Article 25 of the communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

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5.3

Information on consumer loans, individual credit cards and credit cards given to personnel:

	Short-Term	Medium or Long Term	Total
Consumer Loans-TL	9,983	235,422	245,405
Real Estate Loans	--	64,622	64,622
Vehicle Loans	59	5,572	5,631
General Purpose Loans	9,924	165,228	175,152
Other	--	--	--
Consumer Loans-Indexed to FC	--	99,852	99,852
Real Estate Loans	--	96,419	96,419
Vehicle Loans	--	--	--
General Purpose Loans	--	3,433	3,433
Other	--	--	--
Consumer Loans-FC	--	1,021	1,021
Real Estate Loans	--	1,021	1,021
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	--	--
Individual Credit Cards-TL	2,712	--	2,712
With Instalment	181	--	181
Without Instalment	2,531	--	2,531
Individual Credit Cards-FC	17	--	17
With Instalment	--	--	--
Without Instalment	17	--	17
Loans Given to Employees-TL	98	832	930
Real Estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	98	832	930
Other	--	--	--
Loans Given to Employees - Indexed to FC	--	--	--
Real Estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	--	--
Loans Given to Employees - FC	--	--	--
Real Estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	--	--
Personnel Credit Cards – TL	722	--	722
With Instalment	69	--	69
Without Instalment	653	--	653
Personnel Credit Cards – FC	3	--	3
With Instalment	--	--	--
Without Instalment	3	--	3
Overdraft Loans-TL (Real Persons)	5,724	--	5,724
Overdraft Loans-FC (Real Persons)	--	--	--
Total	19,259	337,127	356,386

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5.4 *Information on commercial loans with installments and corporate credit cards*

	Short Term	Medium or Long Term	Total
Instalment Commercial Loans – TL	222,328	1,161,447	1,383,775
Real Estate Loans	--	5,626	5,626
Vehicle Loans	1,999	27,974	29,973
General Purpose Loans	220,329	1,127,847	1,348,176
Other	--	--	--
Instalment Commercial Loans – Indexed to FC	1,965	142,034	143,999
Real Estate Loans	--	2,676	2,676
Vehicle Loans	--	13,116	13,116
General Purpose Loans	1,965	126,242	128,207
Other	--	--	--
Instalment Commercial Loans - FC	--	--	--
Real Estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	--	--
Corporate Credit Cards – TL	19,082	--	19,082
With Instalment	2,328	--	2,328
Without Instalment	16,754	--	16,754
Corporate Credit Cards – FC	34	--	34
With Instalment	--	--	--
Without Instalment	34	--	34
Overdraft Loans-TL (Legal Entities)	83,864	--	83,864
Overdraft Loans-FC (Legal Entities)	--	--	--
Total	327,273	1,303,481	1,630,754

5.5 *Allocation of loans by customers*

	Current Period	Prior Period
Public Sector	--	--
Private Sector	6,525,751	6,116,966
Total	6,525,751	6,116,966

5.6 *Allocation of Domestic and Foreign Loans*

	Current Period	Prior Period
Domestic Loans	6,287,984	5,832,593
Foreign Loans	237,767	284,373
Total	6,525,751	6,116,966

5.7 *Loans granted to subsidiaries and associates*

None.

FİBABANKA A.Ş. AND ITS SUBSIDIARY
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5.8 Specific provisions provided against loans

Specific Provisions	Current Period	Prior Period
Loans and Receivables with Limited Collectability	3,218	3,854
Loans and Receivables with Doubtful Collectability	16,454	14,716
Uncollectible Loans and Receivables	50,422	37,487
Total	70,094	56,057

5.9 Information on non-performing loans (Net)

5.9.1 Information on loans and other receivables included in non-performing loans which are restructured or rescheduled

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current Period	--	--	208
(Gross Amounts before Specific Provisions)	--	--	--
Restructured Loans and Other Receivables	--	--	208
Rescheduled Loans and Other Receivables	--	--	--
Prior Period	--	--	221
(Gross Amounts before Specific Provisions)	--	--	--
Restructured Loans and Other Receivables	--	--	221
Rescheduled Loans and Other Receivables	--	--	--

5.9.2 Movement on non-performing loans

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Balances at Beginning of Period	37,384	43,803	47,538
Additions (+)	20,832	803	550
Transfers from Other Categories of Non-Performing Loans (+)	--	36,445	14,157
Transfers to Other Categories of Non-Performing Loans (-)	36,547	14,055	--
Collections (-)	2,015	10,417	4,471
Write-offs (-) (*)	--	--	--
Corporate and Commercial Loans	--	--	--
Retail Loans	--	--	--
Credit Cards	--	--	--
Other	--	--	--
Balances at End of the Period	19,654	56,579	57,774
Specific Provisions (-)	3,218	16,454	50,422
Net Balance on Balance Sheet	16,436	40,125	7,352

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5.9.3 Information on non-performing loans and other receivables in foreign currencies

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current Period			
Balance as of the Period End	376	21,979	3,943
Specific Provisions (-)	19	2,763	3,263
Net Balance on Balance Sheet	357	19,216	680
Prior Period			
Balance as of the Period End	21,624	10,091	3,333
Specific Provisions (-)	1,081	1,511	2,654
Net Balance on Balance Sheet	20,543	8,580	679

5.9.4 Information regarding gross and net amounts of non-performing loans with respect to user groups

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current Period (Net)	16,436	40,125	7,352
Loans Granted to Real Persons and Legal Entities (Gross)	19,654	56,579	57,774
Specific provisions (-)	3,218	16,454	50,422
Loans Granted to Real Persons and Legal Entities (Net)	16,436	40,125	7,352
Banks (Gross)	--	--	--
Specific Provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan and Receivables (Gross)	--	--	--
Specific Provisions (-)	--	--	--
Other Loan and Receivables (Net)	--	--	--
Prior Period (Net)	33,530	29,087	10,051
Loans Granted to Real Persons and Legal Entities (Gross)	37,384	43,803	47,538
Specific provisions (-)	3,854	14,716	37,487
Loans Granted to Real Persons and Legal Entities (Net)	33,530	29,087	10,051
Banks (Gross)	--	--	--
Specific Provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan and Receivables (Gross)	--	--	--
Specific Provisions (-)	--	--	--
Other Loan and Receivables (Net)	--	--	--

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5.10 Liquidation policy for uncollectible loans and other receivables

100% provision is provided for uncollectible loans. In case of having collaterals, non-performing loans and other receivables are collected through liquidation of these collaterals. In the absence of collateral, periodical market intelligence is performed to determine the assets acquired subsequently by the debtor and the legal follow-up process is applied.

5.11 Explanations related to write-off policy

In case of all necessary conditions based on the relevant regulation occur, all impaired loans are written-off by the Board of Directors' decision.

6. Information on held-to-maturity investments

None.

7. Information on associates

None.

8. Information on consolidated subsidiary

The Bank has TL 5,445 of consolidated subsidiaries in its consolidated financial statements as of 31 March 2015.

Information on capital adequacy of major subsidiary

Current Period	Fiba Portföy Yönetimi A.Ş.
CORE CAPITAL	5,334
Paid-in Capital	5,500
Inflation Adjustments to Paid-in Capital	--
Share Premium	--
Reserves	--
Current Period's Profit and Prior Periods' Profit	--
Current Period's Losses and Prior Periods' Losses	166
Leasehold Improvements on Operational Leases (-)	--
Intangible Assets (-)	--
Goodwill (Net) (-)	--
SUPPLEMENTARY CAPITAL	--
CAPITAL	5,468
DEDUCTIONS FROM CAPITAL	--
NET AVAILABLE EQUITY	5,468

The Parent Bank does not have any capital needs for its subsidiary included in the calculation of its consolidated capital adequacy standard ratio.

8.1 Information on the subsidiaries which are not subject to consolidation

There are no subsidiaries which are not subject to consolidation.

FİBABANKA A.Ş. AND ITS SUBSIDIARY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
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8.2 Movement of consolidated investment in subsidiary

	Current Period	Prior Period
Balances at Beginning of Period	5,445	5,445
Movements during the Period		
Acquisitions and Capital Increases (*)	--	--
Bonus Shares Received	--	--
Dividends from the Current Year Profit	--	--
Sales/Liquidations	--	--
Reclassification of shares	--	--
Increase / (Decrease) in Market Values	--	--
Currency Differences on Foreign Subsidiaries	--	--
Reversal of Impairment Losses/ Impairment Losses (-)	--	--
Balances at the End of Period	5,445	5,445
Capital Commitments	--	--
Share of Capital at the end of Period (%)	99	99

(*)Fiba Portföy Yönetimi A.Ş. was established on 26 September 2013 with 99% participation of Fibabanka A.Ş.

Valuation methods of consolidated investments in subsidiary

	Current Period	Prior Period
Valued at Cost	5,445	5,445
Valued at Fair	--	--

Sectoral distribution of consolidated investments in subsidiary

	Current Period	Prior Period
Banks	--	--
Insurance Companies	--	--
Factoring Companies	--	--
Leasing Companies	--	--
Finance Companies	--	--
Other Subsidiaries	5,445	5,445

Quoted consolidated investments in subsidiary

None.

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8.2 Movement of consolidated investment in subsidiary (cont'd)***Other Information on subsidiaries within the scope of consolidation***

Subsidiary	Address (City / Country)	Bank's share– If different voting rights (%)	Bank's risk group share (%)	Consolidation Method
Fiba Portföy Yönetimi A.Ş.	İstanbul	%99.0	% 99.0	Full Consolidation

Total Assets	Shareholders ' Equity	Total Fixed Assets (*)	Interest Income	Income on Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/Loss	Company's Fair Value
5,468	5,334	13	132	--	10	(102)	5,334

(*) Total fixed assets consist of tangible and intangible assets.

Information on the subsidiaries within the scope of consolidation which are sold out in the current period

None

Information on the subsidiaries within the scope of consolidation which are acquired in the current period

None

9. Information on entities under common control (Joint Ventures)

None.

10. Information on lease receivables

None.

11. Information on derivative financial assets held for hedging purposes***11.1 Positive valuation derivative financial assets held for hedging purposes***

None.

12. Information on tangible assets

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

13. Information on intangible assets

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

14. Information on investment properties

None.

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15. Information on deferred tax asset**15.1 Amount of deferred tax asset recognized in the balance sheet in respect of deductible temporary differences, unused tax losses and unused tax credits**

As of 31 March 2015, the deferred tax liability amounting to TL 301 is calculated by netting of carry forward tax losses, deductible temporary differences and taxable temporary differences (31 December 2014: TL 2,236 deferred tax asset)

Deferred tax assets consist of deferred tax asset and liability items recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements of the Group and the corresponding tax bases which is used in the computation of taxable profit. The deferred tax assets and liabilities are presented as net in the accompanying financial statements.

Current Period		
	Deferred Tax Base	Deferred Tax Asset/ Liability
Unearned Commission Income	7,042	1,409
Retirement Pay and Unused Vacation Provision	8,374	1,674
Tangible Assets Base Differences	(4,105)	(821)
Carry Forward Tax Losses	149	30
Financial Assets Valuation	(7,905)	(1,581)
Other	(5,057)	(1,012)
Deferred Tax Assets	(1,502)	(301)

Prior Period		
	Deferred Tax Base	Deferred Tax Asset/ Liability
Financial Assets Valuation	3,029	606
Unearned Commission Income	7,709	1,542
Retirement Pay and Unused Vacation Provision	7,751	1,550
Tangible Assets Base Differences	(6,293)	(1,259)
Carry Forward Tax Losses	161	32
Other	(1,179)	(235)
Deferred Tax Assets	11,181	2,236

The movement of the current year and prior year deferred tax assets is shown below:

	1 January – 31 March 2015	1 January-31 December 2014
Deferred Tax Asset, Beginning of the Period	2,236	13,266
Deferred Tax Income / (Expense)	(3,300)	(7,316)
Deferred Tax Recognized Directly Under Equity	762	(3,716)
Other	1	2
Deferred Tax Asset, End of the Period	(301)	2,236

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
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(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

15.2 *Amount and expiry date of deductible temporary differences, unused tax losses, unused tax credits for which no deferred tax asset is recognized in prior periods in the balance sheet*

As of 31 March 2015, the Group has TL 30 deferred tax asset is recognized on carry forward tax losses amount TL 149. TL 108 in carry forward tax will be used until 2018, TL 41 will be used until 2019.

15.3 *Deferred tax asset resulting from the cancellation of the provision for impairment losses related to the deferred taxes*

None.

16. **Information on assets held for sale and non-current assets related to discontinued operations**

As of 31 March 2015, the Group has TL 662 assets held for sale (31 December 2014: TL 919).

17. **Information on other assets**

Other assets do not exceed 10% of total assets excluding the off-balance sheet items.

17.1 *Information on prepaid expenses, tax and similar items*

As of 31 March 2015, total prepaid expenses are TL 18,094 (31 December 2014: TL 14,993).

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II. Explanations and disclosures related to consolidated liabilities

1. Information on deposits

1.1 Information on maturity structure of deposits

Current Period

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months -1 Year	1 Year and Over	Cumulative Deposit	Total
Saving Deposits	27,386	--	33,252	1,141,540	283,949	189,398	29,717	--	1,705,242
Foreign Currency									
Deposits	153,689	--	127,719	2,087,566	185,324	30,439	132,481	--	2,717,218
Residents in Turkey	130,229	--	127,548	2,073,759	176,088	27,961	7,996	--	2,543,581
Residents Abroad	23,460	--	171	13,807	9,236	2,478	124,485	--	173,637
Public Sector Deposits	2,361	--	--	--	--	--	--	--	2,361
Commercial Deposits	124,680	--	95,355	344,092	190,636	142,629	45,731	--	943,123
Other Ins. Deposits	720	--	100	42,151	5,035	--	13	--	48,019
Precious Metal									
Deposits	2,081	--	--	--	--	--	--	--	2,081
Interbank Deposits	12,544	--	128,738	78,776	--	--	--	--	220,058
Central Bank of Turkey	--	--	--	--	--	--	--	--	--
Domestic Banks	7	--	101,800	--	--	--	--	--	101,807
Foreign Banks	12,354	--	26,938	78,776	--	--	--	--	118,068
Special Finan.Inst.	183	--	--	--	--	--	--	--	183
Other	--	--	--	--	--	--	--	--	--
Total	323,461	--	385,164	3,694,125	664,944	362,466	207,942	--	5,638,102

Prior Period

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months -1 Year	1 Year and Over	Cumulative Deposit	Total
Saving Deposits	30,095	--	21,238	1,335,821	225,947	148,556	29,334	--	1,790,991
Foreign Currency									
Deposits	131,150	--	51,395	1,836,067	171,957	17,941	117,600	--	2,326,110
Residents in Turkey	101,508	--	49,226	1,802,940	166,241	17,163	7,471	--	2,144,549
Residents Abroad	29,642	--	2,169	33,127	5,716	778	110,129	--	181,561
Public Sector Deposits	397	--	--	--	--	--	--	--	397
Commercial Deposits	140,051	--	90,371	460,747	103,648	86,244	32,026	--	913,087
Other Ins. Deposits	705	--	--	47,346	961	1,075	12	--	50,099
Precious Metal									
Deposits	1,833	--	--	--	--	--	--	--	1,833
Interbank Deposits	2,845	--	89,566	66,437	--	--	--	--	158,848
Central Bank of Turkey	--	--	--	--	--	--	--	--	--
Domestic Banks	4	--	53,837	--	--	--	--	--	53,841
Foreign Banks	2,731	--	35,729	66,437	-	--	--	--	104,897
Special Finan. Inst.	110	--	--	--	--	--	--	--	110
Other	--	--	--	--	--	--	--	--	--
Total	307,076	--	252,570	3,746,418	502,513	253,816	178,972	--	5,241,365

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
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(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

1.2 Information on saving deposits under the guarantee of saving deposit insurance and exceeding the limit of saving deposit insurance:

	Under the Guarantee of Deposit Insurance		Exceeding the limit of Deposit Insurance	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	554,863	514,443	1,128,336	1,252,784
Foreign Currency Saving Deposits	148,423	128,316	1,834,171	1,462,145
Other Deposits in the Form of Saving Deposits	--	--	--	--
Foreign Branches' Deposits Under Insurance of Foreign Authorities	--	--	--	--
Off-shore Banking Regions' Deposits Under Foreign Authorities' Insurance	--	--	--	--
Total	703,286	642,759	2,962,507	2,714,929

1.3 Saving deposits in Turkey are not covered by any insurance in any other countries since the Bank's headquarter is not located abroad.
1.4 Saving deposits that are not under the guarantee of deposit insurance fund

	Current Period	Prior Period
Deposits and Accounts in Branches Abroad	--	--
Deposits of Ultimate Shareholders and Their Close Families	22,621	21,159
Deposits of Chairman and Members of the Board of Directors and their Close Families	2,171	2,641
Deposits Obtained through Illegal Acts Defined in the 282nd Article of the 5237 Numbered Turkish Criminal Code dated 26 September 2004.	--	--
Saving Deposits in Banks Established in Turkey Exclusively for Off Shore Banking Activities	--	--

2. Information on derivative financial liabilities held for trading
2.1 Information on negative differences relating to derivative financial liabilities held for trading

Trading Purpose Derivative Financial Liabilities	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	7,395	--	2,955	--
Swap Transactions	12,640	--	2,027	--
Futures Transactions	--	--	--	--
Options	13,725	5,101	4,617	2,113
Other	--	--	--	--
Total	33,760	5,101	9,599	2,113

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1 JANUARY – 31 MARCH 2015**

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

3. Information on banks and other financial institutions
3.1 Information on banks and other financial institutions

	Current Period		Prior Period	
	TL	FC	TL	FC
Loans from Central Bank of Turkey	--	--	--	--
From Domestic Banks and Institutions	21,374	27,834	22,216	33,265
From Foreign Banks, Institutions and Funds	--	1,037,282	--	790,868
Total	21,374	1,065,116	22,216	824,133

Syndicated loan maturing in December 2014 in the amount of USD 30.5 million and EUR 69.5 million has been renovated in the same month as USD 30 million and EUR 70 million.

3.2 Maturity analysis of borrowings

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	21,374	820,684	21,703	601,088
Medium and Long Term	--	244,432	513	223,045
Total	21,374	1,065,116	22,216	824,133

3.3 Additional explanation related to the concentrations of the Group's major liabilities:

In the scope of normal banking operations, the Group funds itself through funds provided by deposits, bank borrowings and bond issuance.

4. Informations related with issued instruments

	TL		FC	
	Short Term	Medium and Long Term	Short Term	Medium and Long Term
Nominal	493,120	70,500	--	--
Cost	483,045	70,500	--	--
Carrying Amount	483,045	71,553	--	--

5. Sundry Creditors and Other Liabilities

Sundry creditors and other liabilities of balance sheet does not exceed 10% of the balance sheet total.

The Bank, applied to the BRSA on January 14, 2015 for permission of the subordinated loan provided from Fiba Holding A.Ş. in the amount of USD 50 million to be converted to share capital. Following the authorization of the BRSA on March 4, 2015, the Board of Directors decision was taken on March 5, 2015 regarding share capital increase to TL 678,859,577.64 (exact amount). 127,045,000 TL (exact amount) of total capital increase is provided by Fiba Holding A.Ş. loan permitted to be converted to capital, 1,814,577.64 TL (exact amount) is provided through cash from other shareholders. Total capital increase of TL 128,859,577.64 is classified under "sundry creditors" on balance sheet liabilities as of March 31, 2015, and will be transferred to share capital following the completion of the legal procedures.

Criteria used in the determination of lease instalments in the finance lease contracts, renewal and purchase options, restrictions, and significant burdens imposed on the bank on such contracts

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
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6.1 Changes in agreements and further commitments arising

None.

6.2 Obligations under financial leases

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 Year	--	--	--	--
Between 1-4 Years	238	217	233	211
More than 4 Years	--	--	--	--
Total	238	217	233	211

6.3 Information on operational leases

The Group has operational lease agreements for the headquarters and some of its branches. If the rental payments is made in advance, the paid amount is accounted under prepaid expenses in “Other Assets”, in the following months, the rental expenses belonging to those months are recorded in profit/loss accounts.

The Group does not incur any liability as a result of any changes in operational lease agreements. The Group does not have any obligation from operational lease agreements.

6.4 Information on “Sale-and-lease back” agreements

In the current period, there is no sale and lease back agreements.

7. Information on derivative financial liabilities for hedging purposes

There are no derivative financial liabilities for hedging purposes in the current period.

8. Information on provisions**8.1 Information on general provisions**

	Current Period	Prior Period
Loans and Receivables in Group 1	52,690	51,305
- Additional Provision for Loan and Receivables with Extended Maturities	--	3
Loans and Receivables in Group 2	10,047	6,577
- Additional Provision for Loan and Receivables with Extended Maturities	5,199	2,396
Non-Cash Loans	2,964	2,631
Others	--	--
Total	65,701	60,513

8.2 Foreign exchange losses on the foreign currency indexed loans and finance lease receivables

The foreign exchange losses on the foreign currency indexed loans as of 31 March 2015, amounting to TL 327 (31 March 2014: TL 1,939) are deducted from loans on the balance sheet.

8.3 The specific provisions provided for unindemnified non cash loans

As of 31 March 2015, the specific provision provided for unindemnified non-cash loans is TL 1,298 (31 December 2014: TL 894).

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8.4 Explanation on other provisions**8.4.1 Provisions for probable losses**

None.

8.4.2 The breakdown of the subsidiary accounts if other provisions exceed 10% of the grand total provisions

None.

8.4.3 Explanations on reserves for employee benefits

As of 31 March 2015, the Group has reserves for employee benefits amounting to TL 13,322 (31 December 2014: TL 11,752) comprise TL 4,939 reserve for employee termination benefits (31 December 2014: TL 4,609), TL 3,433 unused vacation pay liability (31 December 2014: TL 3,143) and TL 4,950 personnel premium accrual (31 December 2014: TL 4,000).

9. Explanations on tax liabilities**9.1 Explanations on current tax liability****9.1.1 Explanations on tax provision**

As of 31 March 2015, total current tax liability of the Group is TL 16,695 (31 December 2014: TL 20,399).

9.1.2 Information on taxes payable

	Current Period	Prior Period
Corporate taxes payable	2,386	3,662
Taxation on securities	5,200	6,438
Property tax	321	288
Banking and Insurance Transaction Tax (BITT)	5,171	5,765
Taxes on foreign exchange transactions	--	--
Value added taxes payable	20	180
Income tax ceased from wages	1,342	1,916
Other	256	199
Total	14,696	18,448

9.1.3 Information on premiums

	Current Period	Prior Period
Social Security Premiums- Employee	850	830
Social Security Premiums- Employer	972	948
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	59	58
Unemployment Insurance- Employer	118	115
Other	--	--
Total	1,999	1,951

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9.2 Explanations on deferred tax liabilities

As of 31 March 2015, deferred tax liability of the Group is TL 301 offsetting with deferred tax asset. (31 December 2014: None).

10. Information on liabilities regarding assets held for sale and discontinued operations

None.

11. Explanations on subordinated loans

	<i>Current Period</i>		<i>Prior Period</i>	
	TL	FC	TL	FC
Domestic Banks	--	--	--	--
Domestic Other Institutions	--	--	--	116,678
Foreign Banks	--	83,593	--	81,845
Foreign Other Institutions	--	106,515	--	93,051
Total	--	190,108	--	291,574

The Bank, applied to the BRSA on January 14, 2015 for permission of the subordinated loan provided from Fiba Holding A.Ş. in the amount of USD 50 million to be converted to share capital. Following the authorization of the BRSA on March 4, 2015, the Board of Directors decision was taken on March 5, 2015 regarding share capital increase to TL 678,859,577.64 (exact amount). 127,045,000 TL (exact amount) of total capital increase is provided by Fiba Holding A.Ş. loan permitted to be converted to capital, 1,814,577.64 TL (exact amount) is provided through cash from other shareholders. Total capital increase of TL 128,859,577.64 is classified under “sundry creditors” on balance sheet liabilities as of March 31, 2015, and will be transferred to share capital following the completion of the legal procedures.

12. Information on shareholders’ equity**12.1 Paid-in capital**

	Current Period	Prior Period
Common Stock	550,000	550,000
Preferred Stock	--	--

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

Registered share capital system is not applied.

12.3 Information on share capital increases and their sources; other information on increased capital shares in current period

None.

12.4 Information on share capital increases from revaluation funds

None.

FİBABANKA A.Ş. AND ITS SUBSIDIARY

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12.5 Information on capital commitments the purpose and the sources until the end of the fiscal year and the subsequent interim period:

The capital is totally paid in and there are no capital commitments.

12.6 Indicators of the Bank's income, profitability and liquidity for the prior periods and possible effects of these future assumptions due to the uncertainty of these indicators on the Bank's equity:

None.

12.7 Information on privileges given to stocks representing the capital

The Bank does not have any preferred shares.

12.8 Common stock issue premiums, shares and equity instruments

None.

12.9 Information on marketable securities value increase fund

	Current Period		Prior Period	
	TL	FC	TL	FC
From Subsidiaries, Associates, and Entities Under Common Control (Joint Ventures)	--	--	--	--
Security Valuation Difference	(728)	(10,683)	(115)	(8,248)
Exchange Difference	--	--	--	--
Total	(728)	(10,683)	(115)	(8,248)

12.10 Information on revaluation reserve

None.

12.11 Bonus shares of Subsidiaries, Associates and Joint Ventures

None.

12.12 Information on legal reserves

None.

12.13 Information on extraordinary reserves

None.

13. Information on minority shares

	1 January – 31 March 2015	1 January – 31 December 2014
Beginning Balance	53	54
Minority Shares in Net Income of Subsidiaries	--	(1)
Dividend Paid in the Prior Period	--	--
Increase/(Decrease) in Minority Shares as a Result of Sales	--	--
Other	--	--
Ending Balance	53	53

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III. Explanations and disclosures related to consolidated off-balance sheet contingencies and commitments**1. Information on consolidated off-balance sheet commitments****1.1 Nature and amount of irrevocable loan commitments**

	Current Period	Prior Period
Asset Sale and Purchase Commitments	1,248,272	491,871
Credit Card Limit Commitments	34,117	20,444
Commitments for Credit Allocation with the Guarantee of Usage	88,477	93,359
Export Commitments	2,490	2,357
Commitment for Cheques	133,047	121,680
Other Irrevocable Commitments	3,438	2,803
Total	1,509,841	732,514

1.2 Possible losses and commitments related to off-balance sheet items, including the ones listed below**1.2.1 Non-cash loans including guarantees, acceptances, financial guarantee and other letters of credits**

	Current Period	Prior Period
Letters of Guarantee TL	323,314	329,927
Letters of Guarantee FC	246,434	236,904
Letters of Credit	280,614	319,233
Bills of Exchange and Acceptances	124,589	161,617
Total	974,951	1,047,681

1.2.2 Revocable, irrevocable guarantees and other similar commitments and contingencies

	Current Period	Prior Period
Revocable Letters of Guarantee	31,169	23,275
Irrevocable Letters of Guarantee	443,030	442,234
Letters of Guarantee Given in Advance	33,481	40,132
Letters of Guarantee Given to Customs	12,489	12,151
Other Letters of Guarantee	49,579	49,039
Total	569,748	566,831

2. Total amount of non-cash loans

	Current Period	Prior Period
Non-Cash Loans Given against Cash Loans	36,346	31,786
With Original Maturity of 1 Year or Less Than 1 Year	--	--
With Original Maturity of More Than 1 Year	36,346	31,786
Other Non-Cash Loans	938,605	1,015,895
Total	974,951	1,047,681

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3. Information on sectoral risk concentrations of non-cash loans

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

4. Information on the first and second group of non-cash loans

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5. Information related to derivative financial instruments

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

6. Credit derivatives and risk exposures on credit derivatives

None.

7. Explanations on contingent liabilities and assets

As of balance sheet date, the Group provided provision of TL 1,044 for the legal cases pending against the Group where the cash out flows are highly probable (31 December 2014: TL 969).

8. Custodian and intermediary services

The Bank provides trading and safe keeping services in the name and account of third parties, which are presented in the statement of contingencies and commitments.

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IV. Explanations and disclosures related to the consolidated income statement**1. Interest income****1.1 Information on interest on loans (*)**

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest on loans	149,388	33,716	119,106	32,167
Short Term Loans	89,937	6,838	71,701	6,819
Medium and Long Term Loans	59,451	26,878	47,405	25,348
Interest on Non-Performing Loans	256	60	126	--
Premiums received from Resource Utilization Support Fund	--	--	--	--
Total	149,644	33,776	119,232	32,167

*Includes fees and commissions obtained from cash loans.

1.2 Information on interest income received from banks

	Current Period		Prior Period	
	TL	FC	TL	FC
The Central Bank of Turkey	--	--	--	--
Domestic Banks	4,212	37	1,988	83
Foreign Banks	--	30	--	14
Branches and Head Office Abroad	--	--	--	--
Total	4,212	67	1,988	97

1.3 Interest received from marketable securities portfolio

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets Held for Trading	212	57	178	43
Financial Assets at Fair Value Through Profit or Loss	--	--	--	--
Financial Assets Available-for-Sale	651	4,534	244	3,104
Investment Securities Held-to-Maturity	--	--	--	--
Total	863	4,591	422	3,147

1.4 Information on interest income received from associates and subsidiaries

None.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 31 MARCH 2015

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

2. Interest expense

2.1 Information on interest on funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	395	3,057	309	1,513
The Central Bank of Turkey	--	--	--	--
Domestic Banks	395	171	309	166
Foreign Banks	--	2,886	--	1,347
Branches and Head Office Abroad	--	--	--	--
Other Institutions	--	6,296	--	6,444
Total	395	9,353	309	7,957

2.2 Information on interest expenses to associates and subsidiaries

None.

2.3 Information on interest expenses to securities issued

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Paid to Securities Issued	12,510	--	8,158	--

2.4 Distribution of interest expense on deposits based on maturity of deposits:

Account Description	Demand Deposits	Time Deposits					Cumulative Deposit	Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 Year and Over		
<i>Turkish Lira</i>								
Bank Deposits	--	242	--	--	--	--	--	242
Saving Deposits	--	590	30,734	7,340	4,089	765	--	43,518
Public Sector Deposits	--	--	--	--	--	--	--	--
Commercial Deposits	--	2,102	9,421	3,453	2,803	964	--	18,743
Other	--	5	1,051	60	1	--	--	1,117
7 Day Call Accounts	--	--	--	--	--	--	--	--
Total	--	2,939	41,206	10,853	6,893	1,729	--	63,620
<i>Foreign Currency</i>								
Foreign Currency Deposits	--	191	12,197	1,241	156	966	--	14,751
Bank Deposits	--	325	--	--	--	--	--	325
7 Day Call Accounts	--	--	--	--	--	--	--	--
Precious Metal Deposits	--	--	--	--	--	--	--	--
Total	--	516	12,197	1,241	156	966	--	15,076
Grand Total	--	3,455	53,403	12,094	7,049	2,695	--	78,696

3. Information on dividend income

None.

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4. Information on net trading income / loss

	Current Period	Prior Period
Income	196,955	268,380
Gains on Capital Market Operations	21	591
Gains on Derivative Financial Instruments	44,061	54,396
Foreign Exchange Gains	152,873	213,393
Loss (-)	201,925	257,132
Losses on Capital Market Operations	323	301
Losses on Derivative Financial Instruments	53,851	37,828
Foreign Exchange Losses	147,751	219,003
Net Trading Income / (Loss)	(4,970)	11,248

5. Information on other operating income

In the current period, other operating income consists of reversal of general and specific provisions, profit from sale of assets, commissions on cheques and notes and costs recharged.

6. Impairment on loans and other receivables

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables:	16,233	7,528
<i>III. Group Loans and Receivables</i>	451	3,582
<i>IV. Group Loans and Receivables</i>	2,164	2,910
<i>V. Group Loans and Receivables</i>	13,618	1,036
General Loan Loss Provisions	5,188	1,707
Free Provision for Probable Risks	--	--
Impairment Losses on Securities:	--	--
<i>Financial Assets at Fair Value Through Profit or Loss</i>	--	--
<i>Financial Assets Available-for-Sale</i>	--	--
Impairment Losses on Associates, Subsidiaries, Joint Ventures and Investment Securities Held to Maturity:	--	--
<i>Associates</i>	--	--
<i>Subsidiaries</i>	--	--
<i>Joint Ventures</i>	--	--
<i>Investments Held to Maturity</i>	--	--
Other	--	--
Total	21,421	9,235

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7. Information related to other operational expenses

	Current Period	Prior Period
Personnel Expenses	29,280	26,548
Provision for Employee Termination Benefits	330	300
Provision for Bank's Social Aid Fund Deficit	--	--
Impairment Losses on Tangible Assets	--	--
Depreciation Charges of Tangible Assets	2,311	2,379
Impairment Losses on Intangible Assets	--	--
Amortization Charges of Intangible Assets	947	1,032
Impairment Losses on Investment Accounted for under Equity Method	--	--
Impairment of Assets to be Disposed	--	--
Depreciation of Assets to be Disposed	15	14
Impairment of Assets Held for Sale	--	--
Other Operating Expenses	13,114	11,401
<i>Operational Leases Expenses</i>	7,203	6,175
<i>Repair and Maintenance Expenses</i>	236	183
<i>Advertisement Expenses</i>	281	159
<i>Other Expenses</i>	5,394	4,884
Losses on Sale of Assets	--	--
Other	10,171	6,479
Total	56,168	48,153

8. Information on profit/loss before tax from continued and discontinued operations

Not prepared in compliance with the Article 25 of the communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

9. Information on tax provision from continued and discontinued operations**9.1 Current period taxation benefit or charge and deferred tax benefit or charge**

For the period ended as of 31 March 2015, deferred tax charge of the Bank is TL 3,300 and current tax charge of the Bank is TL 2,386. (1 January - 31 March 2014: TL 5,543 deferred tax benefit, there is no current tax charge).

	Current Period	Prior Period
Deferred Tax Benefit/ (Charge)	(3,300)	(5,543)
Provision for Deferred Tax	--	--
Net Deferred Tax Benefit/ (Charge)	(3,300)	(5,543)

9.2 Deferred tax benefit / (charge) arising from origination or reversal of temporary differences

<i>Deferred tax benefit / (charge) arising from origination or reversal of temporary differences</i>	Current Period	Prior Period
Arising from Origination of Deductible Temporary Differences (+)	903	501
Arising from Reversal of Deductible Temporary Differences (-)	(152)	(4,810)
Arising from Origination of Taxable Temporary Differences (-)	(4,573)	(2,342)
Arising from Reversal of Taxable Temporary Differences (+)	522	155
Arising from Origination of Financial Losses (+)	--	953
Arising from Reversal of Financial Losses (-)	--	--
Arising from Origination of Tax Deductions and Exemptions (+)	--	--
Arising from Reversal of Tax Deductions and Exemptions (-)	--	--
Total	(3,300)	(5,543)
Provision	--	--
Net deferred tax	(3,300)	(5,543)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
1 JANUARY – 31 MARCH 2015**

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

9.3 Deferred tax benefit / (charge) arising from temporary differences, tax losses or unused tax credits

Sources of deferred tax benefit/charge	Current Period	Prior Period
Arising from Origination (+)/ Reversal (-) of Deductible Temporary Differences	751	(4,309)
Arising from Origination (-)/ Reversal (+) of Taxable Temporary Differences	(4,051)	(2,187)
Arising from Origination (+)/ Reversal (-) of Tax Losses	--	953
Arising from Origination (+)/ Reversal (-) of Unused Tax Credits	--	--
Total	(3,300)	(5,543)
Provision	--	--
Net deferred tax income/(expense)	(3,300)	(5,543)

10. Information on profit/loss from continued and discontinued operations

Not prepared in compliance with the Article 25 of the communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

11. Information on net profit/loss for the period
11.1 The nature and amount of certain income and expense items from ordinary operations is disclosed if the disclosure for nature, amount and repetition rate of such items is required for the complete understanding of the Bank's performance for the period

In the current and prior periods, the Group's income from ordinary banking transactions is interest income from loans and marketable securities and other banking service income. Main expenses are interest expense on deposits and similar debt items which are funding resources of loans and marketable securities.

11.2 Changes in estimations made by the Bank with respect to the financial statement items do not have a material effect on profit/loss.
11.3 As there is no minority share in shareholders' equity, there is no profit or loss attributable to the minority shares.
12. If “other” lines of the income statement exceeds 10% of the period profit/loss, information on components making up at least 20% of “other” items

Current period “fees and commissions income” majorly comprised of transfer commissions, insurance commissions, investment fund commissions, credit cards commissions and account maintenance fee.

Current period “fees and commissions expense” majorly comprised of borrowing commissions, commissions to correspondent banks and commission on issuance of securities.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
1 JANUARY – 31 MARCH 2015**

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

V. Explanations and disclosures on the risk group of the Parent Bank**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****1.1 Current Period**

Bank's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholder		Other Real Persons and Legal Entities in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables (**)						
Balance at the Beginning of the Period	--	--	--	20	770	15,000
Balance at the End of the Period	--	--	--	20	4,997	19,651
Interest and Commission Income Received	--	--	--	4	41	28

(*) Described in article 49 of the Banking Act No: 5411.

(**) Includes all transactions accepted as loans in article 48 of the Banking Act No: 5411.

Prior Period

Bank's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholder		Other Real Persons and Legal Entities in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	--	--	--	87	2,475	18,736
Balance at the End of the Period	--	--	--	20	770	15,000
Interest and Commission Income Received	--	--	--	--	146	22

(*) Described in article 49 of the Banking Act No: 5411.

1.2 Information on deposits of the Bank's risk group

Bank's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholder		Other Real Persons and Legal Entities in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Balance at the Beginning of the Period	--	--	31,138	16,769	161,258	79,203
Balance at the End of the Period	--	--	48,843	31,138	141,537	161,258
Deposit Interest Expense	--	--	776	234	3,089	1,184

(*) Described in article 49 of the Banking Act No: 5411.

1.3 Information on funds obtained from the Parent Bank's risk group

As of 31 December 2014, subordinated loan amount obtained from the Bank's Direct and Indirect Shareholders is TL 116,677 and funds obtained from other real persons and legal entities in risk group is 30,858 TL. As of 31 March 2015, there is no funds obtained from other real persons and legal entities in risk group.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
1 JANUARY – 31 MARCH 2015**

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

1.4 Information on forward and option agreements and similar agreements made with Bank's risk group

Bank's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholder		Other Real Persons and Legal Entities in Risk Group	
	Current	Prior Period	Current	Prior Period	Current	Prior
	Period	Period	Period	Period	Period	Period
Financial Assets at Fair Value Through Profit and Loss:						
Balance at the Beginning of the Period	--	--	--	--	76,728	146,863
Balance at the End of the Period	--	--	--	--	189,925	76,728
Total Income/Loss	--	--	--	--	1,488	195
Transactions for Hedging Purposes:						
Balance at the Beginning of the Period	--	--	--	--	--	--
Balance at the End of the Period	--	--	--	--	--	--
Total Income/Loss	--	--	--	--	--	--

(*) As described in the Article 49 of Banking Act no.5411.

2. Information on transactions with the Parent Bank's risk group
2.1 Relations with entities in the risk group of / or controlled by the Bank regardless of the nature of relationship among the parties

The terms of related party transactions are equivalent to those that prevail in arm's length transactions only if such terms can be substantiated regarding the limits exposed by the Banking Act. Adopted Bank policy is that assets and liabilities will not be dominated by the risk group and the balances with the risk group will have a reasonable share in the total balance sheet.

2.2 In addition to the structure of the relationship, type of transaction, amount, and share in total transaction volume, amount of significant items, and share in all items, pricing policy and other

As of 31 March 2015, the ratio of the loans and other receivables used by the entities of risk group to total loans and receivables is 0.07% and the ratio of the deposits of entities of risk group to total deposits is 3.38%.

In current period benefits provided to the key management of the Group is TL 1,166 (1 January - 31 March 2014: TL 1,538).

2.3 Total of similar type of transactions together, unless a separate disclosure is required to present the effect of the transactions on financial statements

None.

2.4 Transactions accounted for under equity method

None.

2.5 Explanations on purchase and sale of real estate and other assets, sales and purchases of services, agency contracts, finance lease agreements, transfer of data obtained from research and development, licensing agreements, financing (including loans and cash and in-kind capital support), guarantees and promissory notes, and management contracts

None.

FİBABANKA A.Ş. AND ITS SUBSIDIARY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
1 JANUARY – 31 MARCH 2015**

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

VI. Explanations on the Parent Bank's domestic, foreign, off-shore branches or investments in associates and foreign representative offices**1. Information related to the Bank's domestic and foreign branch and representatives**

	Number	Number of Employees			
Domestic Branch	68	1,226			
			Country of Incorporations		
Foreign Representation Office			1-		
			2-		
			3-		
				Total Assets	Statutory Share Capital
Foreign Branch			1-		
			2-		
			3-		
Off-shore Banking Region Branches			1-		
			2-		
			3-		

Information on consolidated domestic financial subsidiaries

	Number of Employees	Total Assets	Legal Capital
Fiba Porföy A.Ş.	6	5,468	5,334

VII. Events after balance sheet date

None.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF
1 JANUARY – 31 MARCH 2015**

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

SECTION SIX

OTHER EXPLANATIONS ON THE OPERATIONS OF THE PARENT BANK

None.

SECTION SEVEN

EXPLANATIONS ON AUDITORS' LIMITED REVIEW REPORT

I. Explanations on the auditors' review report

The Bank's publicly available consolidated financial statements and footnotes have been limited reviewed by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Member of Deloitte Touche Tohmatsu Limited) and the independent auditors' limited review report is presented in front of the financial statements.

II. Other footnotes and explanations prepared by the independent auditors

None.