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CELEBRATING ITS 30TH YEAR IN BUSINESS,

ALBARAKA TÜRK CONTINUED TO SUPPORT THE REAL SECTOR WITH ITS PRODUCTS, SERVICES, AND SOLUTIONS IN 2015 AS WELL.

ALBARAKA TÜRK LOST NO MOMENTUM IN ITS ONGOING EFFORTS IN LINE WITH ITS VISION OF BEING THE WORLD'S BEST PARTICIPATION BANK.



Annual General Meeting Agenda

BOARD OF DIRECTORS RESOLUTION

SESSION NO: 1506

DATE: February 16, 2016

The following proposition, which has been written as a resolution and distributed to all board members by Fahrettin YAŞI, General Manager and Board Member, has been approved by the board members whose signature appear herebelow, in accordance to article m. 390/(4) of the Turkish Commercial Code and article m. 26/(4) of the Articles of Association of the Bank.

DECISIONS

1. The decision was taken that the Albaraka Türk Participation Bank Corporation Regular General Assembly would be called for a regular meeting at its Head Office, addressed at Saray Mahallesi, Dr. Adnan Büyükdeniz Caddesi No:6, 34768 Ümraniye, İstanbul on Thursday, 24th March 2016 at 10:00 a.m. to discuss the agenda mentioned below.
2. In addition, the publication and announcement to the shareholders through the Bank's web site, of the 2015 Ordinary General Assembly Information Document and the General Assembly Attendance Procedure which have been prepared by the General Management, has been decided.

AGENDA:

1. Inauguration; formation of Presiding Council.
2. Authorizing the Presiding Council to sign the general assembly minutes of meeting.
3. Reading and discussing the Annual Report of the BoD about the fiscal year 2015.
4. Reading and discussing Auditor reports.
5. Reading, discussing and approving the Financial Statements.
6. Acquitting the Members of the BoD.
7. Acquitting the Auditor.
8. Discussing the BoD proposal about the utilization and distribution of the annual profit and dividends (ratios of sharing).
9. Discussing the fiscal rights and benefits of the Board members like salary & wages, per diems, bonus & premiums and alike.
10. Submitting to the General Assembly for approval of those Board members who're appointed on Board in order complete the remaining period of the membership vacated during the operational year.
11. Electing the Auditor.
12. Permitting members of the BoD with respect to articles 395 and 396 of Turkish Commercial Code.
13. Presenting information to General Assembly about operations effected in scope of the Buy-back Program for bank's own shares,
14. Providing the General Assembly with details of our Bank's donations in 2015.
15. Remarks and requests.

The above decisions are presented to foreign members in their own languages who have their signatures below. No dissent was raised and they were in agreement.

Adnan Ahmed Yusuf ABDULMALEK

The Chairman of the Board

Hamad Abdulla A. EQAB

Board Member

Hood Hashem Ahmed HASHEM

Board Member

Ibrahim Fayez Humaid ALSHAMSI

Board Member

Fahad Abdullah A. ALRAJHI

Board Member

Fahrettin YAŞI

Board Member and General Manager

Yalçın ÖNER

Vice President of the Board of Directors

Osman AKYÜZ

Board Member

Muhammad Zarrug M. RAJAB

Board Member

Kemal VAROL

Board Member

Mitat AKTAŞ

Board Member

Advancing Resolutely Towards Becoming The World's Best Participation Bank...

30 years

In 2015 Albaraka Türk joined hands with all of its stakeholders as it celebrated its 30th year in business.

Total Assets

TRL 29.6 billion

Albaraka Türk's total assets increased by 28.3% in 2015 and amounted to TRL 29.6 billion as of year-end.

SİMURG

SİMURG is currently undergoing a transformation that involves a series of long-term flexible changes that are linked to one another. Of the 49 projects that have so far been initiated under this transformation program, 38 had been successfully completed as of end-2015.

ALBATROS*

Albatros, Albaraka Türk's new core banking system, became operational as of June 19, 2015. The changeover was completed overnight without causing any interruption whatsoever in customer service.

Innovation

In 2015 Albaraka Türk introduced many innovative and efficacious new products and services for its corporate and commercial customers.

ISO 22301

Last year Albaraka Türk took a big step forward towards ensuring the uninterrupted conduct of its business processes when the Bank was audited and received ISO 22301 business continuity management system certification.

213 branches

Albaraka Türk reaches its stakeholders through an extensive service network consisting of 213 branches located all over Turkey and an array of alternative delivery channels. The Bank has one international branch located in the city of Arbil in Iraq.

Number of employees

3,736

As of end-2015, Albaraka Türk had 3,736 personnel on its payroll.

*The brand name Albatros consists of Albaraka's "Alba", Turkey's "tr" and automation system's "os".

Our Vision - Our Mission - Our Quality Policy - Our Core Values

OUR VISION

To be the world's best participation bank.

OUR MISSION

Committed to the principles of interest-free banking and in accordance with our corporate values and the ethical principles of banking; to meet the financial needs of society by sharing our common benefits with customers, employees and shareholders who participate in our success.

OUR QUALITY POLICY

With the employees who are well-trained, regard quality as a way of life and continuously renew themselves:

Offer products and services so as to meet the existing and possible expectations of our customers;

Increase our customers' satisfaction through "personalized customer attention" and "cheerful service" approach;

Continuously improve all our processes and our product and service quality;

Keep a close eye on technology and business developments and rapidly transform them to added values.

OUR CORE VALUES

Partnership

- Sharing produced values with shareholders, employees, customers and society,
- Establishing strong long-lasting relationships with stakeholders,
- Ensuring continuous development of knowledge and skills of employees,
- Contributing to the growth of the participation banking and banking sector.

Focus

- Utilizing our sources in productive projects ,
- Converting our energy to social values and having the necessary energy and perseverance to make a positive impact on the lives of our customers for the greater good of society.

Sincerity

- Valuing our customers offering them services in a friendly and sincere manner,
- Accommodating services as well as providing utmost customer satisfaction through our products and services with respect to our customer-oriented approach.

Solidity

- Adhering to Participation Banking principles and Banking Ethics while allocating resources into the economy,
- Managing our customers' financial interests with the highest ethical standards.

Social Responsibility

- Supporting economic development with the purpose of improving society's life standards while progressing to increasing our Bank's value; implementing legitimate and environmentally-friendly policies while also contributing to numerous social and cultural projects.

Corporate Profile

ALBARAKA TÜRK A PIONEERING, STRONG, AND FUTURE-FOCUSED LEADER SINCE 1985...

Turkey's first participation bank with more than three decades of experience, vision, expert human resources, and technological competency, Albaraka Türk is the country's pioneering and strongest practitioner of participation banking.

Albaraka Türk incorporates the principles of participation banking into its production and trade financing mission in the most effective way possible. The Bank regards supporting SMEs' growth and development under every condition as one of its highest priorities.

Continuing to expand its customer base as a respected and trusted financial institution, Albaraka Türk channels the funds that accumulate in its depositors' current and participation accounts to real-sector borrowers for such purposes as personal finance, corporate finance, lease-financing, and project-based profit/loss partnerships.

VISION & GROUP SYNERGIES: BECOMING A REGIONAL FINANCIAL FORCE

A member of the Albaraka Banking Group, the Bank's biggest shareholder, Albaraka Türk continues to take advantage of groupwise synergies as it advances in line with its vision of becoming a regional financial force in the Gulf, Middle East, and North Africa where its parent is active.

ROBUST SHAREHOLDER STRUCTURE

Founded by the Albaraka Banking Group, the Islamic Development Bank (IDB) and a local industry group which has been serving the Turkish economy for more than half a century, Albaraka Türk has a powerful capital base. As of December 31, 2015, 65.99% and 9.21% shares of the Bank's capital were controlled by non-resident and resident shareholders respectively while the remaining 24.80% was publicly-held.

A NON-COMPROMISING APPROACH TO SERVICE QUALITY

Constantly developing its product and service lineup in an ongoing effort to proactively satisfy its customers' needs and expectations, Albaraka Türk complements superior service standards with a sincere and friendly service approach. All of the Bank's activities are conducted under the ISO 9001:2008 Quality Management System certification that it has been awarded. In 2015, Albaraka Türk took a big step forward towards ensuring the uninterrupted conduct of its business processes when the Bank was audited and received ISO 22301 business continuity management system certification.

THE FORMULA FOR SUCCESS: EXPERIENCE-PERFORMANCE-TRUST

In the management of its customer relations, Albaraka Türk adheres to a formula that may be summed up as "Success = Experience - Performance - Trust". Having developed a business model that is underpinned by trust-based business partnerships, Albaraka Türk further reinforces that model with superior customer-understanding and solution-tailoring abilities. The long-term and productive collaborations that Albaraka Türk enters into with its customers are what strengthen its customer base and contribute to its ongoing expansion.

AN EXTENSIVE SERVICE NETWORK OF 213 BRANCHES

Albaraka Türk reaches its stakeholders through an extensive service network consisting of 213 branches located all over Turkey and an array of alternative delivery channels. The Bank has one international branch located in the city of Arbil in Iraq.

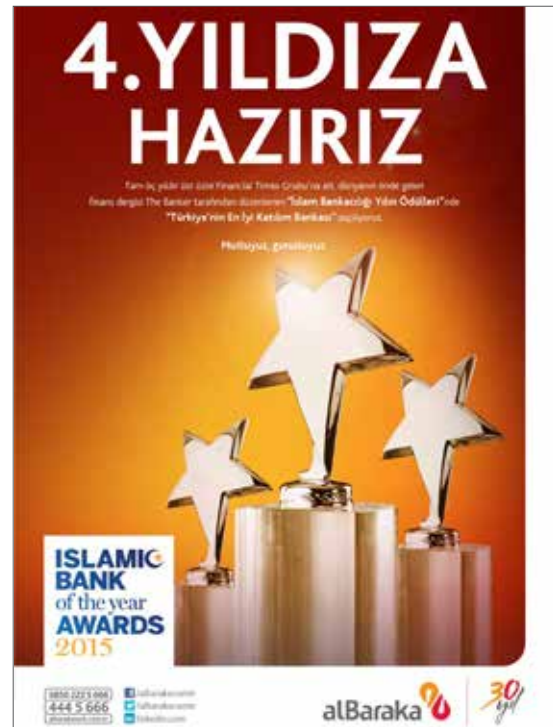
THE ALBARAKA BANKING GROUP (ABG)

One of the world's leading proponents of interest-free banking, the Albaraka Banking Group (ABG) provides retail, corporate, and investment banking products and services that are compatible with participation banking principles. Consisting of eleven banks, two representative offices, one branch, and one investment company, members of the Albaraka Banking Group are active across a broad region spanning fifteen countries on three continents.

Besides ABG-member banks located in Algeria, Bahrain, Egypt, Jordan, Lebanon, Pakistan, South Africa, Sudan, Syria, Tunisia, and Turkey, the Albaraka Banking Group has an investment company in Saudi Arabia, a branch in Iraq, and representative offices in Indonesia and Libya.

As of end-2015, the Albaraka Banking Group had total assets of USD 24.61 billion, total deposits of USD 20.16 billion, and shareholders' equity of USD 2.09 billion. As of year-end the Group achieved an aggregate profit amounting to USD 286 million, had 586 branches, and employed 11,458 people.

ABG shares are traded on the Bahrain and NASDAQ Dubai stock exchanges. Standard & Poor's has assigned ABG credit ratings of BB+ (long-term) and B (short-term). ABG's core strategic objective is to create a shared corporate values system that informs its "One Mission – One Vision – One Identity" approach to service.



OUR BANK MAINTAINED ITS STRONG

CONTRIBUTION TO THE ECONOMY BY PLACING 96% OF COLLECTED FUNDS AS FUNDED CREDITS.

KEY FINANCIAL INDICATORS (TL MILLION)

	2014	2015	Change (%)
Total Assets	23,046	29,562	28.3
Funded Credits*	16,184	19,505	20.5
Collected Funds	16,643	20,346	22.2
Shareholders' Equity	1,791	2,104	17.5
Net Profit	253	303	19.9
Number of Personnel	3,510	3,736	6.4
Number of Branches	202	213	5.4

* Including financial leasing.

KEY RATIOS (%)

	2014	2015
Funded Credits*/Total Assets	70.2	66.0
Funded Credits*/Collected Funds	97.2	95.9
Collected Funds/Total Assets	72.2	68.8
Average Return on Equity	15.4	15.6
Average Return on Assets	1.2	1.1
NPL Ratio	2.0	2.4
Net NPL Ratio	0.2	1.0
NPL Provisioning Ratio	87.9	59.9
CAR	14.2	15.3

* Including financial leasing.

SHAREHOLDING STRUCTURE

Bank's Shareholding Structure as of December 31,2015

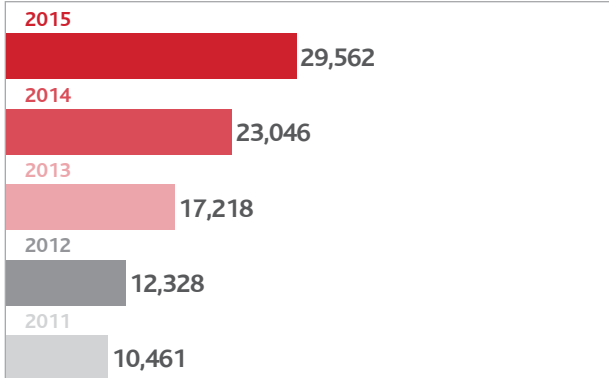
	TL	%
Foreign Shareholders	593,906,071.13	65.99
Albaraka Banking Group	486,523,265.68	54.06
Islamic Development Bank (IDB)	70,573,778.85	7.84
Alharthy Family	31,106,364.35	3.46
Other	5,702,662.25	0.63
Local Shareholders	82,860,783.54	9.21
Publicly Traded	223,233,145.33	24.80
Total	900,000,000.00	100.00



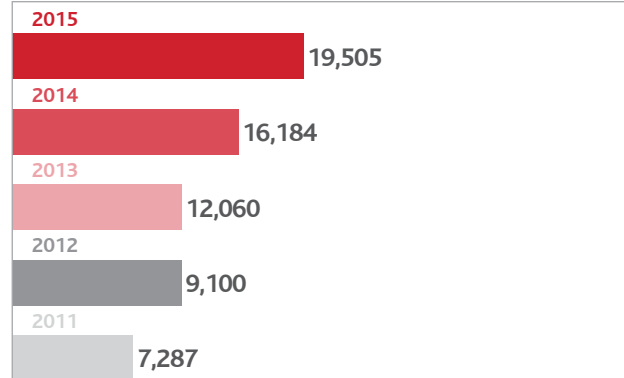
STOCK EXCHANGE INFORMATION:

Albaraka Türk's shares are traded at Borsa İstanbul, National Market under the ticker symbol ALBRK

TOTAL ASSETS (TL MILLION)



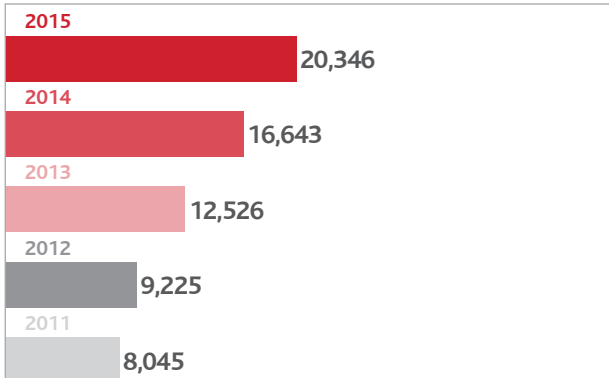
Growth over both the banking and participation banking sector averages. **28.3%**

FUNDED CREDITS^(*) (TL MILLION)

Continuing increase in supporting customers **20.5%**

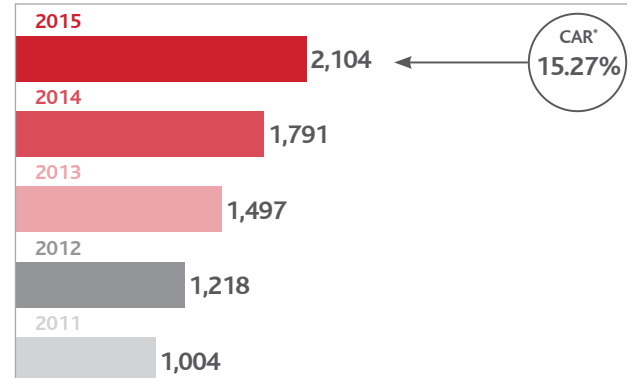
*Including financial leasing.

COLLECTED FUNDS (TL MILLION)



Continuing healthy development in fund collection activities **22.2%**

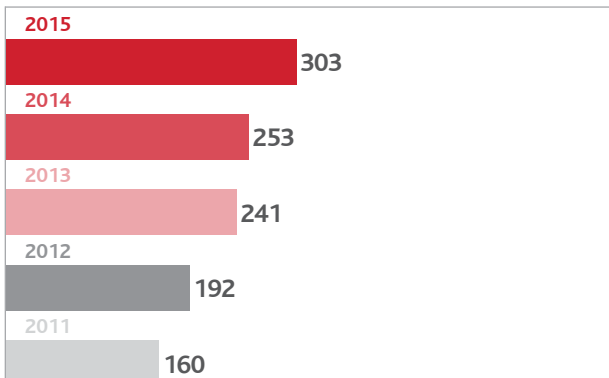
SHAREHOLDERS' EQUITY (TL MILLION)



Strong rise in the shareholders' equity supporting the growth move of the Bank **17.5%**

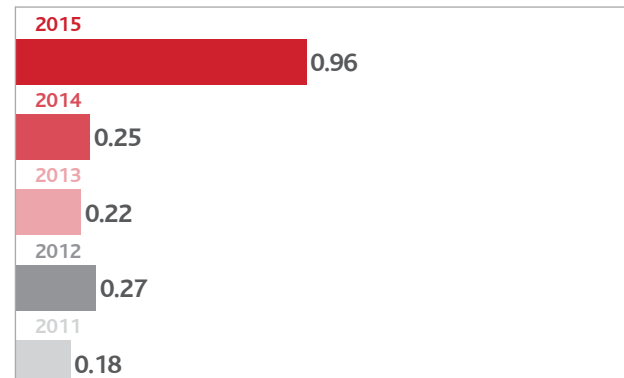
*Capital Adequacy Ratio for 2015

NET PROFIT (TL MILLION)



One of the most profitable banks in the banking and participation banking sector. **19.9%**

NET NPL RATIO (%)



One of the most healthy loan portfolio in the banking and participation banking sector.

Albaraka Türk's Position In The Sector

CHANGE (%)

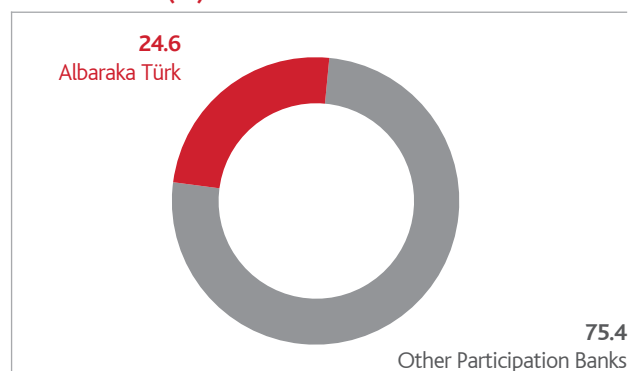
	2013-2014			2014-2015		
	Albaraka Türk	Participation Banks	Banking Industry	Albaraka Türk	Participation Banks	Banking Industry
Total Assets	33.9	8.5	15.1	28.3	15.4	18.2
Loans (Funded Credits)	34.2	4.3	8.5	20.5	16.0	20.3
Deposits (Collected Funds)	32.9	27.9	22.5	22.2	13.3	17.9

MARKET SHARES (%)

	2014			2015		
	Albaraka Türk / Participation Banks	Albaraka Türk / Banking Industry	Participation Banks / Banking Industry	Albaraka Türk / Participation Banks	Albaraka Türk / Banking Industry	Participation Banks / Banking Industry
Total Assets	22.1	1.2	5.2	24.6	1.3	5.1
Loans (Funded Credits)	22.7	1.3	5.6	23.6	1.3	5.4
Deposits (Collected Funds)	24.9	1.5	5.9	26.9	1.5	5.7

ALBARAKA TÜRK INCREASED ITS SHARES IN THE BANKING INDUSTRY'S AND PARTICIPATION BANKING SECTOR'S TOTAL ASSETS IN 2015.

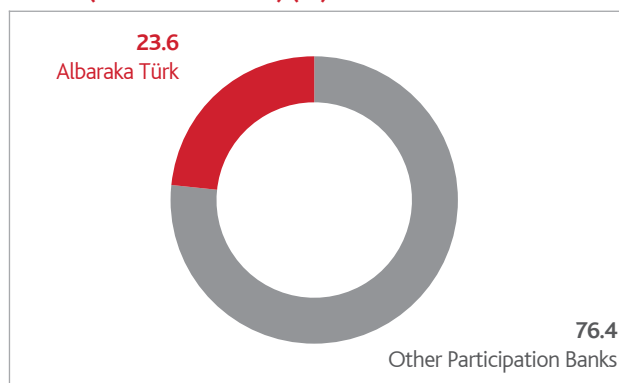
TOTAL ASSETS (%)



2.5 percentage point increase in the market share of Albaraka Türk

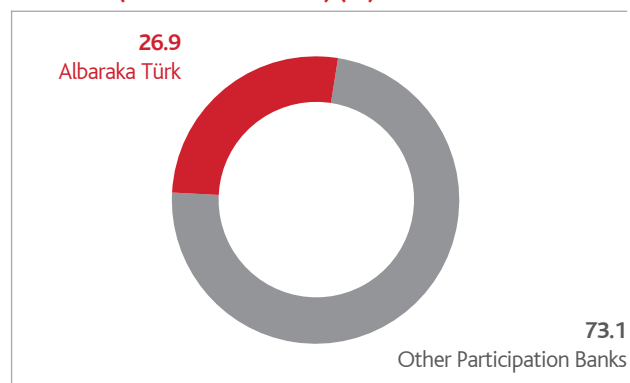
24.6%

LOANS (FUNDED CREDITS) (%)



Growth over both banking and participation banking sector **23.6%**

DEPOSITS (COLLECTED FUNDS) (%)



2 percentage point increase in the market share of collected funds

26.9%

Decision of the Board of Directors

SESSION NO: 1523
DATE: March 15, 2016

The following proposition, which has been written as a resolution and distributed to all board members by Fahrettin YAHŞI, General Manager and Board Member, has been approved by the board members whose signature appear herebelow, in accordance to article m. 390/(4) of the Turkish Commercial Code and article m. 26/(4) of the Articles of Association of the Bank.

RESOLUTION:

The resolution to allocate the profit for the 2015 financial year as set out below, and distribute the dividends to shareholders from 5 April 2016, is presented to shareholders in the AGM.

Period Income:	TL 302,863,038.58
Retained Earnings:	TL 3,610,493.44
Accounting Profit:	TL 306,473,532.02
1 st Legal Reserves (-):	TL 15,323,676.60
Distributable Net Profit of the Period:	TL 291,149,855.42
Primary Dividend (Gross) to Shareholders:	TL 50,400,000.00
Allocated to Extraordinary Reserves:	TL 240,749,855.42

This decision is presented to foreign members in their own languages who have their signatures below. There is no dissent and they are in agreement.

Adnan Ahmed Yusuf ABDULMALEK
The Chairman of the Board

Hamad Abdulla A. EQAB
Board Member

Hood Hashem Ahmed HASHEM
Board Member

Ibrahim Fayez Humaid ALSHAMSI
Board Member

Fahad Abdullah A. ALRAJHI
Board Member

Dr. Fahrettin YAHŞI
Board Member and General Manager

Yalçın ÖNER
Vice President of the Board of Directors

Osman AKYÜZ
Board Member

Muhammad Zarrug M. RAJAB
Board Member

Prof. Dr. Kemal VAROL
Board Member

Mitat AKTAŞ
Board Member

Changes in the Articles of Incorporation

There were no changes in the Articles of Incorporation in 2015.

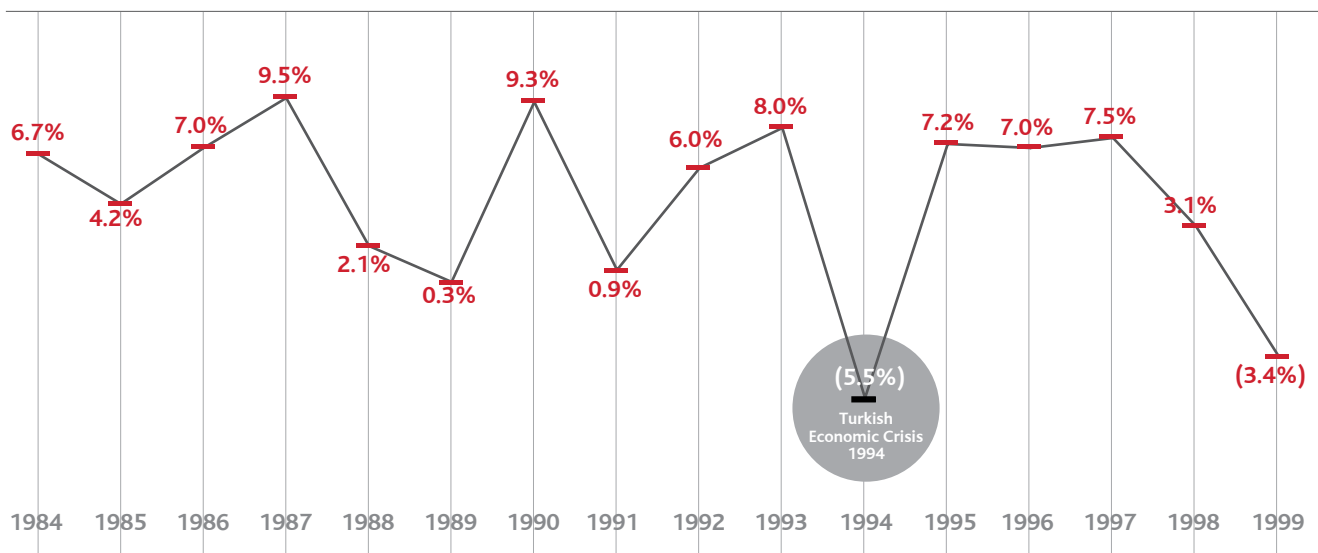
OVER THE LAST THIRTY YEARS,

ALBARAKA TÜRK HAS DEMONSTRATED HEALTHY AND SUSTAINABLE GROWTH AND STRENGTHENED ITS LEADING AND INNOVATIVE POSITION IN THE PARTICIPATION BANKING SECTOR.

1984	1985	1988	1992	1998	2002
The founding steps of Albaraka Türk began with the offer from Albaraka, which performs interest-free banking.	Albaraka Türk started operations as Turkey's first "special finance house".	Leasing operations began.	The number of branches reached 10, with total assets exceeding USD 400 million.	The number of branches reached 22, as Albaraka Türk started offering credit card services after reaching a deal with Visa.	The number of branches reached 24, with shareholder's equity reaching USD 70 million.

TURKEY: GNP GROWTH

In the 2000s, the Turkish economy embarked upon a process of strong and sustainable growth.

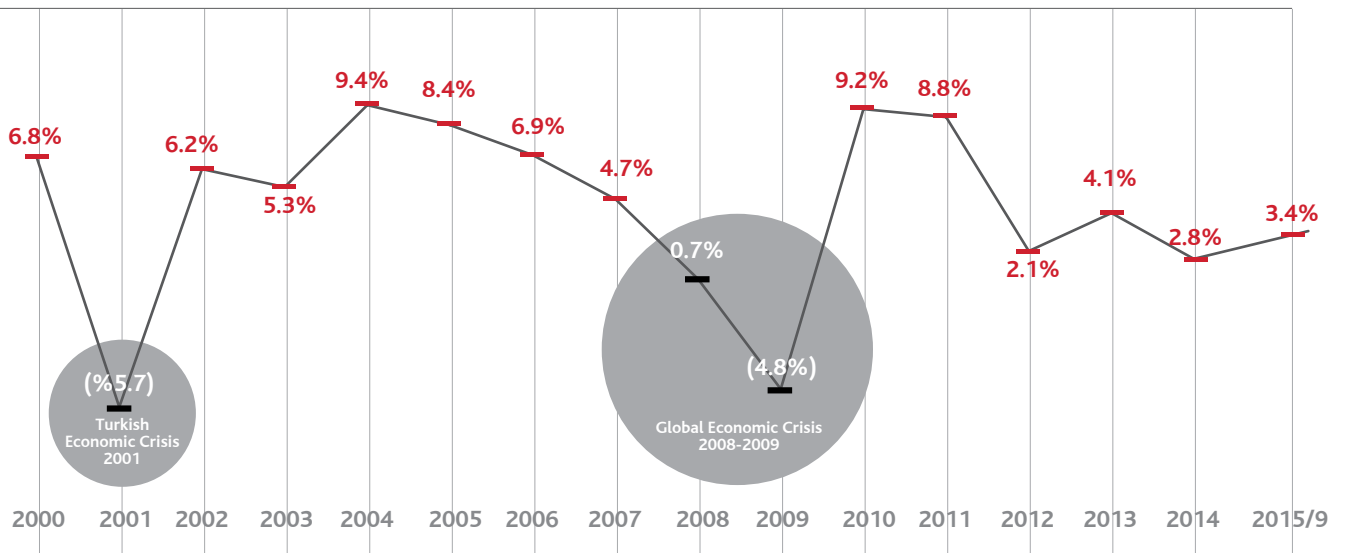


ALBARAKA TÜRK REFLECTED ITS

PERCEPTIVENESS, ITS PROFESSIONAL MANAGEMENT COMPETENCIES, AND ITS STRONG SHAREHOLDER AND CUSTOMER SUPPORT INCREASINGLY MORE STRONGLY IN ITS PERFORMANCE.

2007	2011	2012	2013	2014	2015
A total of 24,000 investors submit more than USD 7 billion of demands in Albaraka Türk's IPO, valued at USD 170 million.	First foreign branch opened in Arbil, Iraq. Albaraka Türk achieved the sector's highest volume syndication loan with a USD 350 million murabaha syndication. Albaraka Türk's first wakala transaction completed.	The Bank embarked on the SİMURG transition program in accordance with its vision of being 'the best participation bank in the world'.	The number of domestic branches reached 166. The Bank acquired subordinated loans with the murabaha sukuk method for the first time in Turkey.	With 35 new branches, the Bank broke a record, taking the number of branches to 202. Significant gains are started to be obtained through the SİMURG programme.	The first subordinated sukuk complying with Basel III criteria are issued in Turkey. Albatros, a new core banking system that shifts the Bank's focus from operations to customers, goes into service as of June 19, 2015. The Bank's Mobile Branch and Mobile Branch touch ID projects are completed.

By breaking out of the vicious circle of chronically high inflation, the Turkish economy rapidly improved its economic performance and fiscal discipline and soon moved ahead of other developing countries.





ALBARAKA TÜRK CONTRIBUTES TO

**TURKEY'S SUSTAINABLE DEVELOPMENT
EFFORTS THROUGH THE CONTRIBUTIONS
TO THE REAL SECTOR.**

Chairman's Statement



ALBARAKA TÜRK CONTINUED TO GROW IN 2015.

Adnan Ahmed Yusuf ABDULMALEK
Chairman of the Board of Directors

ESTEEMED STAKEHOLDERS,

THE FED DECISION TO RAISE INTEREST RATES THAT GLOBAL MARKETS HAD BEEN ANTICIPATING FOR TWO YEARS FINALLY CAME ABOUT IN 2015 JUST AS THE GLOBAL ECONOMY WAS ABOUT TO EMBARK UPON THE NEW YEAR WITH CONFLICTING GROWTH EXPECTATIONS.

At the US Federal Reserve Bank meeting that ended on December 16th last year, a decision was taken to raise the bank's policy rate by 25 basis points. This move, the Fed's first such interest rate hike in a decade, was generally welcomed by markets. In its wake European and Asian equity markets rallied while the US dollar appreciated and US Treasury bonds recovered their losses.

Noting that the Fed had completely satisfied itself that the US economy would continue to gain strength, the bank's chair Yellen said that global economic risks had lessened and that data pointed to improvements in the labor market.

That the US economy was on the mend became increasingly clear as 2015 progressed. The improvement in the labor market was especially noticeable as unemployment approached pre-crisis levels. Depressed commodity prices and a strong US dollar suggested that inflation would remain below the Fed's targets for yet some time to come. US economic growth in the third quarter of 2015 was 2% higher than what it had been in the same period of the previous year and although it was a bit less than the previous quarter's it nevertheless appeared to be on course.

In our view the Fed will continue to deploy its monetary policy in order to keep the US economy on track in 2016. We anticipate that there will be a string of gradual interest rate hikes in the period immediately ahead that will be timed according to the bank's economic growth and long-term inflation expectations.

Turning our attentions now to the other side of the Atlantic, we see that the situation varies considerably from country to country. Despite supportive efforts on the part of the European

Central Bank through monetary policy, economic recovery in the Euro Area fell short of what was expected of it and it was not until late in the year that something resembling a modest improvement began to be discerned. The persistence of disparate economic structures, unique national problems, and other imbalances in Europe suggests that economic recovery there is going to take somewhat longer than is the case in the US.

With the growth rate in China, long one of the main engines of the global economy, down to 6.9%, arguments over whether or not there was a slowdown were replaced with increasingly greater worries about how long the slowdown would persist. With more than a billion people to sustain, the Chinese economy needs to maintain double-digit growth rates just to keep from falling behind. Forecasts suggest that China will be able to make a "soft" landing as its economy continues to shift to a growth model that is powered more by domestic demand.

A look at the growth compositions of the world's emerging economies reveals that their internal dynamics are inherently insufficient to support sustainable growth. While flagging growth rates in these economies (China's included) are at least partly attributable to such reasons as geopolitical factors and US Federal Reserve Bank interest rate policy decisions, the underlying problems in all of them are essentially structural in nature. The emerging economies will have to make a lot more progress in such areas as making essential reforms, basing their internal consumption mechanisms on sound and balanced market models, and strengthening their financial sectors—especially their banks.

It was in a global economic context such as this that the Turkish economy managed to continue growing in 2015. The 4% rate of growth that it achieved in the third quarter of the year was not only well above the 2.8% rate that markets had been expecting: it was also the highest since the first quarter of 2014 and marked the national economy's 24th consecutive quarter of uninterrupted growth.

Imports were down significantly, though much of this can be attributed to the favorable impact of depressed energy prices. After three consecutive quarters of making a net contribution to overall growth, signals of a recovery in exports were welcome news.

Equally welcome was evidence that a last-quarter recovery in manufacturing continued into December: at 52.2 that month, the manufacturing industry PMI indicator was at its highest level since November 2014 and an analysis of its components reveals that nearly all of them showed improvement. Manufacturing industry capacity utilization, which followed a somewhat erratic course during the second-half year, reached 75.8% in December 2015, 1.2 percentage points higher than what it was in December 2014.

Another welcome development in 2015 was a reduction in the national current account deficit. Turkey's foreign trade deficit in 2015 was 25.2% smaller than that of the previous year. While much of this can be attributed to cheaper energy and commodity imports, this development came at a time when a recovery of demand in Europe nourished optimism about the future course of Turkey's exports to the EU.

For the Turkish banking industry, 2015 was a year characterized by sustainable growth. The banks operating in Turkey performed well as measured by such criteria as asset growth, profitability, lendings, and deposits. With its sound foundations and supportive growth dynamics, our industry plays an important role in the Turkish economy's ability to distinguish itself from those of other developing countries. An important point that I especially want to emphasize in this context is the rapid development that participation banking has been experiencing in recent years. In 2015 two new banks joined our ranks: one was Ziraat Katılım, a subsidiary of Ziraat Bank and our country's first state-owned participation bank; the other was Vakıf Katılım, a subsidiary of another big state-owned bank, Vakıfbank.

Having worked cordially and closely with both Ziraat Bank and Vakıfbank for many years, it gives us pleasure indeed to welcome their new subsidiaries among us and we wish them the greatest success. We look forward to working with these newcomers in a spirit of complementary collaboration and ethical competition as together we promote and nurture participation banking.

ALBARAKA TÜRK CONTINUED TO GROW ON EVERY FRONT IN 2015, SUCCESSFULLY DEMONSTRATING ITS ABILITY TO DELIVER PARTICIPATION BANKING SERVICE AND QUALITY WHILE REACHING OUT TO BROADER CUSTOMER GROUPS.

In 2015 Albaraka Türk once again successfully continued to grow both its business volumes and its balance sheet by pursuing organic growth and reaching out to more customers in all of the business lines in which it is active.

With a particular focus on small- and medium-sized enterprises, our bank continued to stand by firms and entrepreneurs who are productive, create jobs, pay taxes, and export goods and services—in other words those who make a real contribution to our country's economic growth. We supported them in their efforts with high-added-value products, services, and solutions of our own while providing our customers with an unrivalled participation banking experience. I should take this opportunity to note that we also succeeded in becoming and continue to

strengthen our standing as "the most preferred participation bank" among customers" in many areas, not least of them international trade.

Last year our Bank was recognized by The Banker, a leading international economic and financial intelligence journal, as "Islamic Bank of The Year 2015–Turkey". This is the third time that we have received this award, which we believe to be not only a reflection of our successful financial and operational performance but also a natural outcome and confirmation of the strong capacity and competencies that we have built up as the flag ship of Albaraka Banking Group in such areas as corporate governance, service quality, human resources, and physical and alternative delivery channels.

The Albaraka Banking Group strongly believes in Turkey's growth potential.

High levels of resilience and economic performance were what set Turkey apart from other emerging economies in its region in the wake of the global economic crisis. Demographics, political maturity and stability, intrinsic economic potential, and unique geographical location all positioned Turkey as a market that promised medium- and long-term sustainable growth.

As the Albaraka Banking Group, we give both importance and priority to the growth and development of our investment in Turkey. Because of that, we shall be continuing with our physical infra- and superstructure investments in 2016. In line with decisions taken by the Board of Directors, we shall be working committedly on IT and other projects that will advance our leadership of the participation banking business line towards new horizons.

ALBARAKA TÜRK IS FOCUSED ON GROWING AND LEADING THE TURKISH MARKET.

Our professional management team, our youthful and dynamic human resources, and our organizational abilities give us all the energy we need and more to continue growing. Our medium-term goal therefore is to be a 700-branch participation bank that has a product and service presence wherever Turkey's GDP is being created.

Having joined hands and hearts with our shareholders, business partners, correspondents, and employees, we shall continue to advance towards our goal of sustainable and profitable growth.

Speaking personally and on behalf of the Albaraka Türk Board of Directors, I extend my appreciation to everyone who contributed to our 2015 performance.

Adnan Ahmed Yusuf Abdulmalek
Chairman of the Board of Directors

Message from the Ceo



ALBARAKA TÜRK'S PERFORMANCE SURPASSED BOTH INDUSTRY AND SECTOR AVERAGES IN 2015.

Dr. Fahrettin YAHŞİ
Member of Board of Directors and General Manager

ESTEEMED STAKEHOLDERS,

IN TURKEY'S ECONOMIC HISTORY, 2015 WILL BE REMEMBERED AS A DIFFICULT YEAR IN WHICH OUR COUNTRY'S MARKETS WERE SHAPED BY GLOBAL ECONOMIC VOLATILITIES ABROAD AND BY POLITICAL UNCERTAINTIES AT HOME. NOTWITHSTANDING OUR INDUSTRY'S CRISIS-MANAGEMENT REFLEXES AND STRONG FINANCIAL STRUCTURE ENABLED IT TO MAINTAIN ITS LINE OF POSITIVE GROWTH AS THE YEAR DREW TO A CLOSE.

It gives me pleasure to say that Albaraka Türk continued to grow and that thanks to strength of foresight, to proactive strategies, and to a superior business model, our Bank further consolidated its robust position in the sector and distinguished itself through the customer experience that it made possible.

With its inherent dynamics and correctly identified strategies, Albaraka Türk remains on course as it moves steadily towards the growth and profitability targets it sets for itself. Our financial results, which outperformed both industry and sector averages, confirm the success that we have achieved as a result both of our customers' steadily increasing confidence and of our Bank's uninterrupted real-sector support.

At end-2015, our total assets amounted to TRL 29.6 billion and had increased by 28.3% during the previous twelve-month period. Total deposits were up by 22.2% year-on and reached TRL 20.3 billion while total funds provided grew by 20.5% to TRL 19.5 billion. This means that our funds provided corresponded to 66% of our total assets as of year-end.

Our operational revenues increased by 21.5% year-to-year to TRL 1.2 billion while our net profit share income was up by 26.7% to TRL 886 million. Albaraka Türk closed its books for 2015 with a net profit of TRL 302.9 million, thereby easily defending its standing as one of the Turkish banking industry's most profitable banks.

Our total equity increased by 17.5% to TRL 2.1 billion. At 15.57%, our return on equity performance was essentially the

same as that of last year. Our capital adequacy ratio at end-2015 was 15.27%.

Our asset quality, which is bolstered both by strong risk management methodologies and infrastructure and by a policy of spreading risk as much as possible, is the essential reason why the ratio of our non-performing funds provided to our total funds provided consistently remains below the sector average: in 2015 it was 2.40%.

OUR BANK ENJOYS A HIGH LEVEL OF CREDIBILITY IN THE INTERNATIONAL ARENA.

A ten-year (five-year grace period) USD 250 million subordinated loan that we obtained in 2015 has further strengthened our capital adequacy ratio. Our Bank's robust equity will allow it to easily achieve the real growth that we have planned for 2016 and give it the strength and support it needs to fulfill the financial targets that we have set.

The ten-year subordinated loan to which I just referred is confirmation of much more than the global reputation that the Albaraka Türk brand enjoys: it is confirmation also of the long-term confidence that international investors have both in the Turkish economy and in the participation banking business model. The Turkish economy in my opinion holds out the brightest promise among the group of developing countries by virtue of its infrastructure, its human resources, its business potential, and of course its unrivaled geographical location between East and West.

Strong international interest in doing business with us is the principal reason why we were able to obtain funding far in excess of our expectations and on the longest and cheapest terms ever. For the first time in 2015 Albaraka Türk negotiated two murabaha syndications in a single year.

Last year Albaraka Türk secured a total of USD 968 million from international markets through its syndications and sukuk issues. I would like to take this occasion to thank all of our global business partners for this display of confidence in our brand.

THE SİMURG PROGRAM NEARS COMPLETION

In addition to successful financial results, important gains were also made last year through the SİMURG transformation program that we launched in 2012.

SİMURG program activities are proceeding on schedule and will be completed as planned as of the end of 2016. Under this program Albaraka Türk has been undertaking and completing projects that have already made some extremely important changes in how the bank does business.

Our vision as always is to be "The World's Best Participation Bank". We have identified five main pillars that will enable us to make this vision a reality.

- The first of these of course is our outstanding and competent human resources. The realization of our vision demands intelligence capable of productively improving and developing business and other processes. We regard people as an asset and as such, our youthful and dynamic employees are the guarantee of our future.
- The second pillar is our customer focus. Only through the strength of our customer focus will it be possible for us to give our customers the fastest and best possible customer experience, by which I mean the constant and sustainable improvement of customer service quality.
- The third pillar is our ability to supply the richest and best possible array of products and services that are fully compatible with participation banking principles.
- Maximizing our shareholder value is the fourth pillar. The way to do that is to create added value that is capable of satisfying shareholders.
- The fifth and final pillar involves maximizing awareness of our brand. Our aim in this is to make the Albaraka Türk brand the unchallenged leader of its sector and the first one that comes to people's minds whenever participation banking and interest-free banking is mentioned in our country.

Overarching all five of these pillars naturally are the principles of participation banking. These pillars are also what will support us in our efforts to be the world's best participation bank. Achieving that status will be possible only if we really are the participation bank that first comes to mind and we are able to support qualitative criteria like customer satisfaction with quantitative indicators like profitability and growth, the latter of which will be of the utmost concern of course to markets, investors, rating agencies, and indexes.

WE ARE CREATING A STRONG CORPORATE CULTURE AND REBUILDING OUR STRATEGIES FROM TOP TO BOTTOM.

Coming together on common ground and creating a unified corporate culture will be fundamental to our ability to advance into the future and towards realization of our vision.

Recognizing that our corporate culture needed to support our business strategies because of the role that it played in realizing them, we initiated the Albaraka Türk Corporate Development Program in June 2014. This program, to which we have been giving special importance ever since, will be concluded in 2016.

This program was designed to be a part of SİMURG and was carried out so as to ensure that all aspects of SİMURG were understood and identified with by our personnel. With its completion next year, we shall have reached a new and much more advanced level of corporate culture awareness.

As the first step in corporate development, we identified six ideal corporate culture principles for our bank. These are nimbleness, customer focus, mutual trust and open dialog, supportive leadership, cherishing, and working for the common good.

In today's world, companies need to implement the strategies dictated by their vision in ways that are correct, proper, and participatory. Corporate culture emerges when strategies are identified with not from top to bottom but from the bottom to top. That in turn can only be achieved with the willing involvement of everyone in the strategies' implementation.

The result of this ongoing process is the generation of ideas and suggestions that can be assessed, discussed with consultants, made feasible, and then finally incorporated into our corporate culture.

We have constructed our business processes so as both to deal with strategic risk, which is the risk we recognize as the most serious, and to formulate a strategic plan to which our employees make a substantial contribution. Groups representing Albaraka Türk branches, units, and business lines are currently taking part in workshops and numerous meetings during which the participants work on developing a five-year strategy for the bank.

We shall be working on the training and strategy development aspects of the Albaraka Türk Corporate Development Program throughout 2016 with the aim of embarking upon 2017 with a revitalized corporate culture that is better able to cope with the market conditions of the future. We regard this as a penultimate step prior to and signaling the conclusion of the SİMURG project: the ultimate internalization, acceptance, and transformation of all of our efforts into a new Albaraka Türk corporate culture.

In 2016...

Believing that volatility and vicissitude need to be seen as the "new normal" nowadays, we anticipate that there will be occasional disruptions in both the global and national economies in 2016. Keeping our ship afloat in this new normalcy will depend on our ability to ensure that the value we create for our shareholders—indeed for all of our stakeholders—is both enduring and competitively viable.

In keeping with the targets set out in our strategy document, we shall be seeking to achieve about a 20% rate of year-on growth and a return on equity performance on the order of 15% in 2016. I want to emphasize not only that we have absolutely no worries about our ability to reach both these targets but also that we are committed as ever to the advancement of our brand value.

The faith that our principal shareholder the Albaraka Banking Group has in our country's and bank's dynamics and future gives us all of the leverage and energy we need—and then some—to continue growing.

I offer my sincerest thanks to our human resources, our principal shareholder, our board, and all of our customers who so wholeheartedly share in our goal of making Albaraka Türk the world's best participation bank.

Dr Fahrettin Yahşi

Member of Board of Directors and General Manager

THE GLOBAL ECONOMY REMAINED ON ITS CAUTIOUS WATCH IN 2015

OVERSHADOWED BY GEOPOLITICAL EVENTS AS THE YEAR DREW TO CLOSE, DIFFERENT COMPONENTS OF THE GLOBAL ECONOMY CONTINUED TO DIVERGE IN 2015. WHILE THE COLLAPSE IN OIL PRICES HELPED OIL-IMPORTERS COVER THEIR CURRENT ACCOUNT DEFICITS, IT WAS EXERTING EVEN MORE PRESSURE ON THE ECONOMIES OF OIL-EXPORTERS AS THE NEW YEAR BEGAN. OIL PRICES ARE LIKELY TO REMAIN DEPRESSED THROUGHOUT 2016.

The Fed

The US Federal Reserve Bank raised its policy rate for the first time in almost a decade. The Bank is expected to do so again at least twice more in 2016.

(4.5%)

Brazil's economy is experiencing its most serious downturn in 25 years. Owing to weak or falling commodity prices, the country's third quarter GNP contracted by 4.5% on a twelve-month basis while the manufacturers' purchasing manager index fell to 43.8, the lowest value witnessed in five years.

RESTING ON SOLID FOUNDATIONS, THE TURKISH ECONOMY CONTINUED TO GROW.

1.9%

At a press conference on December 3, 2015 the European Central Bank announced a 1.9% growth rate forecast for the euro area in 2017.

The contraction in the Russian economy continued apace. Having shrunk by an annualized 4.6% in the second quarter of 2015, it diminished by another 4.1% in the third. The principal reasons for the deep recession in Russia are given as low oil prices and international sanctions imposed by a number of countries.

(4.1%)

The Turkish economy registered a 3.4% rate of GNP growth as of the third quarter of 2015.

3.4%

(0.8%)

GDP in Japan contracted by an annualized 0.8% in the third quarter of 2015. The country is expected to grow by 1.1% in 2016 however.

265

Saudi Arabia announced that it was considering a public offering of shares in Saudi Aramco, the world's biggest oil and Gas Company with proven crude oil reserves on the order of 265 billion barrels.

(7.4%)

India moved to the head of the emerging economies pack with an annualized 7.4% rate of GNP growth between July and September.

DEVELOPMENTS IN 2015 WERE OVERSHADOWED BY EXPECTATIONS OF A FED INTEREST RATE HIKE

MACROECONOMIC REVIEW

Although the recovery in the US economy became quite unmistakable in 2015, Europe struggled to get its own growth going again while emerging economies' growth rates lost momentum. In a landscape such as this, monetary policies began to diverge significantly. As the final months of 2015 approached, expectations grew increasingly stronger that the US Federal Reserve Bank would begin raising interest rates while the European Central Bank would continue with its own expansionist policy. The Fed announced a rate increase in December while ECB said it would continue with its quantitative easing program because Eurozone recovery was still too weak and inflation was still too low. Tensions between Russia and the West worsened and made new additions to the world's agenda of geopolitical risks, which was already quite full owing largely to conflict in Syria and Iraq. With global growth still well below desirable levels, global demand weak or falling, and oil-producers refusing to cut back production, oil prices fell sharply to levels not seen in a decade.

Along with the Fed's beginning to renormalize monetary policy came the realization that the era of bountiful liquidity was drawing to a close, which in turn prompted worries that developing countries with significant current account deficits (such as Turkey) would find it more difficult and more expensive to finance them. Nevertheless the end of market-harrying uncertainties as to if, when, how fast, and by how much the Fed would raise interest rates was perceived to be a good thing. Other issues that exacerbated risk perceptions were the potentially adverse impact of China's economic slowdown on developing countries' economies and geopolitical crises in Turkey's neighborhood.

With their exports suffering from depressed commodity prices and China's economy losing steam, developing countries' capital markets had trouble finding their way and experienced strong selling pressure as international investors pulled out or shied away. What with economic recovery becoming increasingly more evident in the United States, improvements in growth figures, strong rises in wages and non-agricultural employment, and joblessness approaching the pre-crisis levels of 2008, it was clear that the Fed's decision to raise interest rates would come sooner not later than expected. The Fed for its part adopted a strategy of "verbal guidance" in which it prepared markets for what was in store through frequently repeated assurances that the increase would be gradual and slow. In December the Fed finally decided to raise its prime rate by 25 basis points, the first increase in nearly ten years, saying that even though inflation was still low, it was low not because of a lack of economic activity but because of depressed energy prices. The Fed will likely continue raising rates gradually in 2016 though the timing of this will depend on macroeconomic indicators and geopolitical risks.

For the Turkish economy, like those of other developing countries, 2015 was a year in which developments in the global economy weighed particularly heavily. Notwithstanding serious geopolitical risks in its neighborhood and an unwanted high rate of inflation brought on by a weak Turkish lira, Turkey's economy did rather well on the growth front and performed not at all badly given all the turmoil in domestic and international financial markets and the uncertainties provoked by the need for a double round of parliamentary elections. All over the world however, capital flows were being diverted increasingly more away from emerging markets by the absence of any obvious improvement in global growth, financial markets' worries about China's economic slowdown, plummeting oil and other commodity prices, and a resurgent US dollar.

Although the Turkish economy suffered from the generally-impaired perceptions of emerging market risk as well as from internal political and external geopolitical risks that were uniquely its own, it performed moderately well thanks especially to the support provided by consumption. Economic growth in the first three quarters of 2015 was 3.4% higher than what it was in 2014. The current account deficit narrowed to less than 5% of GDP, though at least some of that can be attributed to exchange rate movements and to cheaper imports resulting from depressed commodity prices.

Despite the adverse impact of a weak Turkish lira on domestic demand, growth—all of which was fueled by domestic demand incidentally—exceeded expectations. Meanwhile the current account deficit continued to shrink throughout the year thanks to weak imports, to exports picking up somewhat in response to hints of growth in the EU, and to cheap oil. The CAD, which was USD 46.5 billion in 2014, was down to USD 32.0 billion in 2015. Comparing third-quarter results, the CAD slipped from 5.8% of GDP in 2014 to 5.5% in 2015. As of end-2015, it was down to 4.5%.

GIVEN ALL THE TURMOIL IN DOMESTIC AND INTERNATIONAL FINANCIAL MARKETS AND THE UNCERTAINTIES PROVOKED BY A DOUBLE ROUND OF PARLIAMENTARY ELECTIONS, TURKEY'S ECONOMY PERFORMED WELL.

OUTLOOK FOR THE BANKING SECTOR

The 50 financial institutions that make up the Turkish banking industry had 12,185 branches and employed 216,722 people as of year-end 2015.

The banking industry's total assets grew by 18.2% last year and reached TRL 2,357 billion in value. The sector's funding became more expensive after the first quarter of 2015. Total funds provided (including financial leasing) were up by 20.3% year-on and amounted to TRL 1,542 billion at year-end. Their ratio to the sector's total assets as of the same date was 65.4%, which was 1.1 percentage points higher than that of the previous year. In the twelve months to end-2015, the sector's non-performing receivables increased by 35.3% to TRL 49.3 billion.

As of December 2015, total deposits amounted to TRL 1,238.9 billion and accounted for the biggest (59.2%) share of the sector's total liabilities. Total net equity as of the same date was TRL 256 billion while total net profit amounted to TRL 26,062 million, which is just about what it was the year before.

The sector's overall capital adequacy ratio as of December 2014 was 15.57%, considerably higher than the mandatory figure and even above banks' own targets.

Since 2009, Turkey has had one of the fastest-growing ratios of total credit to total GDP in the developing countries group. In as much as global volatility seems likely to go on increasing in the period ahead, the restoration of credit-supply growth to more

reasonable levels will contribute to financial system stability. Owing especially to global economic volatility and to worsening geopolitical risks, the Turkish banking industry had a rather tough time in 2015 in terms of both growth and profitability. Nourished by vigorous domestic demand, the industry's credit growth gained a bit of momentum and reached into the 20% range. Expectations are that it will remain there in 2016 as well.

The sector's foreign-currency liquid assets are sufficient to cover nearly half of its short-term international debt, the implication of which is that it is financially strong enough to withstand most transient external shocks. For most of 2015, Turkey's banks maintained strong liquidity positions owing not only to risks arising in their home market and to uncertainties about what the US Federal Reserve Bank would do but also because of Turkish Central Bank monetary policy prudence intended to mitigate such risks. Banks' growth strategies in 2016 are likely to remain cautious in order to avoid weakening those positions.

While growth in the sector's investments in new branches and personnel is likely to be pretty much the same in 2016 as it was in 2015, it is thought that banks will be devoting much more attention to productivity and cost-management in the new year.

The economic outlook for 2016 overall is that global economic uncertainties will continue to hamper growth in the Turkish banking industry by discouraging private-sector investment and consumption.

BANKING INDUSTRY

KEY FINANCIAL INDICATORS (TL MILLION)

	2015	2014	Change (%)
Total Assets	2,357,428	1,994,329	18.2
Deposits	1,245,428	1,052,693	18.3
Loans*	1,484,960	1,240,708	19.7
Shareholders' Equity	262,275	232,007	13.0
Non Cash Loans	458,492	383,674	19.5
Net Profit	26,067	24,610	5.9
Number of Branches	12,269	12,210	0.5
Number of Personnel	217,504	216,912	0.3

PARTICIPATION BANKS

KEY FINANCIAL INDICATORS (MILLION TL)

	2015	2014	Change (%)
Total Assets	120,183	104,319	15.2
Deposits (Collected Funds)	74,176	65,230	13.7
Loan (Funded Credits)*	72,038	64,065	12.4
Shareholders' Equity	10,645	9,673	10.0
Non Cash Loans	35,699	33,737	5.8
Net Profit	409	144	184.0
Number of Branches	1080	990	9.1
Number of Personnel	16,554	16,280	1.7

* Excluding financial leasing.



**ALBARAKA TÜRK SUPPORTS SMES WITH
SOPHISTICATED PRODUCTS AND SERVICES
RECOGNIZING THEIR IMPORTANCE TO
ECONOMIC WELLBEING.**

Evaluation of Activities In 2015

Net profit

TRL 302.9 million

Completing the year with a net profit of TRL 302.9 million, Albaraka Türk remains sector's one of the most profitable banks.

Capital adequacy

15.27%

Albaraka Türk's net equity grew by 17.5% and reached TRL 2.1 billion. The Bank's capital adequacy ratio was 15.27% last year.

Increase in deposits (collected funds)

22%

Albaraka Türk's total deposits increased by 22% in 2015 and reached TRL 20.3 billion.

Loans (funded credits) to assets

66%

Albaraka Türk's total funds provided (including financial leasing) amounted to TRL 19,505 million in 2015. Albaraka Türk's 66% loans-to-assets ratio is one of the highest in the Turkish banking industry.

Increase in volume of retail funds

45%

Thanks to successful and effective marketing and campaign management, Albaraka Türk increased the volume of its retail funds provided by 45% to TRL 2.7 billion.

NPL ratio

2.40%

Continuing to maintain its usually high level of asset quality, Albaraka Türk's NPL ratio (the ratio of non-performing funds provided to total funds provided) was just 2.40% in 2015. This was below the average among participation banks and less than that of the Turkish banking industry as a whole.

Funds from international markets

USD 968 million

For the first time in 2015 Albaraka Türk obtained two murabaha syndications in a single year. The Bank secured a total of USD 968 million from international markets through its syndications and sukuk issues.

Subordinated loan

Ten-year

A ten-year (five-year grace period) USD 250 million subordinated loan obtained in 2015 further has strengthened Albaraka Türk's capital adequacy ratio.

INCREASING OUR CONTRIBUTIONS TO MACROECONOMIC SUSTAINABILITY

ADVANCING RESOLUTELY WITH SİMURG INTO THE FUTURE

The SİMURG Transformation Program that we launched in 2012 in line with our vision of being "The World's Best Participation Bank" reached its final stage last year.

The basic goal of the SİMURG project is to give Albaraka Türk the ability to constantly improve and renew itself in the areas of organization, infrastructure, and service-delivery strengths by undergoing and internalizing a cultural transformation in which the Bank's own internal dynamics are used.

This program, which is slated for completion in 2016, involves a series of coordinated and consecutively-linked projects that will enable Albaraka Türk to achieve its vision of being the world's best participation bank.

SİMURG is a transformation process that involves a series of long-term flexible changes that are linked to one another.

Of the 49 projects that have so far been initiated under this program, 38 had been successfully completed as of end-2015.

OUR GOAL IS TO INCREASE OUR SUPPORT FOR ECONOMICALLY PRODUCTIVE ACTIVITIES.

In the more than thirty years since its inception, Albaraka Türk has been making use of its accumulated experience and strong vision to support real-sector endeavors within the framework of the fundamental principles of participation banking.

Committed to using a substantial part of its resources to finance the activities of SMEs, which are the lifeblood of the Turkish economy and make up the bank's main customer group, in 2015 Albaraka Türk provided 96% of its funds collected as funded credits and accordingly supported the growth and development of customers in this segment.

With 212 domestic branches and an array of technologically-advanced alternative delivery channels, Albaraka Türk's extensive service platform helps it fulfill its goal of being the Bank that is always closest to its customers.

Albaraka Türk's service strategy is rooted in the principle of involving itself in all of a customer's banking transactions and cash flows insofar as is possible. Albaraka Türk has further strengthened its infrastructure and human resources so as to provide an unrivalled customer experience by fusing its one-on-one problem-solving customer-focused approach together with an innovative and extensive lineup of product offerings made possible by its technological know-how in the crucible of superior service quality.

Albaraka Türk uses both its own resources and those obtained as a result of its strong collaborations with organizations like the Small and Medium Enterprises Development Organization and the Credit Guarantee Fund to supply SMEs with the financing

they need. At the same time, it also provides them with consultancy and advice on management and financial issues that will help them grow and expand their businesses.

OUR FUNDAMENTAL LENDING CRITERIA: A BALANCED AND BROAD-BASED PORTFOLIO STRUCTURE THAT DIVERSIFIES RISK

Albaraka Türk seeks to create and maintain a balanced and broad-based customer portfolio that avoids concentration in any single sector, customer group, or credit type.

An examination of Albaraka Türk's funds provided book shows that its risk exposure is indeed balanced and that risk concentrations in both the top 100 and top 200 customers once again were within manageable levels in 2015. Similarly an analysis of the Bank's risk exposure based on branch and regional considerations also leads to the conclusion that the portfolio is satisfactorily balanced.

The funds provided book also appears to be adequately balanced in terms of its exposure to retail, commercial and corporate-credit risk.

Continuing to maintain its usually high level of asset quality, Albaraka Türk's NPL ratio (the ratio of non-performing funds provided to total funds provided) was just 2.40% in 2015. This was below the average among participation banks and less than that of the Turkish banking industry as a whole. 60% of the value of the Bank's NPL risk exposure is covered by provisions.

ALBARAKA TÜRK FOCUSES ON LONG-TERM, MULTIDIMENSIONAL RELATIONS WITH ITS CUSTOMERS.

Although Albaraka Türk has one of the healthiest funds provided portfolio in the Turkish banking industry, the Bank engages in an ongoing effort to improve the speed and quality of its credit-monitoring and collection processes in order to strengthen the portfolio even more.

EFFECTIVELY BALANCING CUSTOMER SATISFACTION AND CUSTOMER PRODUCTIVITY IS ONE OF OUR MOST IMPORTANT CONCERNS.

Because of its customer-centric approach, Albaraka Türk seeks to further enhance customer satisfaction and the customer experience by coming up with even more innovative solutions

and by delivering better quality. While always on the lookout to take on new customers, strengthening customer loyalty by entering into long-term, multidimensional relationships with existing ones is an important priority for the bank.

Albaraka Türk engages in systematic efforts to increase customer loyalty. One way in which it does this is through the Privileged Albaraka Customer (PAC) program, whose aim is to ensure that top-tier customers receive top-notch service and assistance in all Al Baraka Banking Group financial institutions wherever they may be.

COLLECTED FUNDS

(TL thousand)	2014		2015		Change (%)	
	TL	USD	TL	USD	TL	USD
Turkish Lira Funds	9,782,163	4,189,363	11,336,176	3,936,172	15.9	-6.0
Current Accounts	1,735,837	743,399	2,007,284	696,974	15.6	-6.2
Participation Accounts	8,046,326	3,445,964	9,328,892	3,239,199	15.9	-6.0
Foreign Currency Funds	6,861,055	2,938,353	9,010,002	3,128,473	31.3	6.5
Current Accounts	1,640,098	702,397	2,253,907	782,607	37.4	11.4
Participation Accounts	5,220,957	2,235,956	6,756,095	2,345,866	29.4	4.9
TOTAL	16,643,218	7,127,716	20,346,178	7,064,645	22.2	-0.9
Share of TL Accounts	58.78%		55.72%			
Share of FC Accounts	41.22%		44.28%			
Current Accounts	3,375,935	1,445,797	4,261,191	1,479,580	26.2	2.3
Participation Accounts	13,267,283	5,681,920	16,084,987	5,585,065	21.2	-1.7
TOTAL	16,643,218	7,127,716	20,346,178	7,064,645	22.2	-0.9
Share of Current Accounts	20.28%		20.94%			
Share of Participation Accounts	79.72%		79.06%			

FUNDED CREDITS

(TL thousand)	2014		2015		Change (%)	
	TL	USD	TL	USD	TL	USD
Funded Credits	16,143,978	6,913,909	19,317,826	6,707,578	19.7	-3.0
Non-performing Loans	326,975	140,032	468,413	162,643	43.3	16.1
Provisions (-)	287,261	123,024	280,847	97,516	-2.2	-20.7
TOTAL	16,183,692	6,930,917	19,505,392	6,772,706	20.5	-2.3

	2014	2015
USD/TL Exchange Rate	2,335	2,880

22% INCREASE IN DEPOSITS (COLLECTED FUNDS)

The total volume of deposits collected in Albaraka Türk's customers' participation accounts for lending to real-sector businesses continued to increase satisfactorily in 2015. The Bank's customer deposits grew by 22% last year and reached TRL 20,346 million.

Of these deposits, 55.72% by value were Turkish Lira accounts while 44.28% of them were denominated in a foreign currency. Last year TRL 16,085 million (79%) of the Bank's total deposits were held in participation accounts while TRL 4,261 million (21%) of them were held in current accounts.

The profit share that Albaraka Türk paid on its participation accounts all year long in 2015 were higher than those of any other participation bank in Turkey. This is evidence of the Bank's high levels of pooled profitability and profit-sharing percentages.

BALANCED GROWTH IN LENDING

In 2015 Albaraka Türk's lending policies and practices once again were informed by business conditions as well as by regulatory restrictions and requirements.

Albaraka Türk's strong funding abilities enable the Bank to support its corporate & commercial and retail-segment customers no matter what economic conditions may be.

The total volume of Albaraka Türk's funds provided (including financial leasing) increased by 20.5% and reached TRL 19,505 million in 2015.

Albaraka Türk's 66% funds provided/assets ratio is one of the highest in the Turkish banking industry.

RAISING THE BAR OF INNOVATION IN CORPORATE & COMMERCIAL LENDING

In 2015 Albaraka Türk focused on developing new products for the corporate & commercial segment and began marketing products and packages designed to address its customers' needs. Thanks to the improved agility and technological opportunities made possible by the core banking transformation that the Bank underwent during the year, Albaraka Türk became the first participation bank in Turkey to introduce two new innovative products, a "Findeks" interface and "Aztec-Code Cheque". Both products, which are compatible with Credit Bureau of Turkey specifications, were launched after a brief but intensive period of development and testing. "Findeks" is an online credit history and scoring platform that can be used to quickly check an individual's credit-worthiness, riskiness, cheque performance, and so on. "Aztec-Code Cheque" is a cheque that is much easier and faster to use because its details are printed on the surface in machine-readable form.

Some other products that were introduced for customers during 2016 are highlighted below.

- Food Wholesaler's Package: A package of credit products for those in the food wholesaling industry;
- Bulk Foreign Currency Transfer: An effortless way to effect foreign currency transfers via the internet;
- Supplier Payment System: A quick, easy, and secure way for companies that deal with a large number of suppliers to make payments to them;
- Bill-Secured Credit: A credit product that gives firms that use a direct-debiting system immediate access to amounts that they invoice;

- World Bank Financing: Convenient low-cost, long-term funds provided.
- Ready Credit: Preauthorized credit for customers with sufficient POS turnover.

THE PROFIT SHARES THAT ALBARAKA TÜRK PAID ON ITS PARTICIPATION ACCOUNTS ALL YEAR LONG IN 2015 WERE HIGHER THAN THOSE OF ANY OTHER PARTICIPATION BANK IN TURKEY.

In 2016...

- Albaraka Türk will be devoting more attention to product development and management in 2016. In line with its efforts to more actively broaden its risk exposure base, the Bank will be working on sector and function-specific products that address SMEs' particular needs while also conducting micromarketing campaigns.
- In addition to such new products and packages as E-invoice platform, Franchisee Package, Export Credit Financing, Forwards, Fuel Management System, Dealership Card, and Eximbank Assignment Confirmation, we will also be working on making improvements in our existing products and processes.

OUR CASH AND NON-CASH CREDIT RISK EXPOSURE IN THE CORPORATE & COMMERCIAL SEGMENT CONTINUED TO GROW IN 2015.

In 2015 Albaraka Türk continued to proactively market product packages capable of meeting the needs of businesses of different sizes. The number of the Bank's customers in the commercial segment increased by 24% and reached 54,730, with 10,481 new accounts being opened last year. The total number of the Bank's credit customers increased by 48% to 15,226.

In keeping with the Bank's strategy, there was a 400% year-on rise in the number of funds provided with Credit Guarantee Fund (KGF) coverage: the total value of such funds provided reached TRL 84.7 million last year. The assignment of KGF credit limits to our regional departments is expected to increase the amount of such lending even more.

Our commercial-segment cash funds provided reached a total of TRL 4,912 million in 2015. This growth increased the share of such funds provided in our total commercial-segment risk exposure to about 25%.

Turning now to the corporate segment, our bank gave priority to collateral-secured lending because of the positive impact that it has on its capital adequacy ratio. Attention was also given to incorporating customers' cash flows into their foreign trade financing. Our cash-credit risk exposure in the corporate segment grew by 25% last year and reached TRL 10.9 billion.

On the deposits side, the 19% and 33% year-on increases in our corporate- and commercial-segment accounts brought their totals to TRL 5 billion and TRL 3.4 billion respectively.

ALBARAKA TÜRK CONDUCTED MORE THAN TWENTY CAMPAIGNS IN RETAIL FINANCING.

TECHNOLOGICALLY MORE ADEPT AND EFFECTIVE SYSTEMS AND MODELS ARE BEING USED IN OUR CREDIT-ASSESSMENT, ALLOCATION, AND MONITORING PROCESSES.

Albaraka Türk's credit allocation processes are one of its most important competitive advantages in the sector. Under the Bank's SIMURG Transformation Project, these processes are undergoing a comprehensive review so that improvements may be made where necessary.

Thanks to a credit offer and follow-up system that is integrated into the credit rating system, every factor that might have an impact on loan applications, lending decisions, and credit-worthiness can be simultaneously tracked and assessed.

The Bank is making increasingly more effective use of statistical models in its rating systems in order to quantify and manage risk. A risk-adjusted return on assets score that is calculated when making a lending decision also plays an important role by ensuring that the Bank's resources are supplied to projects that are potentially more productive.

The changeover to a new core banking system has also made it possible for the Bank to manage its lending processes more productively.

PURSUING GROWTH IN RETAIL FINANCING

In 2015 Albaraka Türk continued to grow in retail banking and it achieved significant momentum through new products and campaigns in this business line.

Last year the Bank focused on pursuing broad-based, profitable, and healthy growth by enlarging its retail finance customer base.

The Bank's retail finance product line was diversified with such new additions as Lease Financing, 100% Housing Financing, Timeshare Holiday Financing, Timeshare Property Financing, Dental Health Financing, Wedding Financing, Holiday Tour Financing, and Dormitory Fee Financing.

In keeping with the Bank's goal of achieving healthy growth in a superior-quality mortgage portfolio, Albaraka Türk involves itself in the financing of at least one housing project in every province. Besides working with major real estate developers in İstanbul, the Bank also involves itself in financing purchases in qualifying projects undertaken by local builders all over the country in order to help its customers become home-owners.

During 2015 nearly twenty campaigns were conducted to draw attention to Albaraka Türk's retail financing support products. Some of the more important of these campaigns were "No-Fee Housing Finance", "Non-Stop Car Finance", "Corporate & Commercial Company Employee Finance", "Father's Day Car Finance", and "Consumer Finance".

Under agreements which the Bank has entered into with educational institutions around the country, Albaraka Türk provided TRL 14 million worth of tuition and school-fee financing support to students or their guardians.

Recognizing that the speed and convenience of lending procedures are of the utmost importance to customer satisfaction in retail financing, Albaraka Türk continues to improve such processes through ongoing systems development. Because of such improvements, it now takes about one day on average to finalize a home-loan application and just half a day to process one for a car loan.

As a result of its effective marketing and campaign management last year, Albaraka Türk increased its housing financing by 43% to TRL 2.4 billion and its car-ownership financing by 24% to TRL 124 million. The 45% rate of growth in the Bank's overall retail-segment lending was faster than the sectoral average and brought the total to TRL 2.7 billion as of year-end.

RETAIL FINANCING (TL THOUSAND)

Financing Type	31.12.2014	31.12.2015	Change (%)
Housing	1,699,062	2,431,072	43
Vehicle	100,167	124,102	24
Consumer	78,941	170,994	117
TOTAL	1,878,170	2,726,168	45





SPECTACULAR PROGRESS IN TAPPING PRIVATE PENSION MARKET POTENTIAL

Katılım Emeklilik ve Hayat A.Ş. has recorded a rapid growth in 2015 which started a new initiative in the sector with providing solutions to interest-averse target group. A spectacular 54,044 one-year rise in the number of active Private Pension System (PPS) accounts under the company's management brought the total to 69,491 while there was a better than six-fold increase in their total volume from TRL 16.5 million to TRL 103 million.

With the strong support of Albaraka Türk branches, all of which act as agents for the company, Katılım Emeklilik ve Hayat last year organized PPS campaigns targeting specific groups such as policemen, public notaries, mothers, fathers, clergymen, young people, and healthcare workers. These campaigns were supported by communication activities such as targeted digital advertising, SMS, and email.

FUNDS COLLECTION

Under the heading of funds collection and marketing activities, a "Highest Return" communication campaign was conducted during the month of Ramadan. This campaign's activities were supported by digital, billboard, and printed-media advertising.

In 2015 use was also made of personalized video messages in the Bank's funds collection activities. These videos, whose personalization consists of addressing the recipient by name at the beginning, were sent out to customers who have opened participation accounts before but who has not utilized their deposits with Albaraka Türk for a long time. Drawing attention to Albaraka Türk's "Highest Return" communication campaign, the message conveyed by these videos is for the recipients to direct their investments to the Bank. Another video communication targeted potential customers who have never opened a participation account with the bank. This video ends with the presentation of "Interested" / "Not Interested" buttons. About 10,000 people clicked on the "Interested" button.

BRAND COLLABORATIONS

Another way in which Albaraka Türk seeks to strengthen customer loyalty is through collaborations with brands that supply non-financial products and services. During 2015, the Bank worked with a number of other companies to provide discounts on car rentals, and building projects; invitations to the Panorama 1453 Gifts Fair, and discounts for women on their garment purchases at Modanisa and the e-tesettur.com.tr website.

IN LIFE INSURANCE BRANCH...

Last year the total number of life insurance policies issued reached 16,390. Premium production on such policies, which reached TRL 9.5 million, was up by 131% in 2015. There was also a 73% rate of year-on growth in insurance commission fee earnings.

New products introduced in this business line consist of policies providing personal accident, critical illness, and personal loan risk coverage.



In 2016...

Our goals in 2016 will be to:

- Increase the total volume of retail financing by 40% to TRL 3.9 billion;
- Introduce new products and attract new customers through awareness-communication;
- Lengthen our average account maturity by allowing longer-term accounts to be opened;
- Continue to optimize the speed and convenience of all processes;
- Broaden the range of products designed for resident foreign-national and for non-resident customers;
- Increase premium production and commission earnings by conducting campaigns with insurance companies.

OUR GOAL IN 2016 IS TO INCREASE OUR RETAIL CREDIT RISK EXPOSURE BY 40% TO 3.9 BILLION LIRAS AND THE NUMBER OF OUR PPS ACCOUNTHOLDERS TO 45,000.



**ALBARAKA TÜRK INTRODUCED EVEN MORE
INNOVATIVE PRODUCTS AND SERVICES FOR
ITS CUSTOMERS LIKE AZTEC-CODE CHECKS
AND MOBILE BANKING.**

ALBARAKA TÜRK AIMS TO ENSURE AN EFFECTIVE ADC MANAGEMENT.



DEVELOPMENTS PROGRESS IN CARD TRANSACTIONS AND TRANSACTIONS VOLUME OF POS MERCHANTS.

DEVELOPMENT IN ALBARAKA TÜRK'S NUMBER OF CARDS

	2014	2015	Change (%)
Credit Cards	108.986	151.414	39
Business Cards	46.495	48.510	4,3
Bank Cards	421.310	518.623	27
TOTAL	576.791	718.547	24.6

Albaraka Türk-issued credit cards are part of the WorldCard system and are dual-interface (contact + contactless) smart cards.

As of end-2015, Albaraka Türk had issued 199,924 cards of which 151,414 were personal credit cards and 48,510 were business cards. Last year 9,306,966 payments worth a total of TRL 2.9 million were made with these cards.

In the twelve months to end-2015 the number of Albaraka Türk bank cards issued increased by 23% and reached 518,623. These cards were used in 5,504,810 transactions worth a total of TRL 1.9 billion.

The TRL 5.2 billion turnover generated by Albaraka Türk's 22,178 POS units in 2015 corresponds to a year-on rise on the order of 19%.

2015 card and payment system activities:

- Albaraka Türk fulfilled the requirements for MasterCard Gold card MChip Advance certification.
- Albaraka Türk fulfilled the requirements for VISA Platinum card VISA VCPS 2.1.1 certification.
- Prior to the launch of Albaraka Türk's new core banking system it was decided to assign limits on the basis of individual cardholders rather than individual cards once the system became operational. This new procedure is now in effect.
- We have begun issuing bankcards sporting company logos to customers whose employees' salaries are paid through our bank.
- Assistance services are being provided to private-banking Platinum cardholders, who are also entitled to free admission into the Prime Class Lounges at Atatürk Airport's domestic and international terminals.
- Albaraka Türk began issuing Ingenico payment terminals for use in its POS system last year.

ALBARAKA TÜRK'S ENHANCED INFRASTRUCTURE MAKES ADC MANAGEMENT MORE EFFECTIVE.

Along with albaraka türk changeover to new core banking system in 2015, many new adc functions engaged and continue to improve its products and services within alternative delivery channels project as to improve effectiveness and ensure the execution as integrated each other. In this regard, completed works as summarized below.

Albaraka Türk digital channels

- The Mobile Branch and Mobile Branch Touch ID projects were completed.
- The internet banking infrastructure was renewed, as was also the user interface.
- The e-government internet portal can now be accessed directly from within the online branch without the need for a separate login.
- A Smart Message system was installed.
- Work was completed on redesigning the user experience for the Albaraka Türk corporate website.
- The Albaraka Türk corporate website was renewed.
- The Albaraka Türk finance portal was installed.
- Branch and ATM location information was made accessible over the internet.

The Albaraka Türk Mobile Branch apps for the Android and iOS platforms were released to users on October 8, 2015. Within just two months' time, the apps were downloaded 29,337 times and 108,844 transactions amounting to TRL 915,331,052 were performed through them.

THE NUMBER OF ONLINE BANKING USERS INCREASED BY 40% YEAR-ON AND REACHED 322,564 WHILE THE TOTAL VOLUME OF ONLINE BANKING TRANSACTIONS GREW BY 20% AND AMOUNTED TO TRL 14.4 BILLION.

Albaraka Türk ATM network

- ATM transactions have been reorganized into two separate menus (card-based vs cardless) depending on whether or not they require the user to insert a card. This has made it possible to add many new function options.
- Albaraka Türk-issued credit cards that can be used on ATMs to perform all transactions (both new and previously-existing ones) on any of the Bank's accounts that they have been linked to.
- Those using other banks' cards on Albaraka Türk ATMs are presented with four language options: Turkish, English, German, and Arabic.
- Along with the changeover to the new core banking system, a new user interface was introduced and all screen visuals were renewed.
- New-generation ATM units are being installed in the network that can give change (bills and coins) when cash payments are made.
- As of end-2015, the total number of units in the Albaraka Türk ATM network was 240. The number of offsite units was increased by 50% from 18 to 27.

Albaraka Türk Call Center

- The telephone banking IVR system was updated and new menus were added.
- Albaraka Türk's retail and corporate telephone banking functions were separated into two separate menus, with the latter being accessed on 0850 222 555 option 6.
- The voice signature (voice biometrics) and verification system were completed.
- A GSM bill-payment function was added to the IVR system and is now being used by call center customers.
- An Albaraka Türk Healthcare Line (accessible on 666 04 04) was set up to be part of the Bank's pension-payments project.
- In 2015 a total of 633,226 calls were made to the Albaraka Türk Call Center, of which 568,361 (92%) were responded to. The total volume of telephone banking transactions handled by the center increased by 53% and reached TRL 123 million last year.

In 2016...

Albaraka Türk will be investing and pursuing additional growth in its ATM and call center delivery channels. New projects are being planned for both channels, the most important of which are listed below.

- Proactive IVR
- TRL prepaid top-up (IVR & ATM)

- IVR Call Steering
- Mobile-accessible IVR
- ATM & Troy Card integration
- Cash-recycling ATM integration
- Installing offsite ATM units linked to at least 30% of existing branches
- Increasing the number of agencies and organizations whose bill payments are processed by at least 30%
- Completing online integration to allow banking transactions to be performed through PTT offices

Internet Banking Webchat:

- URL shortening for the online branch
- Website for online application processes
- English-language website
- Search engine optimization (SEO)

Mobile Apps & Projects:

- Mobile Branch Phase 2 project
- Albaraka Finance project
- SMS Banking project
- MesajAL project
- Mobile IVR project
- English-language Mobile Branch
- Host Card Emulation (HCE) project mobile app design

Other Projects:

- Apple Watch project
- iBeacon project
- Apple TV project

Payment Systems:

- Completing a project to facilitate mobile-phone and contactless payments by incorporating credit cards into the Android-based HCE system
- Project to allow credit-card-based bill payments and standing orders
- Project to convert all POS units to POS cash registers as required by Banking Regulation and Supervision Agency regulations
- Issue Visa Platinum Card special-offer kits to customers
- Visa Platinum Card Sky Miles program
- KobiKolay Kart: A credit card designed for SMEs that allows lump-sum payments for business-related purchases to be broken up into installments by the bank.
- Project to accept and issue bank cards and credit cards that are compatible with the Interbank Card Center's new TROY payments system.
- Closed-circuit dealership card project
- Add stored-value cards (payments card with a monetary value stored on the card itself) to the product line
- Add a bank card that permits installments of up to 36 months to the Finansman Kart product line.
- Project to allow the Bank's software to be installed on different-brand POS cash registers
- Join the BKM TechPOS project.

ALBARAKA TÜRK'S NETWORK COVERS 112 COUNTRIES WITH 1,040 OPERATIONAL CORRESPONDENTS.

STRONG AND SUSTAINABLE CORRESPONDENT RELATIONSHIPS

Albaraka Türk enters into close, mutually-productive, reciprocity-based relationships with its domestic and international correspondents to ensure that its customers are provided with the effective and superior-quality service they demand in the conduct of their international banking transactions.

In keeping with Albaraka Türk's medium- and long-term growth strategies, the Bank continued its efforts to strengthen and expand its correspondent network, especially in African and Middle Eastern countries last year. Visits are regularly made to existing and potential correspondent banks while senior Albaraka Türk representatives take part in IMF meetings and Swift International Banking Operations Seminars (SIBOS). On such occasions, the Bank's representatives engage in face-to-face meetings with the representatives of correspondent banks. Albaraka Türk senior officials attended the SIBOS in Singapore in 2015 held talks with representatives of more than fifty banks.

In order to promote its own products and services and to enhance correspondent relationships, Albaraka Türk often invites existing and potential correspondent banks to send representatives to take part in its Correspondents Orientation Program in Turkey. Besides actively showing off the Bank itself, this program provides opportunities to demonstrate and explain Islamic banking principles, products, and services to banks that are interested in pursuing growth in this business line.

Representatives of Region Trade Bank for Investment & Finance, an Albaraka Türk correspondent bank in Iraq, took part in such an orientation program last year.

Albaraka Türk provides its corporate and SME customers with effective and superior-quality service through 49 nostro accounts denominated in 15 different currencies that belong to a total of 1,040 correspondents with operations in 112 countries.

STRICT APPLICATION OF INTERNATIONAL COMPLIANCE AND REGULATIONS

The Albaraka Türk Regulatory and Compliance Department is responsible for working closely with correspondent banks to ensure that know-your-customer (KYC) procedures are strictly complied with as required by the Turkish Financial Crimes Investigation Board (MASAK), by the US Treasury Office of Foreign Assets Control (OFAC), and by United Nations Security Council resolutions. Headquarters and branch personnel are regularly provided with training on matters involving suspicious entities and individuals.

SUPPORTING SME'S IS ALWAYS OUR PRIORITY

Thanks to its extensive correspondent network, Albaraka Türk has access to a host of long-term murabaha, sukuk, syndicated loan, Saudi Export Program, and Islamic Corporation for the Development of the Private Sector funding. In 2015, the Bank continued to support its SME customers by making these resources available to them.

FOREIGN TRADE VOLUME (US\$ MILLION)

Import	Export	FX Transactions
2015 2014 2013 	2015 2014 2013 	2015 2014 2013

In 2015 Albaraka Turkey's foreign trade volume showed a course parallel to the global conjuncture. The Bank's total foreign trade business volume was realized as 14.7 billion dollars

USD 14.7 billion

In 2014 Albaraka Türk started negotiations with Türkiye Sınai Kalkınma Bankası (TSKB) to provide USD 50 million loan under the World Bank – IBRD's Innovative Access to Finance programme to be utilized in favour of SMEs and export-oriented enterprises (EOEs) through participation banks. As a result of its participation in this program by signing the agreement in 2015, the loan has been granted for Albaraka Türk SME customers in order to benefit a cost effective long-term loan.

WORKING IN SYNERGY WITH ABG TO BE A REGIONAL LEADER

In the conduct of all of its international banking operations, Albaraka Türk benefits from its membership in the Albaraka Banking Group and from the mutual support of the geographically extensive network of ABG subsidiaries as it seeks to create added value in the products and services that it supplies to its corporate customers.

OUR EXPORT VOLUME MAINTAIN THE SAME LEVEL DESPITE MENA REGION INSTABILITY

In 2015 Albaraka Türk continued to draw on the strengths of its geographically extensive correspondent network in support of its customers' foreign trade financing needs. Despite political and economic uncertainties in the Middle East and North Africa, the Bank continued to perform successfully and wrote a total of USD 14,653 billion worth of foreign trade volume last year.

WE ARE ALSO CONFIDENT IN OUR INVESTMENT BANKING

In 2015, Albaraka Türk successfully secured a total amount of USD 968 million worth of funding through two syndicated murabaha loans and a Basel III compliant subordinated sukuk issuance from international markets according to the Bank's long-term strategic plans.

THE FIRST BASEL III COMPLIANT TIER 2 SUKUK OFFERING FROM TURKEY.

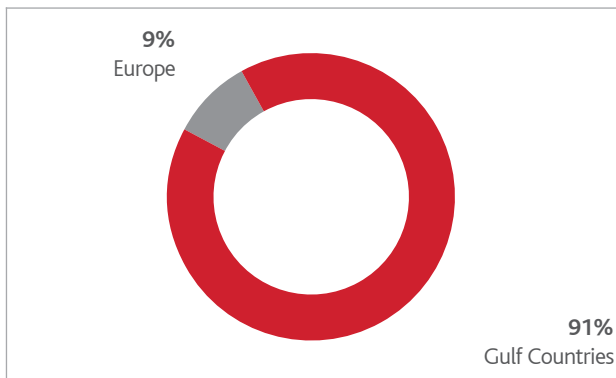
In conformity of the growth strategies, Albaraka Türk has successfully finalized its second Tier 2 subordinated sukuk for USD 250 million with a tenor of 10 years in 2015. The Wakala-Murabaha sukuk was issued on November 30, 2015 by Albaraka

Sukuk Ltd., an orphan company established in Cayman Islands and it was listed in Irish Stock Exchange. This deal represents first Basel III compliant Tier 2 Sukuk offering from Turkey and the first Islamic Tier 2 Capital offering from Turkey in 2015.

The Joint Lead Managers were Barwa Bank QSC, Dubai Islamic Bank PJSC, Emirates NBD Capital, Nomura International plc, Noor Bank PSJC, QInvest LLC, and Standard Chartered Bank. Albaraka Türk's sukuk investor geographic split was 91% from the Middle East and 9% from the UK, as well as investor type breakdown of 55% from Private Banks, 35% from Banks, 6% from Agency and 4% from Fund Managers..

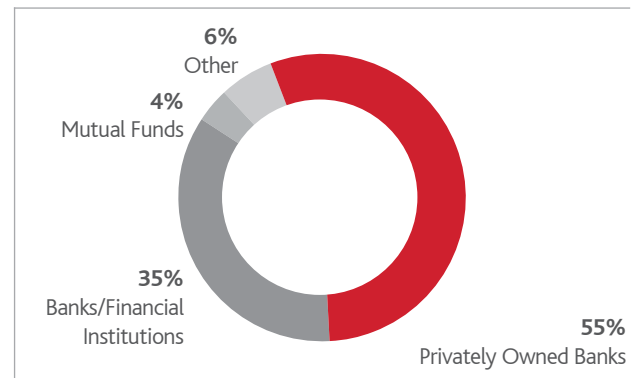
IN 2015 ALBARAKA TÜRK CONTINUED TO SUPPLY ITS CUSTOMERS' FOREIGN TRADE FINANCING NEEDS. DESPITE POLITICAL AND ECONOMIC UNCERTAINTIES IN THE MIDDLE EAST AND NORTH AFRICA, THE BANK CONTINUED TO PERFORM SUCCESSFULLY AND WROTE A TOTAL OF USD 14,653 BILLION WORTH OF FTF BUSINESS LAST YEAR.

GEOGRAPHICAL BREAKDOWN OF SUKUK ISSUE (%)



Strong interest from Gulf countries, banks and financial institutions **91%**

PARTICIPANT BREAKDOWN OF SUKUK ISSUE (%)



A sukuk issue dominated by private banks **55%**

ALBARAKA TÜRK SECURED A TOTAL AMOUNT OF 968 MILLION USD FROM THE INTERNATIONAL MARKETS

TWO SYNDICATED MURABAHA LOANS IN 2015

In 2015, Albaraka Türk has successfully finalized two separate syndicated murabaha loans. In April 2015, an USD denominated syndicated murabaha was finalized for an amount of USD 268 million with a tenor of 733 days. The profit margin was LIBOR + 125 bps and a number of 14 international banks from 9 different countries participated in the facility. In September 2015, a dual-currency (USD and EUR), dual tranches syndicated murabaha facility was finalized for a total amount of USD 450 million (USD 278 million + EUR 154.5 million). The profit margin was LIBOR/EURIBOR + 110 bps for 367 days tenor and LIBOR/EURIBOR + 125 bps for the tenor of 2 years 3 days and a number of 16 international banks from 11 different countries participated in the facility.

As a result, Albaraka Türk secured a total of USD 968 million from international markets in 2015 through syndicated murabaha loans and sukuk issuances.

ALBARAKA TÜRK CONTINUES TO SUPPLY ITS CUSTOMERS WITH A WIDE RANGE OF EFFECTIVELY-PRICED AND FAVORABLY-TERMED CROSS-BORDER SOLUTIONS.

Bilateral murabaha agreement

Thanks to its extensive network of international correspondents, Albaraka Türk has the ability to obtain funding for the working capital of its corporate and commercial customers may need on highly favorable terms. Since the change in the tax charged on international borrowings in Turkey in 2013, the Bank has been able to do so on even more advantageous terms and conditions.

Saudi Export Program (SEP)

The collaboration between Albaraka Türk and the Saudi Export Program, which was set up to finance Saudi Arabian exports except oil, has been growing stronger ever since it began in 2008. Under this program, Albaraka Türk provides low-cost SEP financing on terms of up to three years.

Islamic Corporation for the Development of the Private Sector (ICD)

Albaraka Türk provides its customers with low-cost, long-term operating credit obtained from the Islamic Corporation for the Development of the Private Sector, an agency of the Islamic Development Bank.

Access to TSKB Innovative Finance Loan

Under a wakala agreement, signed with Türkiye Kalkınma Bankası (Development Bank of Turkey), Albaraka Türk secured a total of USD 42 million and EUR 5 million worth of funding to be lent to finance SMEs and export-oriented enterprises (EOEs). The first loans under this agreement were granted last year.

International Finance Corp. (IFC)

In its ongoing efforts to increase the volume of its foreign trade finance, last year Albaraka Türk signed notification bank and confirmation bank agreements with the International Finance Corporation, a World Bank agency set up to support private-sector enterprises. Under these agreements, Albaraka Türk may act as both the notifying and confirming bank in any letters of credit involving banks which have been assigned IFC credit limits.

Albaraka Türk is the first and only participation bank in Turkey to have entered into such an agreement with the IFC.

In 2016...

In 2016 Albaraka Türk will continue to broaden its efforts to tap local and international markets in order to provide a diversified products with cost-effective and maturity options that are best suited to a customer's requirements.

İhracatta
Teslimat
Bittiğinde

Paranız
Peşin Olarak
Sizde

Vadili ihracat yapıyorsanız
artık beklemek zorunda değilsiniz.
Albara'ya gelin ihracat bedelinizi
peşin alın.

alBaraka 30 yıl

ALBARAKA TÜRK'S TECHNOLOGICAL INFRASTRUCTURE IS STRENGTHENED BY CORE BANKING SYSTEM RENEWAL.

Recognizing their key importance to its development and ability to compete, Albaraka Türk integrates the most recent advances in information technologies into all of its business processes and product and service cycles. During 2015, the Bank undertook and successfully completed a large number of IT related projects and activities.

The biggest and most important of these was undoubtedly the conversion of the core banking system. Dubbed Albatros, the new system facilitates the shift in Albaraka Türk's focus from operations to customers and was the product of twenty months of painstaking work. As part of this changeover, everything from hardware (servers, clients, data storage units, etc) to software (core banking, delivery channel, payment systems, etc) and database structures were completely replaced, renewed, or converted. Albatros became operational as of June 19, 2015. Completed in a single night without causing any interruption whatsoever in customer service, a changeover on such a scale such as this is regarded as an unusual success in the sector.

It took Albaraka Türk very little time to adapt to Albatros and work soon began on developing the kinds of innovative and ground-breaking products and services that the new system made possible. Some of the very first to be forthcoming were checks whose imprinted Aztec codes make them much easier for business customers to use, direct access to the e-government portal from within the online branch, and a Webchat application that makes instant messaging between the call center and customers possible. Mobile banking apps for both bank-internal and external use were also developed. The latter, which were released in the last quarter of the year, have proven to be very popular with the bank's customers.

An important issue to which much attention has long been given is that of business continuity, which means making certain that business processes are robust enough to ensure they keep operating or can quickly be restored in the event of an emergency. As a result of such efforts, Albaraka Türk was awarded ISO 22301 Business Continuity Management Systems certification in 2015.

In addition to Albatros, a number of other infrastructure projects were completed in 2015, the most important of which were the final completion of the Exchange and Lync changeovers, renovation of the Albaraka Türk Disaster Recovery Center, instantaneous headquarters data center redundancy, installation of an online video interviewing system, and final completion of the changeover to a fiber optics network.

In line both with its goal of being the world's best participation bank and with its determination to be a technologically adept leader of its sector, Albaraka Türk will continue to undertake investments of such.

ALBATROS RECEIVES TWO SEPARATE AWARDS

- In its annual "Project of the Year" awards program, Hewlett Packard Enterprise cited the Albaraka Türk Core Banking Project as the year's best infrastructure transformation project.
- CIO, a magazine for IT executives and decision-makers, also cited Albaraka Türk's Albatros as the "Project of the Year" in an IT awards program that is one of the most highly regarded

ALBARAKA TÜRK COMPLETED THE CONVERSION OF THE CORE BANKING SYSTEM. DUBBED ALBATROS, THE NEW SYSTEM FACILITATES THE SHIFT IN ALBARAKA TÜRK'S FOCUS FROM OPERATIONS TO CUSTOMERS AND WAS THE PRODUCT OF TWENTY MONTHS OF PAINSTAKING WORK. COMPLETED IN A SINGLE NIGHT WITHOUT CAUSING ANY INTERRUPTION WHATSOEVER IN CUSTOMER SERVICE, A CHANGEOVER ON SUCH A SCALE SUCH AS THIS IS REGARDED AS AN UNUSUAL SUCCESS IN THE BANKING SECTOR.

in the countries where the journal is published.

In 2016...

In the near term Albaraka Türk will be devoting its attentions especially projects that focus on:

- Mobility
- NFC (Near Field Communication) wireless technology
- The Internet of Things.

A NEW PAGE IN CUSTOMER SATISFACTION

After the successful launch of Albatros, the Lotus Notes-based Customer Complaints Management Module used by bank personnel to record, process, respond to, and finalize customer complaints also underwent a major change and was incorporated into the new system.

Effective July 1, 2015, the older system was locked to prevent any more entries from being made and simultaneously Albatros's new complaint management module became operational and usable by customers and personnel.

Dubbed "Sorun Çözelim" (Let's solve a problem), this new complaint management system allows all Bank personnel not only to enter customer feedback but also to check what action has so far been taken with respect to it and whether or not any issues associated with the feedback have been resolved. In addition, personnel who have been designated to deal with a problem may also attach additional pertinent information as the process unfolds until the matter ultimately reaches the Customer Complaints Management Service for resolution and finalization.

This new complaint management system incorporates features and functions that make customer complaint management

*Albatros kelime olarak, Albaraka'nın "Alba"sı, Türkiye'nin "tr"si, otomasyon sistemlerinin "os"undan oluşmaktadır.

AS OF END-2015, ALBARAKA TÜRK HAD 3,736 PEOPLE ON ITS PAYROLL.

much more systematic, exact, and straightforward than used to be the case with the old system. It also significantly standardizes, simplifies, and clarifies complaint reporting and analysis by allowing daily, weekly, monthly, and yearly reports to be generated easily according to branches and departments.

Albaraka Türk's approach to customer complaint management is not just to respond to complaints but rather to solve problems. It is because of its commitment to this approach that Albaraka Türk was cited as "the participation bank that best manages customer complaints" by www.sikayetvar.com, an independent online consumer complaint platform, in both 2014 and 2015.

To demonstrate its commitment to superior quality in the conduct of its services, Albaraka Türk had itself audited for compliance with ISO 10002:2004, the most advanced internationally recognized standard governing customer satisfaction management systems. Besides confirming that Albaraka Türk is diligent in its management of customer feedback, this certification, which the Bank was awarded in August 2014, also has a beneficial impact on Albaraka Türk's market reputation and encourages it to raise its service standards to even higher levels.

On September 11, 2015, Albaraka Türk's ISO 10002:2004 Customer Satisfaction Management System certification was reviewed by SGS Supervise, the world's leading inspection, verification, testing and certification company. The Bank successfully passed this review, in which no breaches of the standard were identified.

As part of their orientation training, two different groups of newly-recruited/hired personnel are provided with two hours of instruction concerning the introduction of "Sorun Çözelim" (You Ask, We Solve) module and Albaraka Türk Complaints Management System during which they are given hands-on experience to familiarize them both with the system and with the Bank's customer complaints management processes.

In 2016...

- Rank first among financial consumer-friendly banks in the Banking Regulation and Supervision Agency's Customer Focus Rating league table;
- Rank first among all the banks in the www.sikayetvar.com list of companies that are the most successful in managing customers' complaints;
- Reduce the average response-to-complaint time to below what it was in 2015;
- Provide complaint-management training to all bank personnel.

HUMAN VALUES AT ALBARAKA TÜRK

Employing personnel who dedicate themselves to teamwork, productivity, and quality, who are self-managing, who are compatible with its corporate culture, and who are open to change and innovation, Albaraka Türk continues to be a bank that people most want to work for.

Albaraka Türk keeps a close watch on developments in human resources practices and it adapts them to inform human resources practices of its own which correctly identify and recruit people whose potential to create value for the Bank is high and which put the right person in the right job in line with the Bank's customer-focused approach. Recognizing that human resources are the way to distinguish oneself in the highly competitive business of banking, Albaraka Türk builds its corporate culture on sound foundations, regards its employees as precious assets that will convey the Bank into the future, and makes people the center of everything that it does.

With the emphasis given to expenditure management in 2015, priority was given to recruiting personnel for starting positions. Advertisements announcing the intended conduct of recruitment examinations for assistant inspector, assistant auditor, and assistant retail marketing specialist positions attracted nearly twenty thousand applications. These were carefully reviewed and the most promising applicants were invited to take the exams, which were also open to qualifying members of the Bank's existing staff. Those who received satisfactory marks were next invited to take part in an interview, on the basis of the results of which hiring decisions were made.

As of end-2015, Albaraka Türk had 3,736 people on its payroll. 90% of the Bank's staff hold bachelor's or more advanced university degrees.

RECRUITMENT DATA IN 2015

Number of new branches	11
Increase in the number of employees	226
Total number of employees (31/12/2015)	3,736
Total number of branches	213
Total number of regional departments	7

2015 human resources highlights

- The staff vacancies created by the opening of eleven new branches that brought the total number to 213 last year were recruited for and filled.
- Successful "Young Albaraka Academy" trainees who previously had worked on a part-time basis while studying at some of Turkey's leading universities were hired as full-time employees.
- HR-related activities and events continued to be announced on the Bank's

www.gencalbaraka.com website.

FOR THE EIGHTH YEAR IN A ROW ALBARAKA TÜRK RECEIVED THE "RESPECT FOR PEOPLE" AWARD.

- Albaraka Türk gives special attention to filling higher-level management position vacancies by promoting existing qualified and successful personnel. Twenty-five employees advanced to Manager level in this way last year.
- The Bank continued to work with Ümraniye İşkur in the provision of on-the-job training.
- Albaraka Türk representatives took part in various universities' career day events.
- A trained nurse is on duty at all times at bank headquarters so as to ensure that personal have access to medical care if ever they should need it. Dietician services continue to be provided for headquarters and İstanbul branch employees who would like to shed some of their excess weight.
- The Albaraka Türk HR Communication Portal provides an opportunity for personnel to freely express their ideas and opinions. The portal currently has 1,394 registered users.
- Lower and middle-level personnel are encouraged to take part in management through participation in the Employees Committee and by making suggestions concerning Bank policy and strategy development to the Personnel Committee.
- Bahçeşehir, İstanbul Şehir, İstanbul Ticaret, TOBB, and Bilkent University students took part in Albaraka Türk traineeship programs under the Bank's professional training agreements with those schools.
- Traineeship positions at Albaraka Türk were provided to 130 students attending universities whose curriculums require their participation in summer programs.
- All position vacancies in 2015, were filled by hiring competent personnel.
- Recruitment Service personnel received Assessment Center training in a project in which 60 people took part.
- The HR Venue system was used to conduct online interviews in 2015.
- In order to have access to a greater number of suitable candidates in line with Albaraka Türk's principle of putting the right person in the right job, the number of online recruitment portals with which the bank works was increased to three.
- During 2015, 487 people were recruited and hired.

ALBARAKA TÜRK RECEIVES YET ANOTHER "RESPECT FOR PEOPLE" AWARD

For the eighth year in a row Albaraka Türk received the "Respect for People" award in the banking industry category in a program to identify and draw public attention to successful human resources practices that is conducted by www.kariyer.net, an online human resources platform.

In 2016...

- Albaraka Türk's HR goals in 2016 include:
- Filling the staff position vacancies created by the new branches that the Bank plans to open in line with its growth strategy by promoting existing employees and recruiting new personnel from outside;
- Increasing participation in university career day events and meeting with young people attending the country's leading educational institutions in the Bank's ongoing efforts to recruit the most talented human resources;
- Increasing the number of young staff at Albaraka Türk;
- Continuing to work with Ümraniye İşkur in the conduct of on-the-job training programs;
- Making more effective and productive use of the Humanist program;
- Further increasing the in-house and extramural activities and effectiveness of the HR Communication Service;
- Conducting examinations to fill inspector, assistant auditor, assistant corporate & commercial marketing specialist, and assistant retail marketing specialist positions;
- Increasing the number of participants in the "Young Albaraka Academy Project" to 100;
- Improving and streamlining orientation processes in view of the need to recruit new personnel to fill vacancies created by employee turnover in the rapidly-growing participation banking sector.





ALBARAKA TÜRK CONTINUES TO GROW

AND TO DISTINGUISH ITSELF THROUGH THE CUSTOMER EXPERIENCE THAT IT PROVIDES BY VIRTUE OF ITS STRENGTH OF FORESIGHT, ITS PROACTIVE STRATEGIES, AND ITS SUPERIOR BUSINESS MODEL.

47 HOURS TRAINING WAS PROVIDED PER EMPLOYEE IN 2015.

Performance- and career-management activities in 2015;

- Dubbed "Mentor Albaraka Project" (MAP), Albaraka Türk's first mentoring program was launched in 2015. Under this program, veteran and successful branch managers act as mentors to newly-appointed ones, giving them the benefit of their knowledge and experience.
- The Albaraka Türk Stars Pool project was initiated with such important aims as identifying the Bank's potential star performers, readying them for future management positions, and ensuring that they remain with the bank.
- Under the heading of career management, the Bank's career was redesigned and its promotion processes were revised.
- Efforts continued to be made last year to encourage all personnel to work in line with the Bank's strategic goals by further strengthening the links between the individual performance management process and other HR processes such as compensation, career, and talent management.

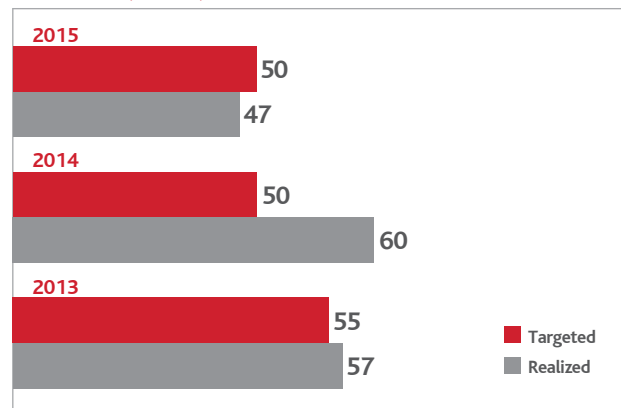
In 2016...

- Albaraka Türk will change over to a targets-based performance management system under which an individual's performance score is determined in part by the degree to which specific numerical targets have been fulfilled.
- Talent-management activities will be accelerated. To this end, we intend to make new additions to the existing talent pools and to cultivate people who are included in existing and newly-formed talent pools by means of special programs.
- We plan to increase the number of personnel included in MAP while also extending the scope of this talent management program to encompass as much of the Bank as possible. Another plan is to launch "Young Mentors", a reverse-mentoring program that will give existing management personnel the benefit of newly-hired employees' perspectives and technological acumen.
- The Bank's promotion processes will be incorporated into a Career Academy program whose aim will be to revise existing processes so as to better prepare personnel for advancement to a higher position.

HUMAN VALUES TRAINING ACTIVITIES

Albaraka Türk's training policies and goals are formulated within the framework of the Bank's vision, mission, and strategies so as to equip employees with essential knowledge and skills that will support their personal and professional progression.

TRAINING PER EMPLOYEE (HOUR)



In order to ensure that Bank employees have the skills that are required to do their jobs, newly-recruited assistant tellers, assistant specialists, and assistant inspectors are provided with basic-level training at the outset. In addition to job-specific technical matters, this training also addresses such issues as personal development and customer relations.

Recognizing that creating an elite workforce is one of the cornerstones of Albaraka Türk's vision of being "The World's Best Participation Bank", numerous projects are undertaken to support the intellectual development of the Bank's personnel.

During 2015, a total of 169,887 hours of training was provided to 99,197 people taking part in training programs conducted throughout the bank. Average training time per person was 47 hours.

ALBARAKA ACADEMY

Albaraka Academy was launched in 2013 with the aim of effectively formulating and conducting essential training programs compatible with Albaraka Türk's vision and mission by making use of and giving all personnel access to the best training opportunities and the best training technologies available in the market and by providing a common ground on which the training requirements of all bank personnel may be satisfied. Albaraka Academy continued these activities and operations with no loss of momentum in 2015.

In 2015 a total of 41,600 hours of e-training was provided to bank personnel taking part in Albaraka Academy. Average training time per person was 11.35 hours.

The use of electronic-format rather than printed training materials at Albaraka Academy is calculated to have prevented the harvesting of 26 trees in 2015.

A BRANDON HALL EXCELLENCE AWARD FOR ALBARAKA ACADEMY

The Brandon Hall Group, one of the world's leading research and analysis firms, conducts annual award programs in which participating companies, many of them the leaders of their respective business lines, are rated and ranked on the basis of their human capital management practices and performance. The Brandon Hall Group Excellence Awards are regarded as the business world's most prestigious and are seen as its equivalent of the motion picture industry's Academy Awards. Firms are rated in seven categories, one of them being human resources training and development.

Albaraka Türk took part in the 2015 round of the Brandon Hall Group Excellence Awards, the 21st in the series, for the first time. The bank's entry, the Albaraka Academy personal development and training platform, won an award in the "Best Use of Social/Collaborative Learning" category and gained worldwide recognition for the bank.

E-MOBILE APPLICATION

With the launch of its e-Mobile app in 2015, Albaraka Academy trainees can now access the academy's resources and fulfill their training requirements easily, quickly, wherever they may be, and whenever they want.

Albaraka Academy has launched its e-Mobile app, whose new user interface is specially designed for mobile devices supports academy trainees by allowing them to take part in training wherever and whenever they want. By detecting the device that a user is accessing it with, Albaraka Academy automatically chooses the appropriate interface.

During 2015, Albaraka Academy was accessed 11,821 times by trainees using mobile devices with a total of 1,321 hours of mobile training being provided in this way.

ALBARAKA ACADEMY ONLINE POLLS

During 2015, online polls on 41 different subjects were conducted via the Albaraka Academy platform with a total of 39,565 questionnaire forms being completed and submitted by users.

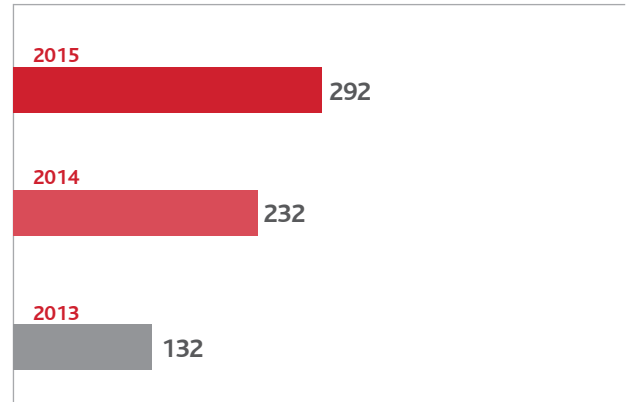
PERSONAL DEVELOPMENT & LEARNING PLATFORM

Continuing to come up with innovative e-learning practices, Albaraka Academy introduced a Personal Development & Learning platform last year.

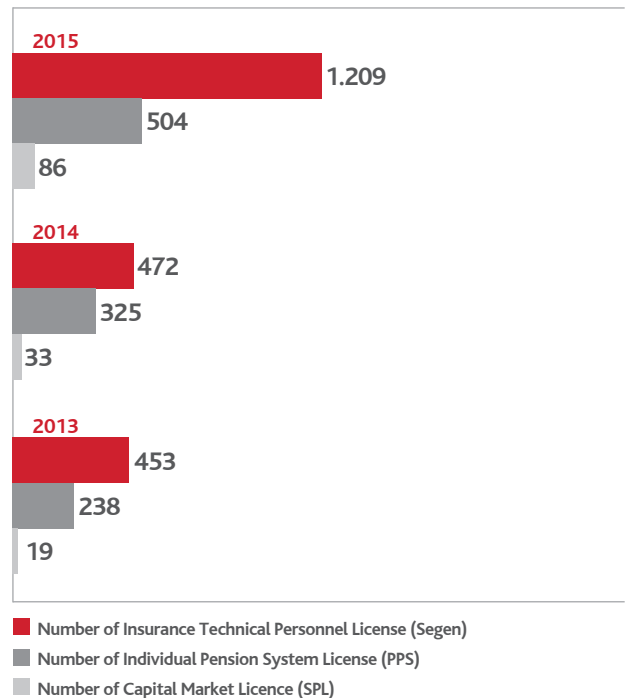
A total of 33,640 actions were performed via the Albaraka Academy Personal Development & Learning platform while 59 social groups were formed and 9,392 training badges were earned. The platform's social groups provide personal development support 7 days a week 24 hours a day.

With the launching of the Personal Development & Learning platform, there was about a 40% rise in the number of personnel accessing the Albaraka Academy portal. Some 3,700 employees were making active use of Albaraka Academy as of end-2015.

NUMBER OF EMPLOYEES RECEIVING MASTER DEGREE SUPPORT



NUMBER OF EMPLOYEES POSSESSING VOCATIONAL COMPETENCY CERTIFICATION



ALBARAKA TÜRK ASSUMES SUSTAINABILITY AS TO PROTECT THE FUTURE WITH ALL ITS ASPECTS.

MASTER'S AND DOCTORAL THESES

An important function of the www.albarakaakademi.com website is to serve as a common platform on which all Bank personnel may share their own knowledge and experience and also benefit from that of others. On the website's home page is a "Theses" section where Bank employees who have been awarded master's or doctoral degrees are encouraged to publish their theses.

During 2015, 9 such theses were uploaded to Albaraka Academy, bringing the total number published there so far to 50.

ONLINE PROMOTION EXAMS

A total of 689 people took the Bank's promotion examinations in 2015. It is calculated that the online conduct of these examinations saved Albaraka Türk TRL 94,560.

ALBARAKA ACADEMY TV

Albaraka Academy TV makes use of video materials as a training and learning tool. Created to help employees improve their attitudes and behavior as well as their knowledge, the channel is based on the principle of information-sharing through mutual interaction. A new video portal with a brand-new and improved interface was launched for all employees to use last year. As of end-2015, 310 training & development videos had been uploaded to Albaraka Academy TV and new ones continue to be added. Last year 2,624 bank employees viewed 6,182 hours of training and development videos on Albaraka Academy TV.

DIGITAL LIBRARY

The Albaraka Academy website contains a digital library containing electronic-format training documentation that is accessible to users wherever and whenever they need it. The resources of the Albaraka Academy Digital Library were downloaded 5,176 times during 2015.

FUNCTIONAL ORGANIZATION – PRODUCTIVITY AND QUALITY-FOCUSED PROCESSES

Albaraka Türk's organizational structure is designed to be customer-focused and capable of providing superior-quality products and services that satisfy customers' needs and expectations. Another important issue is that the organizational structure be flexible enough to allow the Bank to successfully conduct its business in today's competitive environment and to constantly renew itself as needs dictate.

R&D and documentation projects are regularly carried out in order to increase the effectiveness, productivity, and quality of all bank activities by making Albaraka Türk's organizational structure and its operations more effective and efficient and by expanding the use and applicability of current management techniques.

Albaraka Türk has been awarded ISO 9001:2008 Quality Management System and ISO 10002 Customer Satisfaction Management System certifications by an external auditor, SGS Supervise, which reviews the Bank's compliance with both standards at regular intervals. In 2015 Albaraka Türk successfully passed these reviews, in which no breaches of either standard were cited.

SUSTAINABILITY PRACTICES AT ALBARAKA TÜRK

Mindful always of the sustainability of its corporate culture and vision, in 2015 Albaraka Türk continued to contribute to the wellbeing of its stakeholders through its environmental, social, and cultural activities.

THE ENVIRONMENT AD WASTE MANAGEMENT, ENERGY EFFICIENCY

Albaraka Türk's Head Office is a 'smart building', and the Bank has adopted a number of measures which reduce CO₂ emissions.

In this context, every month the Bank reduces its headquarters electric bill by about 29% and conserves energy corresponding to the electricity used by 450 households thanks to:

- A glass-coated exterior facade,
- Automatically-controlled illumination,
- Automatically-controlled heating,
- Automatically-controlled air-conditioning,
- The many different makes and models of photocopiers that used to be employed at headquarters have been replaced with a new centralized system that helps prevent both redundant copying and unnecessary single-sided copying. Thanks to this centrally-managed system, about 14,000 kgs of paper (corresponding to 2,750,000 A4 sheets) are conserved every year, an amount that corresponded to about 57% of the Bank's total annual paper consumption. It is calculated that this prevents the harvesting of about 240 trees a year. The new system has also reduced the Bank's printing costs by about 66%.

- Both to protect the environment and to facilitate recycling so as to help prevent resource waste, discarded batteries and discarded paper are separated from other trash and sent to certified recyclers as appropriate. About 6,000 kilograms of paper (corresponding to 1,200,000 A4 sheets) are recovered in this way and it is calculated that this prevents the harvesting of about 103 trees every year. Since an adult tree supplies enough oxygen for 17 people, Albaraka Türk's new photocopy system and recycling projects together conserve enough oxygen for 5,831 people.
- Water-savers have been installed on washbasin taps. By constricting the flow of water without reducing the pressure thereby causing less water to flow faster, they create the same tactile effect as the old-fashioned taps. These new taps have reduced average water consumption among employees by about 43%.
- The use of well water for grounds maintenance and the pool reduces the Bank's water bill by 36%.
- The glass facade of Albaraka Türk's headquarters building prevents 78% of the sunlight falling on it, thereby saving 15.60% in electricity costs by reducing the need for air-conditioning.
- Branches' marketing vehicles are equipped with tracking systems that allow detailed monitoring of vehicle use. This has reduced the Bank's fuel expenditures by about 15%.
- The replacement of vehicles with diesel rather than petrol engines has reduced the Bank's fuel consumption expenditures by about 23%.

In 2015 a project was initiated to obtain LEED Green Building certification for Albaraka Türk headquarters by documenting the building's carbon footprint, contributions to sustainability, water-efficiency, energy-efficiency, the eco-friendliness of its materials and resources, its interior environmental quality, its contributions to innovation in design, and its regional priorities.

The goal of this project, which is on track to be completed in 2016, is to obtain a LEED Gold rating for the building.

EMERGENCY MANAGEMENT

Emergency-management activities related to the Bank's personnel, assets, operations, and systems are carried out so as to ensure that customers, employees, documents, IT systems, and data are protected in the event of unexpected or extraordinary circumstances such as natural disasters, terrorist attacks, economic upheavals, civil disturbances, system failures, strikes, and the like.

In 2016...

A project that was initiated to further reduce water-related expenditures at Albaraka Türk headquarters by using artesian-well groundwater instead of mains water in toilets, washbasins, and pools as well as grounds maintenance and cleaning operations will be completed in 2016.

ALBARAKA TÜRK'S SOCIAL CONTRIBUTION ACTIVITIES

As a member of the participation banking sector whose corporate culture and values have deep roots, Albaraka Türk continued to create value for society in 2015 both by promoting the growth and development of participation banking and by contributing to culture and art.

The Albaraka International Calligraphy Contest, a triennial event that is regarded as one of the world's most prestigious displays of the art of traditional calligraphy, was inaugurated in 2005. The theme of the fourth in the series, which took place in 2015, was "Charitableness", by which is meant "fullness of love for and goodwill toward others, benevolence, unreciprocated generosity towards the needy". A total of 303 works were submitted by 224 artists from 25 countries to a jury whose members number among the leading practitioners of the art of calligraphy in Turkey today: Prof. Dr. Uğur Derman, Hasan Çelebi, Ali Toy, Davut Bektaş, Mehmed Özçay, Prof. M. Hüsrev Subaşı, and Asst. Assoc. Prof. Savaş Çevik.

During 2015, Albaraka Türk once again sponsored many activities and events in the areas of economics, Islamic finance, and culture & art.

- 10th Turkish-Arab Economic Forum
- "Let's learn how to save, share, and spend (book published by the Financial Literacy & Inclusion Association)
- 2015 İstanbul Finance Summit
- International Congress on Islamic Economics and Finance
- Hitit University 19th Finance Symposium
- Economic Planning and Industrial Policy Conference
- "Visionary 2015" (Independent Industrialists' and Businessmen's Association Conference)
- VIOP Risk Management Conference
- 6th Bosphorus (Boğaziçi) Summit
- Şeb-i Arus İstanbul 2015 (Şeb-i Arus: The Wedding Night / The Night of Reunion / The night of Mevlana's death)



Sponsorship of the 2015 İstanbul Finance Summit

General Manager of Albaraka Türk Mr. Fahrettin Yahşi was one of the speaker at the summit.

2,072 PEOPLE RECEIVED SCHOLARSHIP SUPPORT IN 2015.

Bereket Vakfi

CONTRIBUTIONS TO EDUCATION THROUGH THE BEREKET FOUNDATION

The Bereket Foundation is a non-profit charitable foundation that was set up in 1986 and whose tax-exempt status was approved by Council of Ministers resolution 90/1182 dated November 21, 1990.

The main purposes of the foundation can be summarized as follows;

- Provide resources, including cash and non-cash assistance, to enable talented but needy students to pursue their studies at every level of education;
- Provide scholarships to support such students in their efforts to pursue practical, specialized, scholarly research, and graduate and post-graduate studies in Turkey and abroad;
- Undertake essential education-related investment expenditures;
- Provide cash and non-cash support to indigent and needy individuals.

Since 1987, The Bereket Foundation has provided gratuitous (non-reciprocal) scholarships to 17,331 students (92% undergraduate and 8% graduate). The foundation's scholarships are provided to students who may be from any part of the country and without making any distinctions as to area of study or curriculum. Occasional (non-recurring) educational assistance may also be provided to support those engaged in advanced and/or scholarly research abroad.

2,072 people (1,986 undergraduate students and 86 doctoral candidates) received scholarship support from the foundation in 2015.

RESEARCH AND DEVELOPMENT PRACTICES

Albaraka Türk IT units successfully completed many projects and other activities during 2015, the biggest and most important of which was undoubtedly the conversion of the core banking system. Dubbed Albatros, the new system facilitates the shift in Albaraka Türk's focus from operations to customers and was the product of twenty months of painstaking work. As part of this changeover, everything from hardware (servers, clients, data storage units, etc.) to software (core banking, delivery channel, payment systems, etc.) and database structures were completely replaced, renewed, or converted.

It took Albaraka Türk IT teams very little time to adapt to Albatros and work soon began on developing the kinds of innovative and ground-breaking products and services that the new system made possible. Some of the very first to be forthcoming were checks whose imprinted Aztec codes make

them much easier for business customers to use, direct access to the e-government portal from within the online branch, and a Webchat application that makes instant messaging between the call center and customers possible. Mobile banking apps for both bank-internal and external use were also developed. The latter, which were released in the last quarter of the year, have proven to be very popular with the Bank's customers.

With the completion of the core banking system changeover in 2015, seven new products and one package began to be offered to customers. Two of them the "Findeks" interface and "Aztec-Code Cheque", both of which are compatible with Credit Bureau of Turkey specifications and were launched after brief but intensive period of development and testing—are the first such innovative offerings made by a participation bank in Turkey. "Findeks" is an online credit history and scoring platform that can be used to quickly check an individual's credit-worthiness, riskiness, cheque performance, and so on. "Aztec-Code Cheque" is a cheque that is much easier and faster to use because its details are printed on the surface in machine-readable form.

Albaraka Türk likewise engages in systematic efforts to increase customer loyalty. One way in which it does this is through the Privileged Albaraka Customer (PAC) program, whose aim is to ensure that top-tier customers receive top-notch service and assistance in all Al Baraka Banking Group financial institutions wherever they may be.



WITH THE VISION OF BEING THE WORLD'S BEST PARTICIPATION BANK, ALBARAKA TÜRK WILL CONTINUE TO MAKE IMPORTANT PROGRESS IN THAT DIRECTION IN 2016.

OUR EXPECTATIONS FOR THE FUTURE ARE OPTIMISTIC.

We are optimistic in our expectations for both the Turkish economy and for Albaraka Türk in 2016. Sustained economic and political stability and the arrival of new participation banks into the sector should significantly boost the share of total banking industry revenues earned by financial institutions such as ours. Given Turkey's youthful population and dynamics and within the framework of an effectively managed economic plan, it should be easy to achieve the targets set by the government.

THE PRESSURE ON BANKING INDUSTRY PROFITABILITY WILL CONTINUE.

Due to stiff competition for deposits, increases in the cost of credit in 2016 are likely to hurt profitability for the Turkish banking industry as a whole by narrowing its margins. Erosion in the value of the Turkish Lira and the possibility of continued weakness in economic growth could impair asset quality resulting in something of a rise in non-performing funds provided. Both the industry's sound structure and judicious action on the part of regulatory authorities however should be sufficient to keep asset-structure risks within manageable limits.

SUKUK ISSUES WILL CONTINUE IN 2016.

In 2015, Albaraka Türk once again grew faster than the sectoral average as measured by total assets, total funds provided, and total funds collected. In 2016 participation banks will continue to undertake sukuk issues in their ongoing efforts to diversify their sources of funding. The Treasury's plan to continue issuing sukuk in 2016 will also help participation banks increase their asset-side diversification and may even lead to the emergence of a market for second-hand trading in such instruments.

ALBARAKA TÜRK WILL CONTINUE ADVANCING TOWARDS THE SUMMIT WITHOUT UPSETTING THE BALANCE BETWEEN ITS GROWTH AND ITS PROFITABILITY.

Thanks to its strong financial structure and to its asset quality, Albaraka Türk continues to advance sure-footedly towards the summit without upsetting the balance between its growth and its profitability. The Bank has set itself a goal of achieving a 20% rate of year-on growth in its total assets, total funds collected, and total funds provided.

IN 2016 ALBARAKA TÜRK WILL COMPLETE THE SİMURG PROJECT THAT IT BEGAN FOUR YEARS AGO.

One of the pioneers of participation banking in Turkey, Albaraka Türk continues to successfully carry out the SİMURG transformation project that it began four years ago. The Bank plans to wind up this project in 2016. With the completion of most of this project already, the Bank's core banking system has been successfully changed and its technological infrastructure has not only been renewed in line with customers' expectations but has also been greatly strengthened. These changes are all part of a process that will enable Albaraka Türk to continue growing strongly and to advance surefootedly as it joins the front ranks of the Turkish banking industry and reaches its goal of being "The World's Best Participation Bank".

ALBARAKA TÜRK PLANS TO OPEN BETWEEN FIVE AND TEN NEW BRANCHES NEXT YEAR.

Albaraka Türk surpassed the branch network-expansion targets which it had set for itself in 2015, reaching a total of 213 domestic branches located all over the country as of year-end. In 2016 the Bank plans to add another five to ten new branches to the network.

KATILIM EMEKLİLİK GOALS TO REACH 500 THOUSAND PENSION ACCOUNTHOLDERS WITHIN THE FIRST FIVE YEARS

Katılım Emeklilik is a life insurance and private pension provider in which Albaraka Türk and Kuveyt Türk control equal (50%) stakes. It was the first insurer in Turkey to be issued licenses for both private-pension and life-insurance products and services. The company has set itself the goal of joining the ranks of the private pension industry's top ten service providers by reaching 500 thousand pension accountholders within first 5 years time.

The Report on Compliance of Annual Report



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Convenience translation of a report originally issued in Turkish

Report on the Audit of the Annual Report of the Board of Directors in Accordance with the Independent Auditing Standards
We have audited the annual report of Albaraka Türk Katılım Bankası A.Ş. ("the Bank") as at December 31, 2015.

Responsibility of the Bank's Board of Directors

In accordance with Article 514 of the Turkish Commercial Code (TCC) no.6102 and communique on 'Principles and procedures set out by the regulations on preparation and issuance of annual reports of Banks' published in official gazette no.26333 dated November 1, 2006, the Bank management is responsible for the preparation and fair presentation of annual report consistent with the unconsolidated financial statements prepared in accordance with the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated November 1, 2006 and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency (BRSA), circulars, interpretations published by BRSA and the provisions of Turkish Accounting Standards for the matters which are not regulated by these regulation; "BRSA Accounting and Reporting Legislation" (unconsolidated financial statements") and for the internal control considered for the preparation of a report of such quality.

Independent Auditor's responsibility

Our responsibility is to express an opinion based on the independent audit we performed on the Bank's annual report, in accordance with the Article 397 of TCC and "Communique on Independent Audit of Banks" published in the Official Gazette no.29314 dated 2 April 2015 on whether the financial information provided in this annual report is presented fairly and consistent with the Bank's unconsolidated financial statements there on which auditor's report dated February 22, 2016 has been issued.

We conducted our audit in accordance Independent Standards of Auditing ("ISA") which is a part of Turkish Auditing Standards promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA"). These standards require compliance with ethical requirements the independent audit to be planned and performed to obtain reasonable assurance on whether the financial information provided in the annual report is free from material misstatement and consistent with the unconsolidated financial statements.

An independent audit involves performing audit procedures to obtain audit evidence about the historical financial information. The procedures selected depend on the independent auditor's professional judgment.

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

Opinion

In our opinion, the financial information provided in the annual report of the Board of Directors is presented fairly and consistent with the audited unconsolidated financial statements in all material respects.

Report on other responsibilities arising from regulatory requirements

In accordance with paragraph 3 of Article 402 of the Turkish Commercial Code, within the framework of the Independent Auditing Standards 570 "Going Concern", no material uncertainty has come to our attention to be disclosed which causes us to believe that the Bank will not be able to continue as a going concern in the foreseeable future.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited

Damla Harman, SMMM
Partner

February 22, 2016
Istanbul, Turkey

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**INFORMATION ON THE MANAGEMENT AND
THE CORPORATE GOVERNANCE PRACTICES**

Board of Directors



Adnan Ahmed Yusuf ABDULMALEK
Chairman



Ibrahim Fayez Humaid ALSHAMSI
Board Member



Yalçın ÖNER
Vice Chairman



Prof. Dr. Ekrem PAKDEMİRLİ
Board Member



Osman AKYÜZ
Board Member



Hamad Abdulla A. EQAB
Board Member

Adnan Ahmed Yusuf ABDULMALEK**Chairman**

Mr. Adnan Yusuf was born in 1955 in Manama (Bahrain). He studied Administrative Sciences in the Hull University (England) where he also completed his post-graduate degree. He commenced his banking career in 1973 at Habib Bank. He worked at the American Express Bank between 1975 and 1980 as assistant manager of credit transactions. He then held the following positions at Arab Banking Corporation (ABC) from 1980 onwards: Manager of main branch, deputy general manager and vice-chairman, director of global marketing and financial institutions division, head of Arab World division, vice manager of subsidiaries and investments. In 1998 Mr. Yusuf became the chairman of ABC Islamic Bank (EC). He was then appointed as the general manager of Al Baraka Banking Group (ABG) in March 2000. He took office as the CEO of Bahrain Islamic Bank during 2002-04. Since August 2004, he has been working as a board member and CEO of the ABG. In the board of directors of several banks in ABG family, Adnan Yusuf is either a member or chairman. Apart from above mentioned positions, Mr. Adnan Yusuf has twice been recipient of the "Islamic Banker of the Year" Award at the World Islamic Banking Conference, in December 2004 and December 2009. He has been the chairman of the Board of Directors and the Credit Committee of Albaraka Türk since April 2005.

Yalçın ÖNER**Vice Chairman**

Yalçın Öner was born in 1938 in the town Araç (Kastamonu). He had his degree from the Faculty of Political Sciences at Ankara University and received his masters degree at Minnesota University (USA) on public administration. He started his professional career in 1959 at the Ministry of Finance as tax inspector. Later on, he began to work for the State Investment Bank in 1972 and for Yatırım Finansman Investment A.Ş. in 1978. He became the first general manager of Albaraka Türk in 1985 and held this position until 1996. Yalçın Öner has been board member since 1996. He has been the board member responsible for internal audit and Risk Management from July 2001 onwards. He took office in our Bank as executive (resident) board member between April 2002 and January 2007. During the period December 2006 - March 2008 he was a board member responsible from internal systems and Audit Committee members of Albaraka Türk. He has been vice-chairman of the Board of Directors since April 2002.

Osman AKYÜZ**Board Member**

He was born in 1954 in the town Yomra (Trabzon). He has obtained his degree from the Faculty of Political Sciences, Ankara University. He has commenced his professional career in 1978 as a tax inspector at the Ministry of Finance. He was then transferred to Sezai Türke - Fevzi Akkaya Group as an auditor and financial consultant in 1983. In 1985, he started working as the manager of financial and administrative affairs in Albaraka Türk. Thereafter he worked as the manager of fund allocations (1991-94), assistant general manager (1994-95) and general manager of the Bank (1996-2002). Osman Akyüz is a member of the Credit Committee in our bank since November 2001 and executive (resident) board member since April 2002. Mr. Akyüz also holds a position in the Union of Turkish Participation Banks as secretary general since July 2002, board membership in the Istanbul Chamber of Commerce since April 2005 and board member in the Borsa Istanbul since 2012. He is also the chairman of Development Board In Istanbul Development Agency, Independent Board Member of Sinpaş Real Estate Investment Trust Co. and board member of EYG Real Estate Portfolio Management Inc.

Ibrahim Fayeز Humaid ALSHAMSI**Board Member**

He was born in 1949 in the Ajman city of the United Arab Emirates (UAE). Mr. Ibrahim Fayeز had his degree in economics from the Arab University of Beirut in Lebanon in 1972. He commenced his professional career in 1969-1972 at Bank of Oman as current accounts chief. Later on he became the manager of its Ajman branch (1971). He held the following positions: Manager of financial affairs at the Ministry of Housing&Town Planning of UAE (1972-1976); assistant general manager at Abu Dhabi Fund for Arab Economic Development (1976-1989); board member for European Arab Bank Holding in Luxembourg (1978), Board member for Industrial Bank of UAE (1983-1999), Board member for Austrian Conference Centre Co in Vienna (1984) and Board member for Dubai Islamic Bank (1998-2001). He also worked as chairman of UAE Bangladesh Investment Co in Bangladesh (1988-1989), and Board of the Arab Fund for Economic&Social Development in Kuwait (1983-2010). He has been the CEO of the Emirates Islamic Bank in Dubai between 2004 and 2011. He has been a board member of Albaraka Türk since April 2005. He is also the member of Corporate Governance and Social Responsibility Committee.

Prof. Dr. Ekrem PAKDEMİRLİ***Board Member**

He was born in 1939 in Izmir. Professor Pakdemirli received his bachelor's degree from the Faculty of Mechanical Engineering in the Middle-East Technical University (Ankara). Having completed his postgraduate studies at this university, he has completed his doctorate at Imperial College London University. He is Sworn Chartered Accountant since 1989. The government offices and positions he has been vested with include the followings: Deputy undersecretary of the State Planning Organization, vice-rector of Dokuz Eylül University, undersecretary of the Undersecretariat of Treasury and Foreign Trade, chief consultant to prime-minister of Turkey, ambassador at large. During his office as a member of parliament, representing Manisa City for 4 consecutive terms (between 1987 and 2002) he was appointed as the Minister of Transportation, Minister of Finance and Customs, Minister of State, Deputy Prime-Minister of Turkey. He has been working as a lecturer at Bilkent University, Başkent University and Istanbul Ticaret University since 2003. Prof. Pakdemirli has also worked as the deputy chairman of Vestel Electronics A.Ş. and BİM Birleşik Mağazalar A.Ş. and Çevresel Kimya A.Ş. as board member. Today he is board member of Sinpaş GYO, SAF GYO and Ülker Bisküvi A.Ş. Prof. Pakdemirli was appointed as a member of the board of directors of Albaraka Türk in 2007.

* Mr. Ekrem Pakdemirli passed away on December 31, 2015.

Hamad Abdulla A. EQAB**Board Member**

He was born in 1970 in the city of Manama, the capital of Bahrain. Mr. Eqab received his degree in accounting from the University of Bahrain in 1993. His professional career started by working as banks' inspector for Bahrain Monetary Agency in the same year. In 1996, Mr. Eqab moved to the Bahrain office of Arthur Andersen Auditing&Consultancy firm as an insurance auditor. He worked at Shamil Bank of Bahrain BSC as internal auditing manager responsible for numerous auditing and consultancy projects between the years 2002 and 2004. He joined the Ithmaar Bank at the same city as senior manager overseeing internal audit operations between the years 2004 and 2005. Since February 2005, he has been working at ABG in Bahrain, as senior vice-president responsible for financial control. He has been holding a CPA certificate since 1996. Currently he is vice-chairman of the Accounting and Auditing Standard Board of AAOIFI and also board and audit committee member in Jordan Islamic Bank and Albaraka Algeria. He holds the position of a member of the Board of Directors and the Audit Committee since March 2008.

Board of Directors



Mitat AKTAŞ
Board Member



Hood Hashem Ahmed HASHEM
Board Member



Fahad Abdullah A. ALRAJHI
Board Member



Prof. Dr. Kemal VAROL
Board Member



Khalifa Taha Hamood ALHASHIMI
Board Member



Dr. Fahrettin YAŞİ
Board Member and General Manager



Muhammad Zarrug M. RAJAB
Board Member

Mitat AKTAŞ**Board Member**

He was born in 1963 in Selendi (Manisa town of Turkey). Mr. Aktaş was graduated from the Economics department of Political Sciences Faculty at Ankara University in 1984. He completed his master's degree in 1992 at the Vanderbilt University in the USA. He started his career by joining the Turkish Ministry of Finance as tax inspector in 1984. He started working in our Bank as the manager of financial affairs department in 1996. Between 2003 and 2008 he worked as the head of audit and inspection group in Albaraka Türk. Since March 2008, he has been working as a member of the Audit Committee and a board member who is in charge of the internal systems of our Bank.

Fahad Abdullah A. ALRAJHI**Board Member**

He was born in Riyadh, the capital of Saudi Arabia in 1961. Mr. Al-Rajhi was graduated from the Industrial Management Department in King Fahad Petroleum&Minerals University in 1984. He commenced his professional career in 1987 at Al-Rajhi Banking and Investment Corporation as vice manager of the central branch. He was then promoted as manager of the central branch and later on as assistant manager of collaterals department. In the same bank, he was responsible for liaison with government offices and investments. He worked as a board member for Saudi Public Transportation company between 1995 and 2001. He worked as the general manager of treasury and finance department in Al-Rajhi Banking&Investment Corporation until May 2008. Currently, he is the chairman of board of directors of Fahad Abdullah Rajhi Venture Company, Raysut Cement at Oman and Najran Cement. He has been a member of our Board of Directors and the Corporate Management Committee since March 2008.

Khalifa Taha Hamood ALHASHIMI***Board Member**

He was born in 1952 in Aden/Yemen, graduated from the faculty of Accountancy&Finance of Newcastle Upon Tyne Polytechnic. During 1976 to 87, he was a self-employed accountant in England. He worked as an auditor with Touche Ross&Co in Jeddah between 1987 to 1989. He also worked as senior auditor with Deloitte&Touche in Jeddah and Texas between 1989 to 1992. He joined Whinney Murray&Co (member of Ernst&Young International) in Riyadh and worked as assistant manager between 1992-1996. Later on he joined the Islamic Development Bank (IDB) in Jeddah since 1996 to-date working as senior internal auditor, section head of disbursements, division chief of budget&disbursements and finally as division chief of settlements. He has reached the rank of "Director" in the Islamic Development Bank (IDB). Khalifa Taha Hamood was appointed as member of the Board of Directors in Albaraka Türk since 2011.

*Mr Alhashimi left his duty on December 24, 2015.

Hood Hashem Ahmed HASHEM**Board Member**

He was born in 1965 in Bahrain, graduated from the faculty of Computer Science and Engineering at King Fahd University of Petroleum&Mineral in 1989 and completed MBA program in 2005 at University of Glamorgan Cardiff, UK. Mr. Hashem worked as senior analyst at Bahrain National Oil Company between 1989 and 1996, and in August 1996 joined the Arabian Insurance Group (ARIG) as Senior Systems Developer. As a senior consultant, Mr. Hashem worked in Bahrain for airlines computer datacenter of the SABRE Group during 1998-99 and at Arthur Anderson in 1999 and 2000. Mr. Hashem, who worked as Senior IT manager in Bahrain Islamic Bank between 2000 and 2007, joined Albaraka Banking Group (ABG) in 2007 February. Mr. Hashem is a Certified International Project Manager (CIPM) and Certified Information Systems Auditor (CISA). Hood H.A. Hashem was appointed as board member of Albaraka Türk in 2011 and also board and risk committee member in Jordan Islamic Bank.

Prof. Dr. Kemal VAROL**Board Member**

Kemal Varol who was born in 1943 in Iğdır, had his masters degree on the Textile Chemistry from the Institute of Science and Technology of Manchester University in 1965 where he had also completed his Doctorate in 1968. Since 1974, Mr. Varol has been working as a senior manager in numerous companies including the Sümerbank where he worked as General Manager and Chairman of the Board. He is currently working as an Associate Professor and the Head of Industrial Engineering Department at Istanbul Commerce University. Kemal Varol was appointed as the Independent Board Member to the Board of Albaraka Türk in 2013 and he is also the chairman of Corporate Governance Committee and a member of Credit Committee.

Dr. Fahrettin YAŞI**Board Member and General Manager**

Mr. Yaşlı was born in Fatsa (Ordu) in 1965. He received his degree from the Department of Management of the Faculty of Political Sciences in Ankara University (1987) and completed his masters degree in Banking Department of Social Sciences Institute at Marmara University (Istanbul, 2006). He started his professional career as a sworn auditor for banks in 1987. After working for Ege Bank as an Assistant General Manager between 1996 and 1998, he was appointed as Assistant General Manager to Albaraka Türk in the same year. Between the years of 2005 and 2009, Mr. Yaşlı held the position of Deputy Assistant General Manager at Albaraka Türk. He has been the General Manager of Albaraka Türk since November 2009. He has been the Board Member and General Manager of Albaraka Türk since November 2009, and he has been serving as Chairman of the Board at Katılım Emeklilik and Hayat A.Ş. as of 2014 and he has been serving as Chairman of the Board at Albaraka Gayrimenkul Portföy Yönetimi A.Ş since 2015. He is also the chairman of Strategic planning Committee and member of the Credit, Remuneration and Social Responsibility Committees in Albaraka Türk.

Muhammad Zarrug M. RAJAB**Board Member**

He was born in Tripoli, Libya in 1937. He graduated from the Department of Accounting at the University of Libya, and he worked at the same university between 1967-1969. He received the Chartered Accountant Certificate (FCA) in the UK in 1967. He worked as a general inspector at the Libyan Court of Accounts between 1969-1972 and 1992-1994. He served as Secretary of Treasury in Libya between the years 1972-1980. He took senior positions in the Libyan Foreign Investment Institution between 1985-1987 and 2004-2006. He served as Governor of The Libyan Central Bank in 1987 and 1990. Later, he worked for the Libyan Development Bank between 1994-2004. He assumed board memberships at Banca UBAE between 1996-2004, Islamic Development Bank (Jeddah) between 1994-2008, ITFC (International Trade Finance Cooperation-a subsidiary Islamic Development Bank) and Bahrain Islamic Bank between 2006-2011. Then he retired from Libyan Government duties in 2011. Rajab, who has been serving as Board Member in Al-Mizan Bank (Pakistan) has also been appointed Board Member of Albaraka Türk as the date of 24.12.2015 by taking over the position from the previous Board Member Khalifa Taha Hamood ALHASHIMI.

Senior Management



Dr. Fahrettin YAŞI
Board Member and General Manager



Mehmet Ali VERÇİN
Assistant General Manager



Nihat BOZ
Assistant General Manager



Temel HAZIROĞLU
Assistant General Manager



Bülent TABAN
Assistant General Manager



Turgut SİMİTÇİOĞLU
Assistant General Manager



Melikşah UTKU
Assistant General Manager



Ayhan KESER
Assistant General Manager



Mahmut Esfa EMEK
Assistant General Manager



Ali TUĞLU
Assistant General Manager

Dr. Fahrettin YAHŞI**Board Member and General Manager**

Please see Board of Directors page for the CV of Fahrettin YAHŞI.

Mehmet Ali VERÇİN**Assistant General Manager**

Mr. Verçin was born in Kurtalan (Siirt) in 1962. He received his degree from the Department of Economics of the Faculty of Political Sciences in Ankara University. He worked for several private companies between 1984 and 1993 as manager of exporting affairs as well as marketing manager. He began working as a Specialist in Marketing Projects in Albaraka Türk in 1993. He was promoted as Chief, Second Manager, Assistant Manager and then onto Executive in the Project and Marketing Department (1993-2000) at Albaraka Türk. Mr. Verçin has been Assistant General Manager since 2005 responsible for Corporate Marketing, Treasury Marketing and Investment Projects departments. Also he has been carrying out his duty as the Vice Chairman of the Board of Albaraka Gayrimenkul Portföy Yönetimi A.Ş. since 2015.

Nihat BOZ**Genel Müdür Yardımcısı**

Born in Kars in 1963, Mr. Boz graduated from the Faculty of Law of Istanbul University (1985). After being a self-employed lawyer (1985-1987), he was appointed as lawyer to the Legal Affairs Department at Albaraka Türk in 1987. He later became Assistant Manager and Manager within the same department (1995-1996). Between 2002 and 2009, Mr. Boz was head legal consultant at Albaraka Türk. He has served as Assistant General Manager responsible for Legal Advisory and Legal Follow-Up Departments of Albaraka Türk since December 2009.

Temel HAZIROĞLU**Assistant General Manager**

Mr. Haziroğlu was born in Trabzon in 1955. He received his degree from the Department of Mathematical Engineering in Istanbul Technical University (1980). He completed his Masters Degree in Management Department of Social Sciences Institute at Istanbul Sabahattin Zaim University (Istanbul, 2015). He worked as Programmer, System Analyst and Assistant Manager of IT for Türkiye Emlak Bankası. He worked as the IT Manager at Albaraka Turk between the years of 1986 and 1991. Between 1992 and 1995, he worked in the trading sector as an independent consultant. In 1996, he was again appointed to Albaraka Turk where he worked as Manager of IT department and Deputy Manager of Human Resources and Administrative Affairs Department. Mr. Haziroğlu has been Assistant General Manager since 2003 primarily responsible for Human Values, Training and Organization, Performance and Career Management and Administrative Services Departments. He is currently Member of the Board of Albaraka Gayrimenkul Portföy Yönetimi A.Ş.

Bülent TABAN**Assistant General Manager**

Mr. Taban was born in Ordu in 1966. He received his degree from the Faculty of Management in Istanbul University (1987). He completed his postgraduate study at the Department of Management, Social Sciences Institute in Istanbul Technical University (1990). He began his banking career as an inspector in the board of inspectors for Türk Ticaret Bank. He transferred to Kentbank in 1995 where he was appointed as Manager of Retail Banking in 1997. He began working as the Manager of Retail Banking Department for Albaraka Türk in 2002. Since 2003, he has been in the office as the Assistant General Manager primarily responsible for Commercial Marketing, Commercial Products and Regional Office Departments.

Turgut SİMİTÇİOĞLU**Assistant General Manager**

Born in Erzurum in 1961, Mr. Simitcioğlu received his degree from Education Faculty in King Suud University (Saudi Arabia, 1989). He had master degree on business administration from Fatih University in 2012. He started his professional career as an officer in the central branch of Albaraka Türk (1990) later advancing to Assistant Chief and Chief (1993-1997), Second Manager and Assistant Manager (1997-2001) positions within the same

branch. Between 2001 and 2003, he became Vice Manager within the branch and then in the Corporate Banking Department. Mr. Simitcioğlu then became Manager of central branch in 2003 until 2009. In 2009, he was appointed as Assistant General Manager primarily responsible for Credit Operations, International Banking Operations, Payment Systems Operations, Risk Follow-Up and Banking Services Operations Departments.

Melikşah UTKU**Assistant General Manager**

Mr. Utku was born in Ankara in 1968. He graduated from Mechanical Engineering Department of Boğaziçi University (Istanbul, 1990). He completed his graduate studies in London School of Economics (1990-1992) and masters degree on economic development in Marmara University (Istanbul, 1998). In 2004, he served as consultant to General Manager of Albaraka Turk. In 2006 - 2007, he was head economist in Albaraka Turk. He later worked as Investor Relations Manager from 2007-2009. He was appointed as Assistant General Manager in December 2009 primarily responsible for Financial Affairs, Budget and Financial Reporting and Corporate Communication Departments. In addition, he was an economics columnist for Yeni Şafak newspaper for over 10 years (1995-2009). Mr Utku, serves as Board Member of Borsa Istanbul since 2013.

Ayhan KESER**Assistant General Manager**

He was born in 1970, Kalecik-Ankara. Mr. Keser graduated from the Department of Economics at the Middle East Technical University (Ankara, 1991). After briefly working at Ziraat Bank, Mr. Keser worked successively as Banks' Sworn Assistant Auditor and Banks' Sworn Auditor at the Undersecretariat of Treasury; Prime Ministry of Republic of Turkey. He joined Bank Asya in 1997 later resigning as Assistant General Manager in 2011. Mr. Keser joined Albaraka Türk in March 2011 as Assistant General Manager. He is responsible for the Retail Products, Financial Institutions, Alternative Distribution Channel and Retail Marketing Departments. He also serves as Board Member of Katılım Emeklilik ve Hayat A.Ş., and Chairman of Bereket Varlık Kiralama A.Ş.

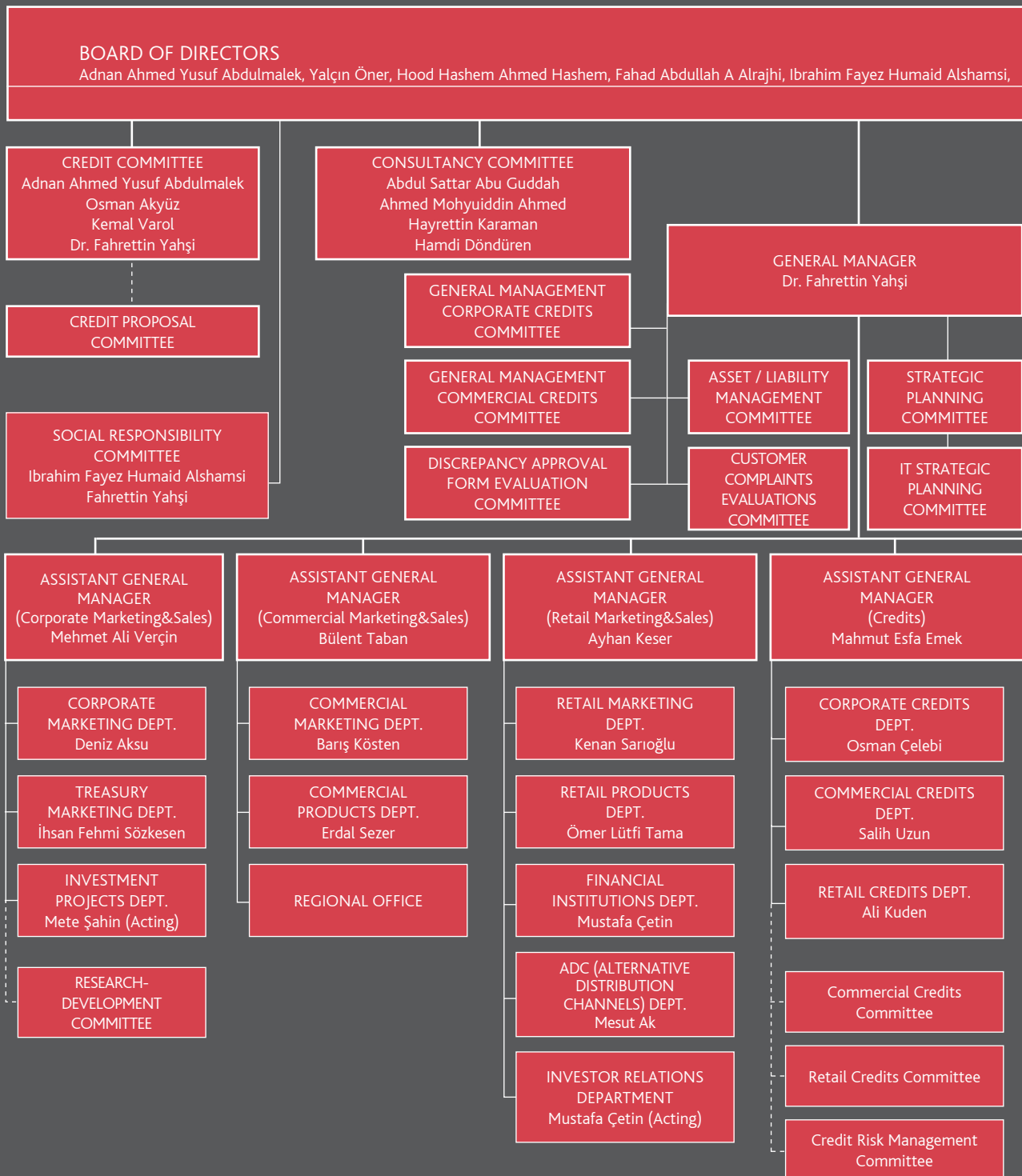
Mahmut Esfa EMEK**Assistant General Manager**

Born in 1965 in Erzurum, Mr. Emek graduated from the faculty of Management at Atatürk University (Erzurum, 1985). He joined İmar Bank in 1988 as Assistant Inspector. He joined Albaraka Türk in 1990 working as Assistant Inspector, Inspector, Assistant Head of the Inspection Board and Head of the Inspection Board between 1990 and 2003. In 2003, Mr. Emek was appointed as the Manager of Operations Department later becoming Senior Manager in the same department in 2010. In March 2011, he was promoted as the Assistant General Manager responsible for Corporate Credits, Commercial Credits, Retail Credits and Credit Administration and Monitoring Departments.

Ali TUĞLU**Assistant General Manager**

Born in 1969 in Istanbul, Mr. Ali Tuğlu graduated from the Department of Computer Engineering at Istanbul Technical University (1991). Between 1991 and 1993, he worked as an instructor in Virginia Tech University, USA and he took his master degree in the field of computer science in the same university. In 1995, Mr. Tuğlu began working as a software engineer for CGN&Associates Company and two years later, by transferring to Minerva he worked as the Manager of Software Group. Transferred to HP in 1998, for ten years Mr. Tuğlu served as a Senior Consultant, a Senior Project Manager, a Consultancy Regional Manager of Turkey and International Departments. Between 2008 and August 2014, He worked as an Assistant General Manager responsible for Information Technologies at Bank Asya Participation Bank and since October 2014 he was appointed as Assistant General Manager responsible for Albaraka Turk Information Technologies. Mr. Tuğlu has been an Assistant General Manager primarily responsible for Core Banking Applications Development, Information Technologies System Support, Customer Channels and Analytical Applications Development, Governance and Strategy of Information Technologies Departments.

Organization Chart*



*Albaraka Turk participation bank organization chart on date of 04.01.2016

Muhammad Zarrug M. Rajab, Osman Akyüz, Hamad Abdulla Ali Eqab, Kemal Varol, Mitat Aktaş, Fahrettin Yahşi

REMUNERATION COMMITTEE
Adnan Ahmed Yusuf Abdulmalek
Osman Akyüz
Dr. Fahrettin Yahşi

CORPORATE GOVERNANCE COMMITTEE
Kemal Varol
Ibrahim Fayeز Humaid Alshamsi
Fahad Abdullah A Alrajhi
Mustafa Çetin

AUDIT COMMITTEE
Hamad Abdulla Ali Eqab
Hood Hashem Ahmed Hashem
Mitat Aktaş

COMMUNICATION AND
SOCIAL RESPONSIBILITY
COMMITTEE

CREDIT ADMINISTRATION
AND MONITORING DEPT.
Hüseyin Tunç

BOARD MEMBER RESPONSIBLE
FOR INTERNAL SYSTEMS
Mitat Aktaş

RISK FOLLOW-UP
COMMITTEE

STRATEGY AND CORPORATE PERFORMANCE
MANAGEMENT DEPARTMENT
Hasan Altundağ

BOARD SECRETARY
Bedri Cemal Rodoplu

ASSISTANT GENERAL
MANAGER
(Operation)
Turgut Simitcioğlu

ASSISTANT GENERAL
MANAGER
(Support Services)
Temel Hazıroğlu

ASSISTANT GENERAL
MANAGER
(Financial Affairs)
Melikşah Utku

ASSISTANT
GENERAL MANAGER
(Information Technologies)
Ali Tuğlu

ASSISTANT
GENERAL MANAGER
(Legal Affairs)
Nihat Boz

CREDIT OPERATIONS
DEPT.
Fatih Boz

HUMAN VALUES
DEPARTMENT
Süleyman Çelik

FINANCIAL AFFAIRS
DEPT.
Fehmi Göl

CORE BANKING
APPLICATIONS
DEVELOPMENT DEPT.
Selçuk Bilgi

LEGAL ADVISORY
Hasan Avşar

INTERNATIONAL
BANKING
OPERATIONS DEPT.
Nihat Bulut

TRAINING AND
ORGANIZATION DEPT.
Ahmet Koç

BUDGET&FINANCIAL
REPORTING
DEPT.
Yunus Ahlatcı

IT SUPPORT DEPT.
Hasan Abacıoğlu

LEGAL FOLLOW-UP
DEPARTMENT
Hilmi Karakuş

PAYMENT SYSTEMS
OPERATIONS DEPT.
Erdem Budur

PERFORMANCE &
CAREER MANAGEMENT
DEPT.
Ercan Albay

CORPORATE
COMMUNICATIONS
DEPT.
Ekrem Şahin

CUSTOMER, CHANNELS
AND ANALYTICAL APP.
DEVELOPMENT DEPT.
Teoman Tağtekin

INSPECTION
İsmail Küçükerdoğan

BANKING SERVICES
OPERATIONS DEPT.
Ahmet Erkoç

ADMIN. SERVICES
DEPT.
Ahmet Güzel

GOVERNANCE AND
STRATEGY OF IT
DEPT.
Hasan Laçın (Acting)

INTERNAL CONTROL
İlhami Özdemir

RISK FOLLOW-UP
DEPT.
Kemal Yayla

BUILDING AND
REALTY DEPT.
Murat Kureş

Information
Technologies
Steering Committee

RISK MANAGEMENT
Volkan Evcil

Business Continuity and
Crisis Management
Committee

Staff Appraisal Committee

Disciplinary Committee

Proposal Appraisal
Committee

Procurement Committee

LEGISLATION AND
COMPLIANCE
Hakan Kurbetci

Information on Board of Directors and Senior Management

Position	Name-Surname	Education	Inception at Work	Experience in Banking Sector	Share (%)
Board of Directors					
Chairman	Adnan Ahmed Yusuf ABDULMALEK	Masters Degree	2005	42	-
Vice Chairman	Yalçın ÖNER	Masters Degree	1985	43	-
Board Member	İbrahim Fayez Humaid ALSHAMSI	Bachelors Degree	2005	45	0,0006
Board Member	Osman AKYÜZ	Bachelors Degree	1996	29	-
Board Member	Prof.Dr Ekrem PAKDEMİRLİ*	PhD Degree	2007	14	-
Board Member	Mitat AKTAŞ	Masters Degree	2008	31	-
Board Member	Hamad Abdulla A. EQAB	Bachelors Degree	2008	22	-
Board Member	Fahad Abdullah A. ALRAJHI	Bachelors Degree	2008	28	-
Board Member	Hood Hashem Ahmed HASHHEM	Masters Degree	2011	15	-
Board Member	Khalifa Taha Hamood ALHASHIMI**	Bachelors Degree	2011	19	-
Board Member	Prof. Dr. Kemal VAROL	PhD Degree	2013	7	-
Board Member	Muhammad Zarrug M.RAJAB	Bachelors Degree	2015	30	-
Board Member	Dr. Fahrettin YAHŞİ	PhD Degree	2009	27	-

Position	Name-Surname	Education	Inception at Work	Experience in Banking Sector	Share (%)
Senior Management					
General Manager	Dr. Fahrettin YAHŞİ	PhD Degree	2009	27	-
Assistant General Manager	Mehmet Ali VERÇİN	Bachelors Degree	2005	22	-
Assistant General Manager	Nihat BOZ	Bachelors Degree	2009	29	0,0048
Assistant General Manager	Temel HAZIROĞLU	Masters Degree	2003	30	0,0342
Assistant General Manager	Bülent TABAN	Masters Degree	2003	24	-
Assistant General Manager	Turgut SİMİTÇİOĞLU	Masters Degree	2009	26	-
Assistant General Manager	Melikşah UTKU	Masters Degree	2009	12	-
Assistant General Manager	Mahmut Esfa EMEK	Bachelors Degree	2011	28	-
Assistant General Manager	Ayhan KESER	Bachelors Degree	2011	24	-
Assistant General Manager	Ali TUĞLU	Masters Degree	2014	8	-

*Mr. Ekrem Pakdemirli passed away on December 31, 2015.

**Mr Alhashimi left his duty on December 24, 2015.

Committees and Committee Meetings Attendance

1. CREDIT COMMITTEE

a. Purpose

Within the authorities vested by the Board of Directors, the Credit Committee resolves about demands for credit line allocations amounting up to 10% of the Bank's equity including their renewals, amendments and/or collateral changes on condition that the tasks, powers and responsibilities should remain within the restrictions defined in the Banking Law. Credit decisions which are in excess of 10% of the Bank's equity are approved by the Board.

b. Organization of the Committee

It consists of General Manager or Deputy General Manager with at least two members chosen by the Board of Directors amongst members that meets the conditions required for the General Manager (except for the term) to carry out the assignments given regarding credits. Two reserve members that have the specifications required in the General Manager are chosen (except for the term) to serve as substitute for the Credit Committee members who cannot participate in any meeting.

CURRENT MEMBERS OF THE CREDIT COMMITTEE:

President	Adnan Ahmed Yusuf ABDULMALEK, Chairman
Member	Osman AKYÜZ, Board Member
Member	Dr. Fahrettin YAŞI, Board Member and General Manager
Member	Prof. Dr. Kemal VAROL, Board Member
Reserve Members	Yalçın ÖNER, Prof Dr. Ekrem PAKDEMİRLİ*

*Mr. Ekrem Pakdemirli passed away on December 31, 2015

c. Functions of the Committee

Based on the powers delegated by the Board of Directors, the Credit Committee is authorized to allocate credit lines in the frame of methods/principles defined by the Banking Regulation and Supervision Agency and to conclude the credit resolutions within delegated limits. In this respect the Committee;

- Decides on Branches credit limits and utilization conditions,
- Evaluate and decide on the branches' demand in terms of limit allocation and increase,
- Resolves on credit lines that are to be decreased or canceled,
- Monitors the general credit policy of the Bank,
- Determines the terms and conditions of credit allocations,
- Decides on converting credit lines of clients into other modes of credit facility.

d. Operation Principles of the Committee

The Credit Committee convenes with the participation of all members. The Credit Committee's decisions given unanimously are implemented directly and decisions given by majority are implemented after the approval of the Board of Directors.

The committee agenda is determined by the General Manager. The written advice of the General Manager is asked for in limit increases done by the Credit Committee. For proposals regarding credits for which financial tables have to be required, it is essential that the financial analysis and inquiry reports should be attached.

Activities of the Credit Committee are subject to audit of Board of Directors. Each Board member is authorized to ask for all kinds of information from the Credit Committee about Committee's activities and to conduct all kinds of control he finds necessary.

The decisions of the Credit Committee are recorded in the minute book. The Credit Committee minute book is kept according to the procedures and principles that Board minute book is subject to.

Note: The Credit Committee convened 94 times in 2015 with all members attendance.

2. AUDIT COMMITTEE

a. Purpose

The Audit Committee consists of the Board members for assisting the audit and supervision activities of the Board of Directors according to the article 24.6 of the 5411 No. Banking Law.

b. Organization of the Committee

The Audit Committee consists of at least two non-executive Board members. The Committee members have to have the specifications determined by Banking Regulation and Supervision Agency.

CURRENT MEMBERS OF THE AUDIT COMMITTEE:

President	Hamad Abdulla A. EQAB, Board Member
Member	Hood Hashem Ahmed HASHEM, Board Member
Member	Mitat AKTAŞ, Board Member and Internal Systems Executive
Observer	Yalçın ÖNER, Vice Chairman
Observer	Ibrahim Fayeز Humaid ALSHAMSI, Board Member
Observer	Dr. Fahrettin YAŞI, Board Member and General Manager

Committees and Committee Meetings Attendance

c. Functions of the Committee

In the name of the Board, Audit Committee monitors the efficiency and proficiency of the internal systems of the Bank, the functioning of these systems as well as the accounting and reporting systems in framework of the Banking Law and related regulations, and the integrity of the produced data, providing preliminary evaluations to the Board of Directors when selecting the independent firms of auditing, rating, appraising and outsourcing; regularly monitoring the activities of the said companies which are appointed by the Board of Directors and with which contracts are signed; ensuring the consolidated internal auditing of partnerships as per the regulations introduced with respect to the Banking Law, and coordinating their activities.

d. Working Principles of the Audit Committee

- The Audit Committee convenes at least 4 times a year.
- The Audit Committee discusses issues related to internal control, financial tables, internal audit and other items on their agenda, by also summoning the representatives of independent audit firm, if and when needed.
- Committee resolutions are submitted to the Board of Directors for acknowledgment or ratification.
- Resolutions of the Audit Committee are registered in the Book of Resolutions as per the related provisions of the Banking Law.

Note: The Audit Committee convened 5 times in 2015 with all members attendance.

3. CORPORATE GOVERNANCE COMMITTEE

A. Purpose

The Committee has been formed to follow-up, evaluate and improve our Bank's compliance with the principles of Corporate Governance and submit proposals to the Board of Directors in this respect.

b. Organization of the Committee

The committee consists of at least two members of the board. If possible, the committee members are chosen from non-executive members. When necessary, people who are not members of the board and are experts on their subjects can also be employed in the Committee. The Committee members are reassigned at the first Board meeting held after the ordinary general assembly meeting every year. If the independent members serve running 7 years, their independence on this issue is concluded. However, it may be possible for them to be appointed as independent member after a discontinuation of 2 years.

CURRENT MEMBERS OF THE CORPORATE GOVERNANCE COMMITTEE:

President	Prof. Dr. Kemal VAROL, Board Member
Member	Ibrahim Fayez Humaid ALSHAMSI, Board Member
Member	Fahad Abdullah A. ALRAJHI, Board Member
Member	Mustafa ÇETİN, Acting Investor Relations Manager
Observer	Dr. Fahrettin YAŞI, Board Member and General Manager
Observer	Osman AKYÜZ, Board Member

c. Functions of the Committee

- To find out whether the Principles of Corporate Governance are applied at the Bank and to determine the reasons why, if not applied; to encounter conflicts of interest that occur due to lack of full-compliance with these principles; to submit proposals to the Board of Directors for improvement of the current applications;
- To coordinate the works of the Investor Relations Department;
- To form a transparent system for the nomination, evaluation, orientation and rewarding of candidates to be our Board Members and to carry out studies for developing policies and strategies in this regard;
- To develop proposals regarding the number of Board Members and the Top Management;
- To determine and monitor the approaches, principles and applications concerning the evaluation of the performances of Board Members and Top Management, their career planning and remunerations.

d. Working Principles of the Committee

The committee convenes at least four times a year with more than the half number of its members and adopts by majority. The works and proposals of the Committee are discussed in the Board as an agenda item. The secretarial procedures of the Committee are done by the member determined by the Committee President.

Note: The Corporate Governance Committee convened 6 times in 2015. All members of the Corporate Governance Committee attended all of the meetings.

4. REMUNERATION COMMITTEE

a. Purpose

It ensures the establishment of a balanced distribution between the benefits and rights of the Board of Directors, senior management, bank employees and partners and rewarding of the Board of Directors, senior management and bank employees to the extent of their participation to the Bank's process of providing value.

b. Organization of the Committee

CURRENT MEMBERS OF THE REMUNERATION COMMITTEE:

President	Adnan Ahmed Yusuf ABDULMALEK, Chairman
Member	Osman AKYÜZ, Board Member
Member	Dr. Fahrettin YAŞI, Board Member and General Manager

c. Operation Principles of the Committee

The Committee meets at least once a year. The decisions are taken by the majority of votes at the committee meetings. In case of tie of votes, the party of the president is deemed to win with majority. Decisions are made in written and signed by the participating members.

Note: The Remuneration Committee convened 3 times in 2015. All committee members attended all of the meetings.

5. STRATEGIC PLANNING COMMITTEE

a. Purpose

The committee has been formed for determining the strategic objectives that will realize the Bank's vision starting from the Bank's current position, mission and primary principles and defining, executing, observing and evaluating the strategic targets that will enable achieving these.

b. Organization of the Committee

The Committee consists of Assistant General Managers under the presidency of the General Manager. Related Assistant General Manager Melikşah UTKU carries out the secretariat duty of the Committee. For the works to be performed, the Committee can take consultant/expert support from within the Bank or from the outside; invite managers or assistant managers from related departments.

CURRENT MEMBERS OF THE STRATEGIC PLANNING COMMITTEE:

President	Dr. Fahrettin YAŞI, Board Member and General Manager
Member	Mehmet Ali VERÇİN, Assistant General Manager
Member	Temel HAZIROĞLU, Assistant General Manager
Member	Bülent TABAN, Assistant General Manager
Member	Nihat BOZ, Assistant General Manager
Member	Turgut SİMİTÇİOĞLU, Assistant General Manager
Member	Secretary: Melikşah UTKU, Assistant General Manager
Member	Mahmut Esfa EMEK, Assistant General Manager
Member	Ayhan KESER, Assistant General Manager
Member	Ali TUĞLU, Assistant General Manager

c. Functions of the Committee

- To determine short and long term strategic and budget targets that complies with the Bank's mission and vision by evaluating competition conditions, general economic conjuncture, and general expectations in national and international finance markets,
- To present the strategic targets and budget targets to the Board's approval,
- To ensure the announcement of annual strategic targets approved by the Board of Directors to Bank employees,
- To ensure that the annual strategic targets are turned into process targets in a balanced manner,
- To observe and evaluate the realization of annual strategic targets and budget targets through the related departments and submit reports on their actualization to the Board,
- To determine the revision need of the targets and budget depending on the general economic conjuncture within the year and present it to the Board's approval,
- To work according to other matters stated on the budgeting procedures.

d. Working Principles of the Committee

The Committee convenes at least four times a year. The committee decisions are written and signed by the participants. The committee takes the decisions by the majority of votes. In case of tie of votes, decision is taken in the direction of the president's vote side.

Note: The Strategic Planning Committee convened 10 times in 2015. All committee members attended all of the meetings.

Committees and Committee Meetings Attendance

6. ASSET/LIABILITY MANAGEMENT COMMITTEE

a. Purpose

The Asset/Liability Management Committee (ALMC) was formed mainly to assess and evaluate the composition of assets and liabilities on the Bank's balance sheet for the purpose of ensuring effective management of the Bank's financials. In this context, ALMC examines all of the resources and the areas in which they are used, the structure of tenor maturity, liquidity levels, foreign currency and pricing risks, credit risks and capital adequacy factors which affect the quality of assets. It also aims to possess the resources that are required for products and services rendered to our customers, readily available, and peruse the factors including operational risks that could affect our Bank's profitability. The committee also ensures the measures to be taken as a result of its evaluations, perusals and examinations are executed.

b. Organization of the Committee

The Committee consists of Assistant General Managers and concerned Department Managers under the presidency of the General Manager.

CURRENT MEMBERS OF THE ASSET AND LIABILITY COMMITTEE:

President	Dr. Fahrettin YAHŞI, Board Member and General Manager
Member	Mehmet Ali VERÇİN, Assistant General Manager
Member	Nihat BOZ, Assistant General Manager
Member	Temel HAZIROĞLU, Assistant General Manager
Member	Bülent TABAN, Assistant General Manager
Member	Turgut SİMİTÇİOĞLU, Assistant General Manager
Member	Melikşah UTKU, Assistant General Manager
Member	Mahmut Esfa EMEK, Assistant General Manager
Member	Ayhan KESER, Assistant General Manager
Member	Ali TUĞLU, Assistant General Manager
Member	Yunus AHLATÇI, Budget and Financial Reporting Department Acting Manager
Member	Volkan EVCİL, Head of Risk Management
Member	Hasan ALTUNDAĞ, Strategy and Corporate Performance Management Manager
Member	İhsan Fehmi SÖZKESEN, Treasury Marketing Manager

c. Functions of the committee

- To provide the distribution of resources effectively and to make use of these resources efficiently in order to ensure growth in the Bank,
- To evaluate general economic data, current and likely political and economic developments,
- To analyze the factors that could affect the quality of the balance sheet and effectiveness of the Bank (i.e. maturity mismatch, liquidity risk, foreign currency and pricing risks) in light of relevant reports and presentations,
- To ensure that the resources required for the products and services extended to our customers are readily available with best price and quality,
- As a result of the evaluation, to develop investment, pricing and funding strategies and to ensure that necessary measures be taken in this direction,
- On a weekly basis and in terms of specific maturities and currency units: identify the profit margins at which the bank's currently available resources are to be lent to customers by branches and ensure that this information is disseminated among all pertinent units; when determining prices: take into account resource reference costs, available resources, the amount of idle funds, likely payments and collections, market conditions, competitors' prices, the bank's policies concerning the introduction both of new products to existing markets and of existing products to new markets, the state of the economy, trends, market expectations, exceptional circumstances (war, economic crisis, natural disasters etc), and other domestic and international factors;
- Ensure that policies are formulated concerning the management of the Bank's assets and liabilities and of their associated cashflows and that decisions, which will be executed by appropriate units, are taken concerning the management of the Bank's balance sheet;
- Propose, to the board of directors, policies and procedures concerning the management of assets and liabilities in a manner which will allow the Bank to achieve its aims and which is compliant with all laws and regulations; implement those which the board approves;
- Debate and assess the Bank's financial structure, portfolio, and budget, developments in credit and deposit interest rates, developments in money and capital markets, and developments at the Bank and in other banks;
- Review decisions taken and practices approved at previous meetings; take new decisions if necessary;
- Assess the Bank's capital adequacy, its day-to-day liquidity management and FX position, and the effectiveness of its resource utilization;
- With a mindfulness for yields: increase the economic profitability of risk-weighted assets and manage all risks—such as interest rate, exchange rate, liquidity, funding, credit, country, and commodity risks—to which the Bank may be exposed;
- With a mindfulness for such external factors as customer and competitor behavior and market trends and expectations: identify issues which might impact on profitability.

d. Working Principles of the Committee

- It convenes regularly the first business day of each week between 11:00-12:00. Meetings are held on between 12:00-13:00 in Unit Managers Meeting times. Also, committee may convene in other days and hours with the determination of Chairman of the committee.
- Topics which are not included in the duties of the Committee and requested to discuss at the meeting are forwarded to the secretariat of the committee every week until Thursday at 18:00 o'clock.
- The secretariat of the committee creates the draft agenda and delivers it to the approval of the General Manager. Meeting agenda is announced to participants after the approval of General Manager and meeting is held in line with this agenda.
- Other Unit Managers and officials can participate in the meeting by invitation in order to receive information and/or express their opinions. Committee members should attend the meetings well-prepared.
- The secretariat of the Committee is fulfilled by the Manager of Budget and Financial Reporting. Although the secretariat is responsible for preparation of committee reports, presentations and meeting minutes, the relevant units help the preparation of the reports to the secretariat.
- The decisions of the meeting are recorded and forwarded to the concerned departments and followed up by secretariat.

Note: The members who could not attend some meetings have been represented by their deputies.

7. SOCIAL RESPONSIBILITY COMMITTEE

a. Purpose

Consultancy committee was founded in order to implement best social responsibility practices by considering core values and social responsibility principles of the Bank.

b. Functions of the Committee

- To evaluate the impact of the Bank's operations on the society,
- To review the cautions related to the impacts of the Bank's operations on the society,
- To lead the Executive Committee of Social Responsibility to deliver social responsibility projects which express corporate profile of the Bank that is in harmony with vision and mission statements to the society, stakeholders and shareholders,
- Taking into account best social responsibility practices, to ensure that the social responsibility projects implemented related to considering core values and social responsibility principles of the Bank,
- To resolve the objects of Executive Committee of Social Responsibility reports.

c. Working Principles of the Committee

The Committee convenes at least two times a year. The committee takes the decisions unanimously. The committee decisions are written and signed by the participants.

d. Organization of the Committee

The one who is appointed by the Committee carries out the reporter and secretariat duty of the Committee and is responsible for sustaining and publishing meeting minutes and reports, and coordination in committee operations regarding the guidance of Social Responsibility Committee. The secretary and reporter member do not have voting right.

Note: Social Responsibility Committee convened 1 time in 2015.

CURRENT MEMBERS OF THE SOCIAL RESPONSIBILITY COMMITTEE:

President	Prof Dr. Ekrem PAKDEMİRLİ,* Board Member
Member	Ibrahim Fayez Humaid ALSHAMSI, Board Member
Member	Dr. Fahrettin YAŞI, Board Member and General Manager

*Mr. Ekrem Pakdemirli passed away on December 31, 2015.

8. CONSULTANCY COUNCIL

a. Purpose

Consultancy Council was founded in order to audit Albaraka Türk Participation Bank A.Ş.'s banking activities whether they comply with interest free banking model, on the 6th May 2001 with 957 numbered decision of the Board of Directors.

b. Organization of the Council

Consist of four members including president, one inspector and two observers.

c. CURRENT MEMBERS OF THE CONSULTANCY COUNCIL:

President	Abdul Sattar Abu GUDDAH
Member	Hayrettin KARAMAN
Member	Ahmed Mohyuddin AHMED
Member	Hamdi DÖNDÜREN

Note: The Council convened 3 times in 2015.

Summary of the Board of Directors' Annual Report

Esteemed shareholders,

Welcome to the 31st Annual General Meeting of our Bank.

Before presenting the Board of Directors' and the Statutory Auditors' reports concerning the results of activities in fiscal year 2015 for your consideration and approval, we respectfully greet our shareholders, their representatives, and our guests who have honored this meeting with their presence.

Despite the fluctuations, caused by reflections of the global economic volatilities in the domestic markets the banking sector continued its sustainable growth in 2015. Our Bank also had another successful year in line with its targets both sustainable growth and profitability in 2015.

In the year to 31 December 2015:

Total assets increased by 28.3% to TL 29,562 million.

Total collected funds increased by 22.2% to TL 20,346 million.

Funded credits* increased by 20.05% to TL 19,505 million.

Shareholders' equity increased by 17.5% to TL 2,103 million.

Net profit increased by 19.9% to TL 302.9 million.

*Includes financial leasing receivables.

*Excludes revocable commitments.

We exceeded the performance targets set by the Board of Directors to a substantial degree. With the support of you, our valued shareholders, we shall continue to grow soundly in 2016 as well.

We hereby submit for your consideration and approval the balance sheet and profit/loss statement contained in our annual report for 2015.

Respectfully,

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
THE BOARD OF DIRECTORS

Support Services Providers

THE NAME OF THE COMPANY	EXPLANATION FOR SERVICES AND PRODUCTS
C/S Enformasyon Teknolojileri Ltd. Şti.	Information Technologies
Acerpro Bilişim Çözümleri Yazılım ve Danışmanlık Hizmetleri İç ve Dış Tic. Ltd. Şti.	Information Technologies
Kibele İletişim Sistem ve Servisleri Tic. Ltd. Şti.	Information Technologies
ICS Financial Systems Ltd.	Information Technologies
Acerpro Bilişim Çözümleri Yazılım ve Danışmanlık Hizmetleri İç ve Dış Tic. Ltd. Şti.	Information Technologies
Fineksus Bilişim Çözümleri Tic. A.Ş.	Information Technologies
Fineksus Bilişim Çözümleri Tic. A.Ş.	Information Technologies
Kartek Kart ve Bilişim Teknolojileri Tic. Ltd. Şti. (Smartsoft)	Operational Services
Bilişim Bilgisayar Hizmetleri Ltd. Şti. (Banksoft)	Operational Services
Provus Bilişim Hizmetleri A.Ş.	Credit and Debit Card Operations
Yapı Kredi Bankası A.Ş.	POS Services
Güzel Sanatlar Çek Basım Ltd. Şti.	Check Printing Agreement
Tümsaş Teknolojik Endüstriyel Bilgisayar Ürünleri, Mühendislik ve Pazarlama A.Ş.	Order Systems
İpoteka Gayrimenkul Yatırım Danışmanlık A.Ş.	Attorney for Real Estate Registering
IBM Global Services İş ve Teknoloji Hizmetleri ve Tic. Ltd. Şti.	Information Technologies
Fu Gayrimenkul Yatırım Danışmanlık A.Ş.	Attorney for Real Estate Registering
Nadir Metal Rafineri Sanayi ve Tic. A.Ş.	Physical Gold Collecting Services
Active Bilgisayar Hizmetleri ve Tic. Ltd. Şti.	Information Technologies
Intertech Bilgi İşlem ve Pazarlama A.Ş.	Core Banking
Vizyon Bilgi Teknolojileri ve Danışmanlık Ltd. Şti.	E-Invoice
Eksagate Elektronik ve Bilgisayar San. Tic. A.Ş.	Condition Monitoring
Sys Telekomünikasyon Bilgisayar Elektronik San. ve Tic. A.Ş.	Automated External Search
Sistaş Sayısal İletişim San. ve Tic. A.Ş.	Call Center Hot Redundancy
Anadolu Bilişim Hizmetleri A.Ş.	Mail Server Transport Service
Sistaş Sayısal İletişim San. ve Tic. A.Ş.	IP-Based Power Plant Contract
Bir Gayrimenkul Yatırım Danışmanlık A.Ş.	Attorney for Real Estate Registering
Kets Bilgisayar Elektronik İletişim Hizmetleri San. ve Tic. Ltd. Şti.	Information Technologies
Desmer Güvenlik Hiz. Tic. A.Ş.	Off Site ATM Supply
32Bit Bilgisayar Hizmetleri Ltd. Şti.	Information Technologies
Superonline İletişim Hizmetleri A.Ş.	Information Technologies
Mapi Kart Tanıtım Hizmetleri ve Dış Tic. Ltd. Şti.	Card personalization
Monitise Yazılım A.Ş.	Mobile Banking
Zenn Bilişim Teknolojileri San. ve Tic. Ltd. Şti	ATM Lock System
Tnetworks Bilişim Teknolojileri San. Tic. Ltd. Şti.	Information Technologies
Austria Kart Turkey Kart Operasyonları A.Ş.	Personalization and enveloping services

Transactions of the Bank with the Risk Group

Transactions of the Bank that are carried out with its Risk Group of which it is a member includes all banking operations under market conditions and in normal bank-to-client affairs, compatible with the prevailing Bank's Act. Detailed explanation can be found in Section 5 of "31 December 2015 - Unconsolidated Financial Statements and Independent Auditor's Report", under footnote – VII."

Corporate Governance Compliance Report (31.12.2015)

1. DECLARATION OF COMPLIANCE TO CORPORATE GOVERNANCE PRINCIPLES

Multinational companies became more important in the economies by the increasing globalization and cross-border capital flow which caused more transparent and accountable management attitude. Problems of multinational companies have more impact on the overall economy and society ever. That is why OECD published Corporate Governance Principles in 1999 and Turkish Capital Market Board pioneered to implement the principles to the publicly listed companies in 2003.

In parallel with the developments in the economy and capital markets, Corporate Governance Principles are constantly updated by the Capital Markets Board (CMB). No. II-17.1 "Corporate Governance Report" published and entered in to force in the Official Gazette on January 3, 2014 was prepared to be in compliance with Capital Market Law No.6362 published in the Official Gazette on 30th December 2012.

Albaraka Türk whose vision "to become the best participation bank in the world" complies with the Corporate Governance Principles which were adopted and declared by the CMB. The Bank has enriched the contents of its annual report and its web site in compliance with the framework of these principles. JCR Eurasia Rating Co rates Albaraka Türk for corporate governance compliance since 2010. Albaraka Türk's corporate governance compliance rating was 8.59 and outlook was stable on 10th of July, 2015, details of 4 main topic as seen below;

	Note
1. Shareholders	8.31
2. Public Disclosure and Transparency	8.89
3. Stakeholders	8.56
4. Board of Directors	8.58

In accordance with determination and implementation of corporate governance principles (Serial:IV, No: 56-63), independent board member were selected in the general meeting held in 2012. The same notification and compliance with the Turkish Commercial Code No. 6102 was revised in 2012 in the Bank's Articles of Association were approved and presented to the General Assembly. Because of the not alignment of corporate governance principles, there has never been any conflict of interest during the period.

Adnan Ahmet Yusuf ABDULMALEK
Chairman

Fahrettin YAHŞI
General Manager

Ayhan KESER
Assistant General Manager

Mustafa ÇETİN
Investors Relations Manager

PART I - SHAREHOLDERS

2. Investor Relations Unit

Investor Relations Unit was established in 2007 to respond to the inquiries of the shareholders in a correct and timely manner. The Unit operates accordingly by Corporate Governance Committee. The staff and contact information are given at the table below.

Name Surname	Title	Telephone Number	E-mail Address
Mustafa ÇETİN	Manager	+90 (216) 666 01 79	mcetin@albarakaturk.com.tr
Mustafa KARAMEHMETOĞLU	Assistant Manager	+90 (216) 666 09 23	mkaramehmetoglu@albarakaturk.com.tr
İbrahim ÖZ	Assistant Manager	+90 (216) 666 05 90	ibrahimoz@albarakaturk.com.tr
Merve GÜNEY	Assistant Specialist	+90 (216) 666 13 95	mguney@albarakaturk.com.tr

All inquiries whose answers do not fall under the category of commercial secret are handled by this unit, keeping in mind the principle of equality among shareholders and thus, a continuous line of communication is maintained between the management and the shareholders.

Financial tables mentioned in the legislation were collected from the relevant departments on a quarterly basis and within the time limits specified by the law and were disclosed primarily through the Capital Markets Board (CMB), the Public Disclosure Platform (PDP).

Press releases were prepared in relation to the quarterly period for which the financial tables are published and presentations are prepared for the purpose of informing the investors. These are subsequently published on the web site.

A total of 31 corporate disclosures were made to the PDP.

The investors' visits, 2 of which were abroad and 1 of which is domestic, were conducted by the participation of Investor Relations Unit staff and the senior management in 2015.

Within 2015, a total of 37 meetings were made both with domestic investment companies and international investment funds. Additionally, inquiries from investors and analysts, which amounted more than 500, were replied via telephone and e-mail correspondence.

3. Shareholders' Right to Access Information

The Bank protects the rights of the shareholders related to information access, investigation, participation in general assemblies, voting, obtaining dividends and minority rights. No discrimination is made among the shareholders in relation to the utilization of information access rights of the shareholders in accordance with the Turkish Banking Law and related legislation. All kinds of information necessary for an equal treatment of all shareholders, their ability to exercise their rights and to make their investment decisions are availed.

All sorts of inquiries related to Albaraka Türk are answered by the Investor Relations Unit through e-mail and telephone correspondence and through conducting of one-to-one or group meetings with existing or potential investors and bank analysts.

Albaraka Türk has two separate Investor Relations web pages, both in English and Turkish.

These internet sites are accessible from the URL's below:

- Turkish investor relations site: <http://www.albaraka.com.tr/yatirimci-iliskileri.aspx>
- English investor relations site: http://en.albarakaturk.com.tr/investor_relations/homepage.aspx?

The website provides information regarding the shares, introductory corporate data, periodically released financial tables and annual reports, social responsibility projects, electronic presentations explaining the developments in the Bank, and announcements about the latest developments related to the Bank.

Corporate disclosures related shareholders' rights changes were made to the PDP.

Appointment of special auditors as an individual right has not been established in the Articles of Incorporation of the Bank and no request has been received until this time related to any such special auditor appointment.

4. General Assembly Meeting

General Assembly Meetings are conducted within the framework of the Banking Law, the Turkish Commercial Law and Capital Markets Law. The Ordinary General Shareholders' Assembly was convened on 25 March 2015 with a representation of 72.51% and all shareholders expressing their intention to participate in these meetings were able to do so.

The invitations to shareholders to participate in the General Assembly Meeting are published at the PDP, the Trade Registry Gazette as well as newspapers distributed all over Turkey two weeks before the meeting and data has been entered in Central Record Office for the shareholders that are traded at the exchange will place to be able to attend the general assembly.

Additionally, the invitations are published at the Bank's web site and are also sent by registered mail to shareholders available in the share register and to shareholders who have previously presented documents certifying their share ownership and addresses, along with the newspapers where the meeting agenda and announcement were published.

The shareholders can exercise their right to make inquiries at the General Shareholders' Assemblies and all such inquiries are handled. There is no limitation in the Articles of Incorporation related to the adoption of decisions for purchasing, selling or renting properties in the General Shareholders' Assemblies. According to the provisions of the Articles of Incorporation, voting by proxy is possible. According to article 38 of the Articles of incorporation, shareholders can either exercise their right of voting directly at the General Shareholders' Assemblies or can exercise this right through another person who is not necessarily a shareholder. Our bank is subject to the provisions of the regulation " General Assembly Meeting to be held in Joint Stock Companies in electronic media" published in the Official Gazette No.28395 dated 28.08.2012. Our shareholders may attend the General Meeting through e- General Assembly System when necessary arrangements are made.

Decisions adopted at the General Shareholders' Assemblies are announced to the shareholders through the Bank web site. Duties related to compliance with the Articles of Incorporation and internal regulations of the Bank while exercising shareholder rights and ensuring the exercise of such rights are performed by the Investor Relations Unit.

Corporate Governance Compliance Report (31.12.2015)

An invitation is sent to press and shareholders to enable to participate in General Assembly Meeting.

At the Ordinary General Assembly held on 25.03.2015, our Bank did not receive any requests from shareholders about adding items to the agenda.

5. Voting Rights and Minority Rights

There are no privileges vested in the shares of the Bank. The distribution of capital of Albaraka Türk as of 31 December 2015 is as follows:

SHAREHOLDER STRUCTURE OF THE BANK (31.12.2015)

Shareholder Type	Share Amount (TRL)	Share (%)
Foreign Shareholders	593,906,071	65.99
Albaraka Banking Group	486,523,266	54.06
Islamic Development Bank	70,573,779	7.84
Alharthy Family	31,106,364	3.46
Other	5,702,662	0.63
Local Shareholders	82,860,784	9.21
Public Shares	223,233,145	24.80
Total	900,000,000	100.00

The capital structure is published on the web site of the Bank. Currently, there is no provision enabling the exercise of cumulative voting right in our Articles of Incorporation as of now.

All of the shares of our Bank have been recorded at Central Record Office A.Ş. ("MKK")

Minority rights are appointed to the shareholders who have had one of twenty of capital (5%). Our bank cares minority right strictly. There were no complaints about the issue in 2015.

6. Dividend Rights

Dividend policy of our Bank which was presented to General Shareholders' Assembly is published in our internet web site.

There is no privilege in relation to profit distribution to the shareholders. Every shareholder gets his/her dividend from the distributed profits in proportion to his/her own share. The profit distribution is handled in accordance with the Turkish Commercial Law and relevant regulations of the Banking Regulation and Supervision Agency (BRSA) and the Capital Markets Board (CMB). The profit distribution takes place within the time schedule specified by the law.

7. Transfer of Shares

According to the article 11 of the Articles of Incorporation, registered shares can be transferred without the approval of the Board of Directors in accordance with the Capital Markets Law, the Banking Law, the Turkish Commercial Law, and Central Registry Agency regulations. Transfer of shares that require approval by Banking Regulation and Supervision Agency (BRSA) in accordance with the Banking Law can be transferred only after obtaining this approval. Share transfers that are made without obtaining the necessary approvals will not be registered in the share register. In case no approval is obtained from aforementioned Board, the partners acquiring such shares cannot benefit from any right other than dividend payments.

PART II – PUBLIC DISCLOSURE AND TRANSPARENCY

8. Disclosure Policy

Disclosure policy of our Bank which was presented to General Shareholders' Assembly is published in our internet web site.

Our bank acts within the framework of principles of fairness, correctness, neutrality, coherence and timing with respect to disclosure of information to shareholders and other stakeholders.

Disclosures and announcements as part of this policy are promptly made for all developments concerning our Bank's rights and benefits and for developments that might cause important changes in the financial situation and/or activities of our Bank.

However disclosed information can not include any information that might have negative consequences on the Bank, our shareholders and other stakeholders by hindering competition and cannot be in the context of commercial secret.

Public disclosure can also be conducted, not only through special material disclosures, but also through press statements in times of

need. Information and meeting requests of the shareholders and other stakeholders are assessed within the framework of our Bank's information policy and all information shared in this way could only be within the scope of previously disclosed public information.

The bank's financial tables are announced in accordance with regulations of the CMB and the BRSA.

Financial table announcements and special material disclosures are handled by Investor Relations Unit.

9. Website of the Company and Its Contents

Albaraka Türk Participation Bank has two separate websites, one in Turkish and the other in English.

Turkish web site	English web site
www.albaraka.com.tr	en.albarakaturk.com.tr

All information required by CMB Principles of Corporate Governance is disclosed on our website.

Within the framework of public disclosure and information policies, our Bank's website provides easily accessible information under the section of About Us and Investors Relations.

Under the About Us title;

(History, our top management, organization structure, quality policy, vision and mission, ethic principles for banking)

Under the Investors Relations title;

Corporate Information (trade registry information, shareholders information, articles of incorporation), Corporate Governance (profit distribution policy, organizational structure), General Assembly (announcement information document for ordinary annual general meeting, participation procedure, minutes of the meeting, list of attendants, sample power of attorney, internal directive of the general assembly), Financial Tables and Rating Reports (annual reports, independent auditors report, rating reports, TFRS consolidated reports, financial tables), Presentations, Stock Information (top management transactions, dividend distribution, capital position), Corporate Disclosures, Stock Performance, Investor Relations Contact and Financial News.

The necessary security measures have been taken against making changes on the information published on the internet site and precautions against potential threats are constantly updated.

10. Annual Report

Annual reports of the Bank contain the information required by the CMB's regulations concerning Corporate Governance Principles and other capital market legislation and regulations in effect.

PART III – STAKEHOLDERS

11. Informing Stakeholders

Stakeholders of Albaraka Türk receive information on issues that may be of interest to them. This information is provided through public disclosures sent to the ISE and PDP, newspaper announcements, meetings, Q&A, the Bank's website and Investor Relations Manager.

Tip line have been allocated for stakeholders so that they can convey any act or situation that contradicts with the legislation or that is unethical to the Audit Committee through the Presidency of the Inspection Board.

12. Participation of Stakeholders in Management

The principle adopted for the participation of stakeholders in management is to make arrangements parallel to the related legal provisions.

Our staff shares their opinions with Senior Management of the Bank through conducted surveys and proposal system.

Our customers can submit their complaints and questions about Albaraka Türk's products and services via:

- Calling our 'You Ask, We Solve' line on 0850 222 87 87, or the Alo Albaraka line on 0850 222 5 666 or 444 5 666
- Filling the Customer Forms available at our web site www.albaraka.com.tr
- Sending faxes to +90 (216) 666 16 87
- Writing directly to the Head Office located at Saray Mah. Dr. Adnan Büyükdeniz Cad. No:6 PK: 34768 Ümraniye/İSTANBUL
- Filling the Customer Forms available at all the branches
- Sharing them through our social media accounts (Facebook, Twitter).

All complaints and suggestions from our customers are assessed by customer relations department and all the customers replied. Complaints received are categorized and reported to the Customer Complaints Committee and the senior management periodically.

Corporate Governance Compliance Report (31.12.2015)

13. Human Resources Policy

The purpose of the human resources policy is to ensure the employment, development of the qualifications and the stability of the qualified and skilled personnel which have the qualifications needed at the national and international level and specialized in their fields in order for the Bank's operations to be performed according to its purpose, vision, mission and corporate values, in an effective, fast, reliable and productive manner.

The Bank's human resources policy is determined and established by General Management.

For the application, improvement and following up of the human resources policy primarily the Assistant General Management responsible for human resources is responsible. This responsibility also belongs to the related Managers in the fields they are responsible for.

Basic principles of the human resources policy are the following:

- Respecting the personality of the employee, ensuring that his rights regarding the work relationship are protected,
- Sharing the corporate culture and establishing commitment to the corporate culture and ensuring that all personnel come together around common targets.
- Realizing the employment of the necessary and adequate number of personnel suitable for the work to be done; having the intellectual, professional knowledge and skills and ensuring that the personnel work with commitment other than the highest productivity and profitability targets,
- To provide professional training, development and improvement means for all personnel according to the work to be done,
- To provide environments which will encourage the personnel to innovative, enterprising thinking and producing new ideas and products,
- Making an effort to place employees from within the Bank for managerial and authorized positions and giving the priority to personnel developed from within the Bank for appointments to be made to vacant positions.
- To inform the personnel in matters of interest to the personnel, to development communications methods and tools to ensure that the Personnel easily inform the Managers of their opinions and ideas,
- To create a working environment which would increase the job motivation of the personnel and making an effort for the development of social relations,
- Encouraging the personnel to be successful, developing applications related to this, awarding personnel who have shown outstanding achievement.

14. Ethical Principles and Social Responsibility

Albaraka Türk, conducts its activities in compliance with the "Code of Ethics" adopted by Participation Banks Association of Turkey. The "Code of Ethics" is also made available to public at Albaraka Türk website.

Giving great importance to the support of development of society, Albaraka Türk has continued its efforts in social responsibility in 2015.

Albaraka believes that social responsibility, artistic and cultural studies, in addition to financial indicators, are the key elements in order to move our Bank and customers into the future and Albaraka broke grounds with the many projects related mentioned areas as both supporting and carrying out.

Our Bank organized "From Local to Global with SME as the Hand in Hand" meetings on behalf of the development of the local economy and SMEs to be put into commercial competition and the third meeting was organized with the participation of hundreds of businessmen in Gaziantep.

In 2015 Albaraka sponsored the publication of Let's learn to save, share, and spend, a book put out by the Financial Literacy & Inclusion Association (FODER), a group whose aim is to create an ecosystem for a financially literate Turkey and which engages in consciousness-raising, education, research, implementation-support, and policy-formulation activities in order to increase individuals' financial literacy and financial access awareness and opportunities.

In 2015 Albaraka organized the fourth in the series of Albaraka International Calligraphy Contests through which the bank continued to recognize and reward the best practitioners of this traditional art while also making it more accessible to broader audiences. A total of 224 artists from 25 countries with a total of 303 works took part in last year's competition, whose theme was "Charitableness", by which is meant "fullness of love for and goodwill toward others, benevolence, unreciprocated generosity towards the needy". Prizes of TRL 30 thousand, TRL 20 thousand and TRL 15 thousand were submitted for the entries that took first, second and third place respectively. The first Albaraka International Calligraphy Contest was held in 2005, the second in 2008, and the third in 2011. The members of the 2015 jury numbered among the leading practitioners of the art of calligraphy in Turkey today: Prof Dr Uğur Derman, Hasan Çelebi, Ali Toy, Davut Bektaş, Mehmed Özçay, Prof M. Hüsrev Subaşı, and Asst Assoc Prof Savaş Çevik.

Albaraka was the main sponsor, Seb-i Arus ceremony in Istanbul in the Sinan Erdem Sports Hall held with the participation of about 15 thousand viewers, especially, Mr. President Recep Tayyip Erdoğan and important names from the politics, arts and culture community has made a number of conversations about the meaning and importance of the program.

Our General Manager Mr. Ayhan Keser participated as a speaker 10th Turkish-Arab Economy Forum sponsored by our Bank which was held on April in Istanbul. Finance Minister Mehmet Şimşek has hosted the program and there were especially participants from banking world, key executives from various sectors of economy world program.

A workshop that was held in Turkey on May 12th and 13th 2015 to discuss the PAC Project was attended by participants from all of the banks that make up the Al Baraka Banking Group. The goal of the PAC Project is to create a cross-border banking services model that will initially embrace some—and eventually all—of the banks in the group. The conclusions of the two-day workshop were circulated among all ABG banks in a memorandum sent out by Albaraka Türk's chairman, Adnan Ahmed Yusuf Abdulmalek.

The B-Fit 9th Annual Congress of Women Entrepreneurs that took place on 29-31 May was sponsored by Albaraka. This event, which is held every year by B-fit for its franchisees, took place at the Radisson Blu Hotel & Spa in İstanbul.

Albaraka Türk was one of the sponsors of and its general manager Fahrettin Yahşi delivered and address at the 6th İstanbul Finance Summit which took place on 8-9 September and whose theme was "Navigating Through the Global Low Growth and Low Interest Rate Environment".

Sponsored by Albaraka Türk, the second International Congress on Islamic Economics and Finance took place at Sakarya University on 21-23 October 2015. The bank's general manager Fahrettin Yahşi was one of the speakers in attendance.

Also sponsored by Albaraka Türk and attended by General Manager Fahrettin Yahşi was the 19th Finance Symposium held at Hittite University in Çorum.

Albaraka was one of the sponsors of the second "Smart Economic Planning and Industrial Policy" conference. Held in İstanbul on 12-13 November 2015, the conference's attendees included Ha-Joon Chang, a South Korean institutional economist specializing in development economics and a reader in the Political Economy of Development at the University of Cambridge.

Albaraka Türk was one of the sponsors of the 2nd VIOP Risk Management Conference Risk Management Conference organized by the Borsa İstanbul Futures & Options Exchange on November 17. The bank's assistant general manager Mehmet Ali Verçin delivered an address as part of the "Risk Management in Islamic Products" section of the conference.

Albaraka sponsored the "Human Values in the Future" session of the Independent Industrialists' and Businessmen's Association's MÜSİAD Visionary' 15 Sectors Summit that took place in İstanbul on 18-19 November 2015. At the 6th Bosphorus Summit, which took place on 9-11 December 2015 and whose theme was "Mission Possible: Less Poverty, More Prosperity", Albaraka was a silver sponsor.

Corporate Governance Compliance Report (31.12.2015)

PART IV – THE BOARD OF DIRECTORS

15. Formation and Structure of the Board of Directors

Adnan Ahmed Yusuf ABDULMALEK is the Chairman of the Board of Directors. The Chairman has no executive functions as per the regulations issued by the Banking Regulation and Supervision Agency (BRSA). The executive members of the Board are Osman AKYÜZ and General Manager Dr. Fahrettin YAHŞİ. Vice Chairman Yalçın ÖNER, Ibrahim Fayez Humaid ALSHAMSI, Member Hood Hashem Ahmed HASHEM, Member Muhammad Zarrug M. RAJAB, Member Ekrem PAKDEMİRLİ (Mr. Ekrem Pakdemirli passed away on December 31, 2015), Member Mitat AKTAŞ, Member Hamad Abdulla A. EQAB, Member Fahad Abdullah A. ALRAJHI, Member Prof. Dr. Kemal VAROL.

Board Members are elected for a term of maximum three years according to Article 14 of the Articles of Incorporation. Members whose office terminates can be elected again. General Manager of the Bank is a natural member of the Board. That the number of Board of Directors members are at least 5 and at most 13 have been determined with the amendment of Article 14 titled "Board of Directors" at Ordinary General Assembly Meeting held March 29, 2013.

With 30th December 2012 the Official Gazette II-17.1 numbered the "Corporate Governance Communiqué", the number of independent board member with no less than three is in the bank's council and the board members appointed to audit committee are accepted as independent board members under this Communiqué. Additionally, in the annual general meeting held on March 29, 2013, Kemal Varol was selected as Independent Board Member in compliance with corporate governance principles.

Résumés, terms of office and positions of the Board members are presented on pages 49 and 51 of this report. The positions held by the Bank's Board members in and out of the Group are stated in their résumés.

The Board Members are restricted with the rules stipulated in Turkish Commercial Law and relevant charters and regulations with respect to their working for and running other operations or businesses outside the Bank. The Bank abides by these principles.

16. Basis of Board Operations

The board holds its meeting in the Bank headquarters upon the invitation of the chairman. Each member can request a written invitation to meeting from chairman. The board meeting can be held in a location other than the Bank headquarters or outside of Turkey on exceptional cases on condition that at least two thirds of the member number is present in person. In addition, board meetings can also be done electronically.

About matters which are explained in the Corporate Governance Principles of the Capital Market Board, its members must attend to the meetings personally. If legal quorum is provided, decisions are given by the majority of the members present. Every member opposing to the decision can demand their opposing opinion to be recorded on the decision.

According to the Banking Act, the Capital Market Law, the Commercial Codes and related legislations, Board decisions must be signed by the members attending the meeting, within one month. In case of delay in mind, a board member proposal can be approved by circulating between other members as to provide amount of quorum, which is possible under Turkish Commercial Code.

There is a Secretariat in our Bank to inform members of the Board of Directors and provide communication. All the decisions texts that have been taken or rejected by board and committees are stored and archived in the procedures and conditions defined in the legislation. Although a legal obligation does not constitute, the foreign language (English) translations of decisions are available.

17. Number, Structure and Independence of Committees under the Board of Directors

In compliance with the legislation, there is an Audit Committee which consists of three non-executive Board members in Albaraka Türk Participation Bank. This committee reports to the Board and assists the Board in accomplishing its auditing and controlling functions. It is responsible of monitoring the operations of internal systems, accounting and reporting systems of the Bank.

In line with the legal practice, there is a Credit committee which consist of General Manager and two Board members in Albaraka Türk credit approval process. The Credit Committee is the last level of credit allocation process in the Bank which decides for credits by analyzing the proposals according to criteria given in the legislations, banking practices, targets and credit policies of the Bank, after the approval of General Management.

There is a Corporate Governance Committee which consists of the two Board members. This committee monitors, assesses the bank's compliance with corporate governance principles and offers suggestions to the Board of Directors. The committee ascertains that the Bank conforms to the corporate governance principles. If conflicts of interests occur due to poor practice of the corporate governance principles, the committee offers suggestions for the solution of the problem to the Board of directors. Moreover, the committee works on setting out strategies for a transparent system in identification and assessment of candidates for the Board of Directors posts.

There is a Remuneration Committee which consists of a chairman and two members reporting to the Board. The committee aims to ensure that the board of directors, the senior management and the Bank's employee are awarded in proportion to their contribution to the Bank's value addition.

Detailed information regarding the formation and operation of all committees is provided in the "Committees and Committee Meetings Attendance" section of this report.

18. Risk Management and Internal Control Mechanism

The Board has a responsibility of establishing and providing compatible, adequate and effective systems on internal control, risk management and internal auditing as foreseen by the Banking Law for the purpose of monitoring and controlling risks emerging from operations. The Board is responsible for establishing risk management policies and strategies.

These policies are revised and evaluated periodically in Board meetings according to prevailing market conditions. The General Manager is responsible from ensuring that departments of Bank operate in accordance with the specified policies and strategies about risk management as determined by the Board.

Necessary controls are also made to ensure competency with the policies and strategies by means of regular internal control and audit.

The Board of Albaraka Türk Participation Bank takes an important part in the processes of risk management by tracing policies and strategies on consolidated and unconsolidated basis, setting up limit systems and procedures in the bank.

No lawsuits, which might affect the financial position and the activities of the Bank, have been filed against the Bank, its shareholders, managers and employees during the reporting period.

19. Strategic Goals of the Bank

The Board of Albaraka Türk has clearly established the strategic targets of Albaraka Türk as specified in its annual report.

In the Articles of Incorporation of our Bank, it is written that the duties and responsibilities of Board members are specified in accordance with articles of the Turkish Commercial Law and the Banking Law.

Our Board monitors the development of the Bank to see if these are in line with the strategic targets of the Bank, and evaluates the performance of the Bank. Annual budget and strategic plan of the Bank is approved by the Board. The Board closely monitors the budget and compares it with actual performance, collects information about the deviations and follows up decisions taken. If there are important deviations from budget given changes in the market conditions, the budget is revised and submitted to the approval of the Board again.

20. Fiscal Rights of the Board

According to article 20 of the Articles of Incorporation, "The General Assembly of Shareholders decides the amount of general allowances, per-diems, wages, bonuses, premiums and other payments to be made to the chairman, vice chairman, and other members of the Board."

Apart from those approved by the General Assembly, there are resolutions about other costs of every Board member to be covered by the Bank like per-diem payable against every meeting attended (the amount of which is determined by the Shareholders' Assembly), and the transportation and full-board accommodation costs in approved hotels.

The Board of Directors has been authorized by the General Assembly to determine the payment of additional fees and the amount of these fees to the Board of Directors members who will be appointed to committees like Audit Committee, Credit Committee formed by the Board of Directors and specific subjects pursuant to the Articles of Incorporation of our Bank.

IN THIS SECTION

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3

FINANCIAL INFORMATION AND
ASSESSMENTS ON RISK MANAGEMENT

Summary Financial Information for the Five-Year Period

KEY FINANCIAL HIGHLIGHTS (TL THOUSAND)

	2011	2012	2013	2014	2015
Total Assets	10,460,885	12,327,654	17,216,553	23,046,424	29,561,999
Collected Funds	8,044,747	9,225,018	12,526,212	16,643,218	20,346,178
Funded Credits*	7,286,960	9,100,063	12,059,901	16,183,692	19,505,392
Shareholders' Equity	1,004,251	1,218,333	1,497,268	1,790,927	2,103,914
Net Profit	160,155	191,835	241,409	252,631	302,863
Number of Personnel	2,601	2,758	3,057	3,510	3,736
Number of Branches	123	137	167	202	213

KEY FINANCIAL RATIOS (%)

	2011	2012	2013	2014	2015
Funded Credits*/Total Assets	69.7	73.8	70.0	70.2	66.0
Funded Credits*/Collected Funds	90.6	98.6	96.3	97.2	95.9
Collected Funds/Total Assets	76.9	74.8	72.8	72.2	68.8
Return on Average Equity	17.1	17.0	17.7	15.4	15.6
Return on Average Assets	1.7	1.7	1.6	1.2	1.1
NPL Ratio	2.3	2.4	2.3	2.0	2.4
Net NPL Ratio	0.2	0.3	0.2	0.2	1.0
NPL Provisions Ratio	92.4	88.8	90.6	87.9	59.9
CAR	12.5	13.0	14.9	14.2	15.3

*Includes financial leasing receivables.

Evaluation on Financial Position, Profitability and Capability to Pay

Albaraka Türk increased its assets to TL 29.6 billion in 2015 with an increase of 28.3% compared to previous year end despite of the fluctuations in the global economy.

Carrying on the support it gives to real sector in 2015 as well; Albaraka Türk increased the funded credits which have the largest share in its assets to TL 19.5 billion with an increase of 20.5% as of 2015 year-end compared to the previous year-end. Total share of the funded credits in the total asset reached 66.0%.

The funds collected by the Bank reached TL 20.3 billion with an annual increase of 22.2% as of 2015 year-end. Albaraka Türk diversified its funding base with a murabaha syndication of USD 715 million provided from international markets in 2015.

The Bank issued its wakala-murabaha sukuk, on November 30, 2015 which involved 10-year bonds worth a total of USD 250 million in subordinated debt, 5-year repayment option.

Maintaining its strong capital structure, Albaraka Türk increased its equities to TL 2,103 billion with an increase of 17.5% 2015 year-end compared to previous year end.

Albaraka Türk has recorded net profit of TL 302.9 million in 2015 which means an annual increase of 19.9%. Increasing its operating income to TL 1,188 million with a rise of 21.5% as of 2015 year-end compared to previous year-end. Net profit share income was increased to TL 885.7 million with an increase of 26.7%.

Capital adequacy ratio became 15.27% above its legal obligation level as of 2015 year-end.

Risk Management

Aiming to ensure capital allocation compatible with the risks of its functional operations and increase the capital yield set according to these risks to the maximum level, Albaraka Türk evaluates risks by classifying them as market risks, liquidity risk, credit risk, operational risk, strategic risk and credibility risk.

The objective of the Risk Management System of our Bank is to ensure the definition, measuring, monitoring and controlling of the encountered risks by means of the policies, implementation methods and limits that have been determined to monitor, control and when necessary change the risk-income structure including the future cash flows and, accordingly, the quality and level of the activities.

The ultimate target of our Risk Management System is to allocate our functional activities sufficient capital (economic capital) consistent with the risks they bear and to maximize capital returns adjusted for risk, thus increasing the value added.

Bank basically being exposed to liquidity and credit risk, strategic risk, reputational risk and operational risk, the Bank determines risk policies and application methods approved by the Board of Directors for the risks exposed that can be digitized. The said limits are monitored and reported by the units within the internal systems and the related organs of the Bank and ensured that the risks remain within determined limits. The Presidency of Risk Management which is organized within the framework of risk management regulations carries out the activities of the measurement, control and reporting of risks.

The Assets/Liabilities Committee (ALCO) manages the structure of the assets vis-à-vis liabilities by evaluating the domestic and global economic conditions concerning collecting and allocating funds in the direction of the risk management policies of our Bank.

Market risk

Bank general market risk signifies the probability of possible losses that may arise from currency risk, specific risk, commodity risk, settlement risk and counterparty credit risk in trading accounts.

Market risk primarily is composed of the probability of possible losses that might occur as a result of fluctuations in exchange rates due to all foreign currency assets and liabilities in different currencies in the bank's balance sheet and off-balance sheet and by the impact of securities price movement depending on securities own position followed in trading accounts.

Within the coverage of market risk, our Bank calculates the foreign currency position risk and the security risk, as well as specific risks associated with market risk, by using the Standard approach and reports to it the authorities accordingly on a regular basis. Additionally, for test-purpose, foreign currency position risk of our Bank is measured by internal models. With backtesting applications, deviations between actual values and daily VaR values, predicted by internal models, are observed in order to control accuracy and performance of these models. Potential strength of portfolio against to unexpected risks is measured with stress tests including stress scenarios.

Whether the market risk of our Bank is in conformity with legal regulations and the determined limits is constantly monitored. Our foreign currency risk is discussed and evaluated at every Assets/Liabilities Committee meeting and our foreign currency strategy is based on holding this risk constant by holding to square foreign currency position (i.e. no short or long positions are taken).

Liquidity risk

The Bank's liquidity risk, consists of funding related liquidity risk and market-related liquidity risk.

The liquidity risk is the situation whereby, as a result of any imbalances in the cash flows, there is a potential for not being able to meet the Participation Funds which have matured or other due liabilities in a timely manner due to shortage of liquid funds.

"Market liquidity risk" is an expression of the likelihood of the bank's suffering a loss because the bank is unable to close or cover a particular position at the market price owing to insufficient market depth or to excessive market volatility.

Liquidity risk could be caused by such factors as maturity mismatch, deterioration in the quality of assets, unexpected funding outflows, erosion in profitability levels and economic crisis. In order to manage liquidity risk, the Bank monitors the cash flows on a daily basis and takes preventive and improving measures taken so that commitments are met duly in time. The Liquidity risk is also evaluated by ALCO on a weekly basis. Our Bank applies a policy whereby liquid assets are kept in sufficient volumes and qualities in consideration of the minimum liquidity ratios determined by the related regulations and the liquidity experiences of the past in order to meet any liquidity requirement that could arise with unexpected volatilities in the markets.

Credit risk

Credit risk is defined as the probability of losses to the Bank due to customers failing to partially or completely pay their commitments to the Bank in a timely manner, in violation of the provisions of their credit contracts. This risk also contains any losses in the market value of the customers due to any deterioration in the financial position of the customer. The definition of credit risk includes not just the portfolios within the balance sheet, but also those kept off balance sheet.

Risk Management

The authority to approve credits belongs to the Board of Directors at our Bank. The Board of Directors determines the policies concerning the utilization, approval, risk management of the credits and other related management principles. It then ensures the implementation and supervision of these policies, taking required measures when necessary. The Board of Directors has transferred some of its authority in approving credit lines to the Credit Committee and General Management within the framework of the procedures and principles determined by the legal provisions. The General Management uses that authority to utilize credits by means of the credit departments and Bank branches. At our Bank, credit allocations are realized within those limits that are determined on the basis of each debtor and group of debtors. It is systematically not possible for customers to exceed the predetermined and approved limit. Close attention is paid to prevent any sector concentration that might impair the health of the credit portfolio. Utmost care is given to the prevention of risks concentrating on a small number of customers. Credit risks are constantly monitored and reported by the internal systems units and risk management bodies. Credit risks are ensured to be in conformity to credit risk management policies and implementation methods.

Operational risk

An operational risk is a risk of loss caused by insufficient or unsuccessful internal processes, by persons and systems or external events, wherein the legal risks and compliance risks are included while the strategic (making wrong decisions at the wrong time) and reputational risk are excluded.

Operational risk is a type of risk present in all activities of Albaraka Türk. It could arise from errors of the staff or the system, from such transactions as may have been made based on insufficient or incorrect legal information or documents, due to impediments in the flow of information between the divisions in the organizational structure of the Bank, due to uncertainties in the definition of limits of authorities or from structural and/or operational changes, natural disasters, terror and frauds.

The Bank classifies operational risks into five groups according to their sources: staff risks, technological risks, organizational risks, legal and compliance risks and external risks. Albaraka Türk also takes required measures to maintain operational risks at acceptable levels.

Other risks

The other risks that Albaraka Türk could encounter include strategic and reputational risk, counterparty credit risk, country risk, and concentration risk.

For the management of strategic risk, the Bank keeps a close watch on the domestic and international situation, on technological, financial, and social developments, on the legal and regulatory frameworks, and on the banking industry as a whole in order to make rational decisions and to change them as circumstances warrant.

The Bank regards "reputational risk" as anything that might lead to the Bank's suffering a loss on account of adverse developments such as a reduction in the confidence that is had in it or any impairment in its good standing due to unfavorable opinions that existing or potential customers, shareholders, competitors, regulatory agencies, or other outside or associated parties may have about it or due to any breach of existing laws and regulations.

For the risk of reputation to be avoided and/or controlled by the Bank's Risk Management System, a proactive communication mechanism that gives the customer priority is established any time a condition that could detriment the Bank's reputation or image is detected. Preparations are made for the worst-case scenarios in advance. In the evaluation of the reputation risk, the relationship, level and impact of operational risks to the reputation risk are also taken into account.

"Counterparty credit risk" is an expression of the likelihood that the counterparty in any transaction that imposes an obligation on two parties will default on the obligation before the final payment in the transaction's cash flow sequence. The Bank manages its counterparty credit risk exposure as required by laws and regulations, taking best practices into consideration, and compatibly with the volume, nature, and complexity of its operations.

"Country risk" is an expression of the likelihood that the bank will suffer a loss because debtors in another country fail to fulfill or avoid fulfilling their obligations owing to uncertainties in the economic, social, and/or political conditions of that country. The Bank enters into business relationships with foreign financial institutions and/or the agencies of foreign countries taking legal and regulatory restrictions, market conditions, and customer satisfaction into consideration and on the basis of feasibility studies that take the country's economic conditions into account.

"Concentration risk" is defined as the likelihood that a single risk or several risks that have some attribute in common may, if realized, cause losses that are capable of endangering the bank itself or its ability to carry out its essential activities. Policies aimed at managing concentration risk are formulated so as to deal with particular aspects of it such as sectoral concentration, collateral concentration, market risk concentration, types of loss concentration, and creditor concentration.

Assessment of Internal Control, Internal Audit and Risk Management Systems by the Audit Committee

In order to monitor and control risks faced, Albaraka Türk has formed a sufficient and efficient structure of internal systems, consistent with the scope and structure of activities, accommodating the dynamic environment, covering all the branches and divisions, within the framework of the methods and principles as highlighted in the related regulations.

The units within the scope of the Internal Systems are the Presidency of Inspection, Presidency of Internal Control, Presidency of Risk Management and Presidency of Legislation and Compliance. All the four units operate under the auspices of the Board Member Responsible for Internal Systems and Board of Directors.

Presidency of Inspection carries out the function of audit that is inclusive of all the activities of the Bank, in which respect, the Board executes the processes of audit, inspection, and investigation. Efforts are made to provide assurances to senior management not only that the Bank's activities are being carried out in line with the requirements of current laws and regulations as well as with the Bank's own strategies, policies, principles, and objectives but also that the Bank's internal control and risk management systems are effective and adequate.

Inspection functions with an understanding of risk-focused audit. Technological resources are made use of in the performance of auditing functions. Inspectors' professional development is supported by means of both intramural and extramural training. Operations are checked to ensure that they are in compliance with both internal and external regulations. Inspections are concerned with more than just the findings that are turned up: processes are analyzed, recommendations are made to improve efficacy, and corrective and other action is proactively followed up.

Under "Regulation for Bank Information System and Banking Process Audit by recognized Independent Audit Firms" the Bank's information systems and banking processes are audited each year by the Presidency of Inspection.

Presidency of Internal Control conducts risk-oriented and interactive audits that ensure the regular, effective and safe performance of Bank activities in the general management units and branches.

The findings, opinions and suggestions at the end of internal control activities are initially shared and evaluated. This way, not only are the necessary complementary and preventive measures adopted and implemented in a fast manner, but also proper and applicable solutions that promote the processes and activities are put into practice. All these tasks are monitored and evaluated closely and constantly by those members of the staff that carry out the activities as well as the internal controllers.

Presidency of Risk Management carries out the activities of measurement, observation, control and reporting of the risks our Bank is exposed to.

For the purpose of internal ratings-based measurement of credit risk which was the most serious risk exposed among the functional activities, studies started together with consultancy firm are in completed and the model covers small enterprises, commercial and corporate segment firms.

Additionally, risk measurement models are used for test-purpose in order to calculate market risk with other than standard method which is currently used for measuring and reporting market risk. With back testing applications, deviations between actual values and daily VaR values, predicted by risk measurement models, are determined for the purpose of testing accuracy and performance of these models. Potential strength of portfolio against to unexpected risks is measured with stress tests including stress scenarios.

Assessment of Internal Control, Internal Audit and Risk Management Systems by the Audit Committee

It is monitored that whether market risk of our Bank is within in the legal limits or not.

Risks other than the credit risks and market risks to which the bank may be exposed are prioritized and subjected to examination and assessment accordingly so as to constantly determine whether or not they remain within acceptable limits.

The Legislation and Compliance Department is responsible for effectively managing the bank's compliance risk exposure. This department considers the impact that national and international regulations have on the bank's operations, supervises and reports on the effectiveness of mechanisms installed to ensure compliance with changes in the regulatory framework, and provides the Board of Directors with its opinions concerning the legality of new products, transactions, and other activities that are being considered.

Also, according to Law No. 5549 on Prevention of Laundering Proceeds of Crime Legislation and Compliance Unit performs the following duties: composing relevant policies and procedures for the Bank, conducting risk management activities, conducting activities of monitoring and controlling, conducting training activities, establishing systems to ensure decreasing the risk of unexpected losses and damages to the image of the Bank; early recognition of problems which may result in losses by detecting defects and deficiencies; fixing the defects and deficiencies; setting up warning systems to check and monitor the processes and controlling whether the transactions in our Bank are done in compliance with the policies composed in the context of criminal proceeds legislations.

The staff appointed units within the scope of internal systems, who perform their task independently and impartially, have sufficient professional knowledge and experience. Activities of the units constituting the internal systems are evaluated periodically by the audit committee and board of directors.

Mitat Aktaş
Member of Audit Committee

Hamad Abdulla A. Eqab
Member of Audit Committee

Hood Hashem Ahmed Hashem
Member of Audit Committee

Managers of Internal Audit Systems

Information concerning the professional experience, duration of service in their positions at our Bank and educational background of the managers of the units within Internal Systems of our Bank is given below:

Name-Surname	Professional Experience (Years)	Duration of Services at Albaraka Türk (Years)	Length of Services in His Area (Years)	Education	Field of Responsibility
İsmail KÜÇÜKERDOĞAN	31	20	13	Bachelors Degree	Inspection
Volkan EVCİL	25	23	14	Bachelors Degree	Risk Management
İlhami ÖZDEMİR	19	14	14	Bachelors Degree	Internal Control
Hakan KURBETCİ	25	21	3	Bachelors Degree	Legislation and Compliance

Ratings Issued by International Rating Agencies to Albaraka Türk

STANDARD & POOR'S RESULTS ISSUED IN SEPTEMBER 2015

Long Term Credit Rating	BB
Short Term Credit Rating	B
Outlook	Negative

JCR EURASIA'S RESULTS ISSUED IN JULY 2015

	Foreign Currency	Local Currency	Outlook	Sponsor Support	Stand Alone
Long Term	BBB-	BBB-	Stable	3	AB
Short Term	A-3	A-3	Stable	-	-

Albaraka Türk's Corporate Governance Compliance Ratings of CMB

JCR EURASIA RATING RESULTS ISSUED IN JULY 2015

Corporate Governance Compliance	8.59
Shareholders	8.31
Public Disclosure and Transparency	8.89
Stakeholders	8.56
Board of Directors	8.58



IN THIS SECTION

Unconsolidated Financial Statements and Related Disclosures at December 31, 2015 together with
Independent Auditor's Report

Directory



Albaraka Türk Katılım Bankası Anonim Şirketi
Independent Auditor Report



**Güney Bağımsız Denetim ve
SMMM A.Ş.**
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To the Board of Directors of Albaraka Türk Katılım Bankası A.Ş.

Report on the Financial Statements

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

Responsibility of the Bank's Board of Directors for the financial statements

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

Independent Auditor's responsibility

Our responsibility is to express an opinion on the unconsolidated financial statements based on our audit. We conducted our audit in accordance with communique "Independent Audit of Banks" published by BRSA on the Official Gazette No.29314 dated April 2, 2015 and with the Independent Auditing Standards which is a part of Turkish Auditing Standards promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

An independent audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the unconsolidated financial statements. The procedures selected depend on the independent auditor's professional judgment, including the assessment of risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error. In making those risk assessments, the independent auditor considers the internal control relevant to bank's preparation and fair presentation of the unconsolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the bank's internal control. An independent audit also includes evaluating the appropriateness of accounting policies used by the reasonableness of accounting estimates made by the management as well as evaluating the overall presentation of the unconsolidated financial statements.

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

Opinion

In our opinion, the financial statement presents fairly, in all material respects, the financial position of Albaraka Türk Katılım Bankası A.Ş. as at December 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with the prevailing accounting principles and standards set out as in accordance with BRSA Accounting and Reporting Legislation.

Independent Auditor Report

Reports on arising from other regulatory requirements:

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

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

Additional paragraph for convenience translation to English:

As explained in detail in Note XXIV of section three, accounting principles and standards set out by regulations in conformity with BRSA Accounting and Reporting Legislation, accounting principles generally accepted in countries in which the accompanying unconsolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in the accompanying unconsolidated financial statements. Accordingly, the accompanying unconsolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited



February 22, 2016
İstanbul, Turkey

Albaraka Türk Katılım Bankası Anonim Şirketi

Unconsolidated Financial Report of Albaraka Türk Katılım Bankası A.Ş. As of and for the Year Ended December 31, 2015

Bank's headquarter address Saray Mah. Dr. Adnan Büyükdeniz Cad. No: 6 34768 Ümraniye/İstanbul
Bank's phone number and facsimile 00 90 216 666 01 01 - 00 90 216 666 16 00
Bank's website www.albarakaturk.com.tr
Electronic mail contact info albarakaturk@albarakaturk.com.tr

The unconsolidated year-end financial report prepared in accordance with the Communiqué on Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks as regulated by the Banking Regulation and Supervision Agency is comprised of the following sections.

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON THE ACCOUNTING PRINCIPLES APPLIED IN THE RELATED PERIOD
- INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT
- EXPLANATORY DISCLOSURES AND FOOTNOTES ON UNCONSOLIDATED FINANCIAL STATEMENTS
- OTHER EXPLANATIONS
- INDEPENDENT AUDITORS' REPORT


The unconsolidated financial statements and related disclosures and footnotes; presented in thousands of Turkish Lira unless otherwise indicated; have been prepared in accordance with the Communiqué on Accounting Applications of Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related appendices and interpretations and in compliance with the records of our Bank, have been independently audited and presented as attached.


Adnan Ahmed Yusuf ABDULMALEK
Chairman of the Board of Directors


Fahrettin YAHSI
General Manager


Melikşah UTKU
Assistant General Manager


Yunus AHLATCI
Budget and Financial Reporting Manager


Hamad Abdulla A. EQAB
Chairman of the Audit Committee


Mitat AKTAŞ
Member of the Audit Committee


Hood Hashem Ahmed HASHEM
Member of the Audit Committee

Contact information of the personnel in charge of the addressing of questions about this financial report:

Name-Surname/Title Bora ŞİMŞEK/Budget and Financial Reporting/Vice Manager
Telephone 00 90 216 666 05 59
Facsimile 00 90 216 666 16 11

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Notes Related to Unconsolidated Financial Statements As of December 31, 2015

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

Section one

General information

I. History of the Bank including its incorporation date, initial legal status and amendments to legal status:

Albaraka Türk Katılım Bankası Anonim Şirketi (the Bank) was incorporated on November 5, 1984 with the name of Albaraka Türk Özel Finans Kurumu A.Ş, based on the decision of the Council of Ministers numbered 83/7506 and dated December 16, 1983 regarding establishments of Special Finance Houses and obtained the operating permission from the Central Bank of Turkey with the letter numbered 10912 and dated January 21, 1985.

Special Finance Houses, operating in accordance with the Communiqués of Under secretariat of Treasury and the Central Bank of Turkey based on the decision of Council of Ministers numbered 83/7506, have been subjected to the provisions of the Banking Law numbered 4389 with the change of law dated December 17, 1999 and numbered 4491. Special Finance Houses have been subjected to the provisions of 'Communiqué Related to the Incorporation and Activities of Special Finance Houses' published in the Official Gazette dated September 20, 2001 numbered 24529 by the Banking Regulation and Supervision Agency (BRSA). 'Communiqué Related to the Incorporation and Activities of Special Finance Houses' has been superseded by the 'Communiqué Related to Credit Operations of Banks' published in the Official Gazette dated November 1, 2006 numbered 26333 and the Bank operates in accordance with the Banking Law numbered 5411 published in the Official Gazette dated November 1, 2005 numbered 25983.

The decision regarding the change in the title of the Bank, in relation with the provisions of the Banking Law numbered 5411, was agreed in the Extraordinary General Meeting dated December 21, 2005 and the title of the Bank was changed as "Albaraka Türk Katılım Bankası A.Ş". The change in the title was registered in Istanbul Trade Registry on December 22, 2005 and published in the Trade Registry Gazette dated December 27, 2005, numbered 6461.

The Bank's head office is located in Istanbul and is operating through 212 (December 31, 2014: 201) local branches and 1 (December 31, 2014: 1) foreign branch and with 3.736 (December 31, 2014: 3.510) staff as of December 31, 2015.

II. Shareholding structure, shareholders having direct or indirect, joint or individual control over the management and supervision of the Bank and the disclosures on related changes in the current year, if any:

As of December 31, 2015, 54,06% (December 31, 2014: 54,06%) of the Bank's shares are owned by Albaraka Banking Group located in Bahrain. 24,80% (December 31, 2014: 24,06%) of the shares are publicly traded and quoted at Borsa İstanbul.

Albaraka Türk Katılım Bankası Anonim Şirketi

Notes Related to Unconsolidated Financial Statements As of December 31, 2015

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

III. Explanation on the chairman and members of board of directors, members of audit committee, general manager and assistant general managers, their areas of responsibility and their shares in the Bank, if any:

Title	Name and Surname	Administrative Function and Responsibility	Educational Degree	Ownership Percentage (%)
Chairman of the Board of Directors (BOD):	Adnan Ahmed Yusuf ABDULMALEK	Chairman of BOD	Master	(*) 0,0000
Members of BOD:	Yalçın ÖNER	Vice Chairman of BOD	Master	-
	İbrahim Fayez Humaid ALSHAMSI	Member of BOD	Bachelor	(*) 0,0000
	Osman AKYÜZ	Member of BOD	Bachelor	-
	Prof.Dr. Ekrem PAKDEMİRLİ (died on 31.12.2015)	Member of BOD	Doctorate	(*) 0,0000
	Mitat AKTAŞ	Member of BOD	Master	(*) 0,0000
	Hamad Abdulla A. EQAB	Member of BOD	Bachelor	(*) 0,0000
	Fahad Abdullah A. ALRAJHI	Member of BOD	Bachelor	(*) 0,0000
	Hood Hashem Ahmed HASHEM	Member of BOD	Master	(*) 0,0000
	Muhammad Zarrug M. RAJAB	Member of BOD	Bachelor	-
	Prof. Dr. Kemal VAROL	Independent Member of BOD	Doctorate	-
General Manager:	Dr .Fahrettin YAHŞİ	Member of BOD/General Manager	Doctorate	-
Assistant General Managers:	Mehmet Ali VERÇİN	Corporate Marketing, Treasury Marketing, Investment Projects	Bachelor	-
	Nihat BOZ	Legal Advisory, Legal Follow-up	Bachelor	-
	Temel HAZIROĞLU	Human Values, Training & Organisation, Performance & Career Management, Administrative Affairs, Construction and Real Estate	Master	0,0342
	Bülent TABAN	Commercial Marketing, Commercial Products Management, Regional Offices	Master	-
	Turgut SİMİTÇİOĞLU	Credit Operations, Banking Services Operations, Foreign Affairs Operations, Payment Systems Operations, Risk Follow-up	Master	-
	Melikşah UTKU	Financial Affairs, Budget & Financial Reporting, Corporate Communication	Master	-
	Ali TUĞLU	Core Banking Applications Development, Customer & Channel and Analytical Applications, IT Support, IT Strategy & Governance	Bachelor	-
	Mahmut Esfa EMEK	Corporate Credits, Commercial Credits, Retail Credits	Bachelor	-
	Ayhan KESER	Retail Marketing, Alternative Distribution Channels, Retail Products Management, Financial Institutions, Investor Relations	Bachelor	-
Audit Committee:	Hamad Abdulla A. EQAB	Chairman of Audit Committee	Bachelor	(*) 0,0000
	Hood Hashem Ahmed HASHEM	Member of Audit Committee	Master	(*) 0,0000
	Mitat AKTAŞ	Member of Audit Committee	Master	(*) 0,0000

(*) The share amounts of these persons are between TL 1-10 (full).

Notes Related to Unconsolidated Financial Statements As of December 31, 2015

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

Chairman and members of BOD, members of audit committee, general manager and assistant general managers own 0,0342% of the Bank's share capital (December 31, 2014: 0,0396%).

IV. Information on the Bank's qualified shareholders:

The Bank's paid in capital amounting to TL 900.000 consists of 900.000.000 number of shares with a nominal value of TL 1 (full) for each share. TL 486.523 of the paid in capital is owned by qualified shareholders who are listed below:

Name/commercial name	Share amount (nominal)	Share ratio	Paid shares	Unpaid shares
Albaraka Banking Group	486.523	54,06%	486.523	-

V. Summary on the Bank's service activities and field of operations:

The Bank operates in accordance with the principles of interest-free banking as a participation bank. The Bank mainly collects funds through current and profit sharing accounts, and lends such funds through corporate finance support, retail finance support, profit/loss sharing investment, finance lease, financing commodity against document and joint investments.

The Bank classifies current and profit sharing accounts separately from other accounts in accordance with their maturities. Profit sharing accounts are classified under five different maturity groups; up to one month, up to three months (three months included), up to six months (six months included), up to one year (one year included) and one year and more than one year (with monthly, quarterly, semiannual and annual profit share payment).

The Bank may determine the participation rates on profit and loss of profit sharing accounts according to currency type, amount and maturity groups separately under the limitation that the participation rate on loss shall not be less than fifty percent of participation rate on profit.

The Bank constitutes specific fund pools with minimum maturities of one month, to be allocated to individually predetermined projects for financing purposes. Profit sharing accounts, which are part of the funds collected for project financing purpose, are managed in accordance with their maturities and independently from other accounts and transfers from these accounts to any other maturity groups are not executed. Specific fund pools are liquidated at the end of the financing period.

In addition to its ordinary banking activities, the Bank operates as an insurance agency on behalf of Işık Sigorta, Anadolu Sigorta, Güneş Sigorta, Allianz Sigorta, Unico Sigorta, Neova Sigorta, Ankara Sigorta, Coface Sigorta, Avivasa Emeklilik ve Hayat, Generali Sigorta, as a private pension insurance agency on behalf of Anadolu Hayat Emeklilik, Avivasa Emeklilik ve Hayat and Katılım Emeklilik ve Hayat, and as a brokerage agency on behalf of Bizim Menkul Değerler A.Ş. through its branches, engages in purchase and sale of precious metals, provides intermediary services in quick money transfers, credit card and member business (P.O.S.) services.

Moreover, the Bank is involved in providing non-cash loans which mainly comprise letters of guarantee, letters of credit and acceptances.

Transactions which can be carried out by the Bank are not limited to the clauses listed above. If any activities other than those mentioned are considered as beneficial to the Bank, the application must be recommended by the Board of Directors, approved by the General Assembly and authorized by relevant legal authorities which then needs to be approved by the Ministry of Customs and Trade since such applications are amendments in nature to the Article of Association. The application is included in the Article of Association after all necessary approvals are obtained.

VI. Differences between the Communiqué on Preparation of Consolidated Financial Statements of Banks and Turkish Accounting Standards with respect to consolidation and short explanation about the institutions subject to full or proportional consolidation and institutions which are deducted from equity or not included in these three methods:

The Bank did not consolidate its associate Kredi Garanti Fonu A.Ş. through equity method considering the materiality principle and its insignificant influence over the associate, the related associate is carried at cost in the accompanying financial statements. The Bank consolidated Katılım Emeklilik ve Hayat A.Ş., an entity under common control, and Bereket Varlık Kiralama A.Ş., Albaraka Gayrimenkul Portföy Yönetimi A.Ş. the subsidiaries of the Bank, through equity method and full consolidation method, respectively. Moreover, ABT Sukuk Limited and Albaraka Sukuk Limited, which are not subsidiaries of the Bank but over which the Bank has 100% controlling power, have been included in the consolidation due to the reason that these companies are "Structured Entity".

VII. The existing or potential, actual or legal obstacles on immediate transfer of equity or reimbursement of liabilities between the bank and its subsidiaries:

There is no immediate transfer of equity between the Bank and its subsidiaries.

There is no existing or potential, actual or legal obstacle to the reimbursement of liabilities between the Bank and its subsidiaries.

Albaraka Türk Katılım Bankası Anonim Şirketi

Notes Related to Unconsolidated Financial Statements As of December 31, 2015

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

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- VI. Statement of changes in shareholders' equity
- VII. Statement of profit appropriation

Balance Sheet (Statement of Financial Position)

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

ASSETS	Notes (Section Five-I)	THOUSAND TURKISH LIRA					
		CURRENT PERIOD (31/12/2015)			PRIOR PERIOD (31/12/2014)		
		TL	FC	Total	TL	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK	(1)	894.204	4.010.594	4.904.798	352.393	2.776.793	3.129.186
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (Net)	(2)	1.427	20.856	22.283	5.611	-	5.611
2.1 Trading Financial Assets		1.427	20.856	22.283	5.611	-	5.611
2.1.1 Public Sector Debt Securities		-	-	-	-	-	-
2.1.2 Equity Securities		790	-	790	5.611	-	5.611
2.1.3 Derivative Financial Assets Held for Trading		-	20.822	20.822	-	-	-
2.1.4 Other Marketable Securities		637	34	671	-	-	-
2.2 Financial Assets at Fair Value Through Profit and Loss		-	-	-	-	-	-
2.2.1 Public Sector Debt Securities		-	-	-	-	-	-
2.2.2 Equity Securities		-	-	-	-	-	-
2.2.3 Loans		-	-	-	-	-	-
2.2.4 Other Marketable Securities		-	-	-	-	-	-
III. BANKS	(3)	599.970	1.882.644	2.482.614	511.402	1.136.833	1.648.235
IV. MONEY MARKET PLACEMENTS		-	-	-	-	-	-
V. FINANCIAL ASSETS-AVAILABLE FOR SALE (net)	(4)	755.337	296.229	1.051.566	496.367	163.393	659.760
5.1 Equity Securities		15	12.850	12.865	15	1.660	1.675
5.2 Public Sector Debt Securities		737.783	149.374	887.157	465.361	123.254	588.615
5.3 Other Marketable Securities		17.539	134.005	151.544	30.991	38.479	69.470
VI. LOANS AND RECEIVABLES	(5)	15.352.083	3.205.882	18.557.965	13.494.112	1.979.934	15.474.046
6.1 Loans and Receivables		15.165.345	3.205.054	18.370.399	13.454.414	1.979.918	15.434.332
6.1.1 Loans to Risk Group of The Bank		9.424	38.523	47.947	50.243	-	50.243
6.1.2 Public Sector Debt Securities		-	-	-	-	-	-
6.1.3 Other		15.155.921	3.166.531	18.322.452	13.404.171	1.979.918	15.384.089
6.2 Non-performing loans		467.256	1.157	468.413	326.948	27	326.975
6.3 Specific Provisions (-)		280.518	329	280.847	287.250	11	287.261
VII. INVESTMENTS HELD TO MATURITY (net)	(6)	762.890	-	762.890	783.309	-	783.309
VIII. INVESTMENTS IN ASSOCIATES (net)	(7)	4.719	-	4.719	4.211	-	4.211
8.1 Accounted for under Equity Method		-	-	-	-	-	-
8.2 Unconsolidated Associates		4.719	-	4.719	4.211	-	4.211
8.2.1 Financial Associates		4.719	-	4.719	4.211	-	4.211
8.2.2 Non-Financial Associates		-	-	-	-	-	-
IX. SUBSIDIARIES (net)	(8)	5.250	-	5.250	250	-	250
9.1 Unconsolidated Financial Subsidiaries		5.250	-	5.250	250	-	250
9.2 Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
X. JOINT VENTURES (net)	(9)	15.500	-	15.500	10.500	-	10.500
10.1 Accounted for under Equity Method		-	-	-	-	-	-
10.2 Unconsolidated		15.500	-	15.500	10.500	-	10.500
10.2.1 Financial Joint Ventures		15.500	-	15.500	10.500	-	10.500
10.2.2 Non-Financial Joint Ventures		-	-	-	-	-	-
XI. LEASE RECEIVABLES (net)	(10)	947.427	-	947.427	709.646	-	709.646
11.1 Finance Lease Receivables		1.090.063	-	1.090.063	782.612	-	782.612
11.2 Operational Lease Receivables		-	-	-	-	-	-
11.3 Other		-	-	-	-	-	-
11.4 Unearned Income (-)		142.636	-	142.636	72.966	-	72.966
XII. DERIVATIVE FINANCIAL ASSETS FOR HEDGING PURPOSES	(11)	-	-	-	-	-	-
12.1 Fair Value Hedge		-	-	-	-	-	-
12.2 Cash Flow Hedge		-	-	-	-	-	-
12.3 Hedge of Net Investment Risks in Foreign Operations		-	-	-	-	-	-
XIII. TANGIBLE ASSETS (net)	(12)	499.803	1.336	501.139	485.461	1.678	487.139
XIV. INTANGIBLE ASSETS (net)	(13)	43.796	476	44.272	26.326	565	26.891
14.1 Goodwill		-	-	-	-	-	-
14.2 Other		43.796	476	44.272	26.326	565	26.891
XV. INVESTMENT PROPERTY (net)	(14)	-	-	-	-	-	-
XVI. TAX ASSET	(15)	20.495	-	20.495	3.551	-	3.551
16.1 Current Tax Asset		5.324	-	5.324	3.551	-	3.551
16.2 Deferred Tax Asset		15.171	-	15.171	-	-	-
XVII. ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (net)	(16)	22.574	245	22.819	27.678	-	27.678
17.1 Assets Held for Sale		22.574	245	22.819	27.678	-	27.678
17.2 Assets of Discontinued Operations		-	-	-	-	-	-
XVIII. OTHER ASSETS	(17)	216.018	2.244	218.262	74.852	1.559	76.411
TOTAL ASSETS		20.141.493	9.420.506	29.561.999	16.985.669	6.060.755	23.046.424

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

Albaraka Türk Katılım Bankası Anonim Şirketi

Balance Sheet (Statement of Financial Position)

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

LIABILITIES	Notes (Section Five-II)	THOUSAND TURKISH LIRA					
		CURRENT PERIOD (31/12/2015)			PRIOR PERIOD (31/12/2014)		
		TL	FC	Total	TL	FC	Total
I. FUNDS COLLECTED	(1)	11.336.176	9.010.002	20.346.178	9.782.163	6.861.055	16.643.218
1.1 Funds from Risk Group of The Bank		126.867	152.607	279.474	71.453	183.838	255.291
1.2 Other		11.209.309	8.857.395	20.066.704	9.710.710	6.677.217	16.387.927
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)	-	-	-	-	-	-
III. FUNDS BORROWED	(3)	-	4.104.688	4.104.688	-	3.215.998	3.215.998
IV. BORROWINGS FROM MONEY MARKETS		770.959	-	770.959	116.740	-	116.740
V. SECURITIES ISSUED (net)		-	-	-	-	-	-
VI. MISCELLANEOUS PAYABLES		633.312	53.074	686.386	434.001	76.171	510.172
VII. OTHER LIABILITIES	(4)	-	-	-	-	-	-
VIII. LEASE PAYABLES	(5)	-	-	-	-	-	-
8.1 Finance Lease Payables		-	-	-	-	-	-
8.2 Operational Lease Payables		-	-	-	-	-	-
8.3 Other		-	-	-	-	-	-
8.4 Deferred Finance Lease Expenses (-)		-	-	-	-	-	-
IX. DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING PURPOSES	(6)	-	-	-	-	-	-
9.1 Fair Value Hedge		-	-	-	-	-	-
9.2 Cash Flow Hedge		-	-	-	-	-	-
9.3 Net Foreign Investment Hedge		-	-	-	-	-	-
X. PROVISIONS	(7)	216.049	35.810	251.859	180.386	52.438	232.824
10.1 General Provisions		140.016	30.869	170.885	128.047	25.863	153.910
10.2 Restructuring Reserves		-	-	-	-	-	-
10.3 Reserve for Employee Benefits		53.033	-	53.033	32.529	-	32.529
10.4 Insurance Technical Reserves (net)		-	-	-	-	-	-
10.5 Other Provisions		23.000	4.941	27.941	19.810	26.575	46.385
XI. TAX LIABILITY	(8)	55.695	2.763	58.458	64.116	3	64.119
11.1 Current Tax Liability		55.695	2.763	58.458	55.823	3	55.826
11.2 Deferred Tax Liability		-	-	-	8.293	-	8.293
XII. LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (net)	(9)	-	-	-	-	-	-
12.1 Assets Held for Sale		-	-	-	-	-	-
12.2 Assets of Discontinued Operations		-	-	-	-	-	-
XIII. SUBORDINATED LOANS	(10)	-	1.239.557	1.239.557	-	472.426	472.426
XIV. SHAREHOLDERS' EQUITY	(11)	2.097.426	6.488	2.103.914	1.790.092	835	1.790.927
14.1 Paid-In Capital		900.000	-	900.000	900.000	-	900.000
14.2 Capital Reserves		194.422	6.488	200.910	159.361	835	160.196
14.2.1 Share Premium		-	-	-	-	-	-
14.2.2 Share Cancellation Profits		-	-	-	-	-	-
14.2.3 Marketable Securities Valuation Reserve		4.203	6.488	10.691	9.155	835	9.990
14.2.4 Revaluation Reserve on Tangible Assets		189.092	-	189.092	153.179	-	153.179
14.2.5 Revaluation Reserve on Intangible Assets		-	-	-	-	-	-
14.2.6 Investment Property Revaluation Reserve		-	-	-	-	-	-
14.2.7 Bonus Shares From Associates, Subsidiaries and Jointly Controlled Entities		-	-	-	-	-	-
14.2.8 Hedging Funds (Effective Portion)		-	-	-	-	-	-
14.2.9 Accumulated Valuation Differences on Assets Held For Sale and Assets of Discontinued Operations		-	-	-	-	-	-
14.2.10 Other Capital Reserves		1.127	-	1.127	(2.973)	-	(2.973)
14.3 Profit Reserves		696.531	-	696.531	470.137	-	470.137
14.3.1 Legal Reserves		84.774	-	84.774	71.744	-	71.744
14.3.2 Status Reserves		-	-	-	-	-	-
14.3.3 Extraordinary Reserves		611.757	-	611.757	398.393	-	398.393
14.3.4 Other Profit Reserves		-	-	-	-	-	-
14.4 Profit or Loss		306.473	-	306.473	260.594	-	260.594
14.4.1 Prior Years Profit/(Loss)		3.610	-	3.610	7.963	-	7.963
14.4.2 Current Year Profit/(Loss)		302.863	-	302.863	252.631	-	252.631
14.5 Minority Interest		-	-	-	-	-	-
TOTAL LIABILITIES		15.109.617	14.452.382	29.561.999	12.367.498	10.678.926	23.046.424

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

Albaraka Türk Katılım Bankası Anonim Şirketi
Statement of Off-Balance Sheet

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

STATEMENT OF OFF BALANCE SHEET	Notes (Section Five-III)	THOUSAND TURKISH LIRA					
		CURRENT PERIOD (31/12/2015)			PRIOR PERIOD (31/12/2014)		
		TL	FC	Total	TL	FC	Total
A. OFF BALANCE SHEET COMMITMENTS (I+II+III)	(1)	5.494.071	4.916.466	10.410.537	5.077.895	3.929.264	9.007.159
I. GUARANTEES AND SURETIES		4.275.402	4.388.655	8.664.057	4.149.365	3.929.144	8.078.509
1.1. Letters of Guarantees		4.269.478	3.460.810	7.730.288	4.122.802	2.749.839	6.872.641
1.1.1. Guarantees Subject to State Tender Law		259.046	23.832	282.878	166.552	21.939	188.491
1.1.2. Guarantees Given for Foreign Trade Operations		436	816.444	816.880	597	778.622	779.219
1.1.3. Other Letters of Guarantee		4.009.996	2.620.534	6.630.530	3.955.653	1.949.278	5.904.931
1.2. Bank Loans		-	28.324	28.324	-	33.055	33.055
1.2.1. Import Letter of Acceptances		-	28.324	28.324	-	33.055	33.055
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letter of Credits		-	639.592	639.592	7.997	581.273	589.270
1.3.1. Documentary Letter of Credits		-	-	-	-	-	-
1.3.2. Other Letter of Credits		-	639.592	639.592	7.997	581.273	589.270
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. Other Guarantees		1.877	245.719	247.596	2.551	558.481	561.032
1.7. Other Collaterals		4.047	14.210	18.257	16.015	6.496	22.511
II. COMMITMENTS	(1)	1.218.669	110.806	1.329.475	928.530	120	928.650
2.1. Irrevocable Commitments		1.218.669	110.806	1.329.475	928.530	120	928.650
2.1.1. Asset Purchase and Sale Commitments		76.526	110.806	187.332	-	-	-
2.1.2. Share Capital Commitment to Associates and Subsidiaries		-	-	-	-	-	-
2.1.3. Loan Granting Commitments		116.862	-	116.862	59.439	-	59.439
2.1.4. Securities Underwriting Commitments		-	-	-	-	-	-
2.1.5. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.6. Payment Commitment for Cheques		500.882	-	500.882	353.093	-	353.093
2.1.7. Tax And Fund Liabilities from Export Commitments		2.035	-	2.035	1.506	-	1.506
2.1.8. Commitments for Credit Card Expenditure Limits		521.562	-	521.562	510.257	-	510.257
2.1.9. Commitments for Promotions Related with Credit Cards and Banking Activities		599	-	599	523	-	523
2.1.10. Receivables From Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.11. Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12. Other Irrevocable Commitments		203	-	203	3.712	120	3.832
2.2. Revocable Commitments		-	-	-	-	-	-
2.2.1. Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2. Other Revocable Commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS	(2)	-	417.005	417.005	-	-	-
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		-	417.005	417.005	-	-	-
3.2.1. Forward Foreign Currency Buy/Sell Transactions		-	417.005	417.005	-	-	-
3.2.1.1. Forward Foreign Currency Transactions-Buy		-	219.089	219.089	-	-	-
3.2.1.2. Forward Foreign Currency Transactions-Sell		-	197.916	197.916	-	-	-
3.2.2. Other Forward Buy/Sell Transactions		-	-	-	-	-	-
3.3. Other		-	-	-	-	-	-
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		38.754.719	5.866.824	44.621.543	30.389.457	4.509.815	34.899.272
IV. ITEMS HELD IN CUSTODY		1.671.504	932.158	2.603.662	1.353.738	1.454.959	2.808.697
4.1. Assets Under Management		-	-	-	-	-	-
4.2. Investment Securities Held in Custody		72	-	72	72	-	72
4.3. Cheques Received for Collection		1.135.253	140.774	1.276.027	841.140	105.953	947.093
4.4. Commercial Notes Received for Collection		509.767	23.015	532.782	488.418	18.801	507.219
4.5. Other Assets Received for Collection		103	-	103	103	-	103
4.6. Assets Received for Public Offering		-	-	-	-	-	-
4.7. Other Items Under Custody		999	280.573	281.572	7.997	986.909	994.906
4.8. Custodians		25.310	487.796	513.106	16.008	343.296	359.304
V. PLEDGED ITEMS		37.083.215	4.934.666	42.017.881	29.035.719	3.054.856	32.090.575
5.1. Marketable Securities		2.526.159	1.260.176	3.786.335	1.530.006	1.157.125	2.687.131
5.2. Guarantee Notes		1.792.505	166.731	1.959.236	1.877.551	204.313	2.081.864
5.3. Commodity		1.671.688	750.681	2.422.369	1.070.691	380.393	1.451.084
5.4. Warranty		-	-	-	-	-	-
5.5. Properties		29.631.293	1.227.662	30.858.955	23.266.419	773.474	24.039.893
5.6. Other Pledged Items		1.372.083	1.526.355	2.898.438	1.237.960	530.859	1.768.819
5.7. Pledged Items-Depository		89.487	3.061	92.548	53.092	8.692	61.784
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		44.248.790	10.783.290	55.032.080	35.467.352	8.439.079	43.906.431

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

Albaraka Türk Katılım Bankası Anonim Şirketi

Statement of Income

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

	Notes (Section Five-IV)	THOUSAND TURKISH LIRA	
		CURRENT PERIOD (01/01/2015- 31/12/2015)	PRIOR PERIOD (01/01/2014- 31/12/2014)
INCOME AND EXPENSE ITEMS			
I. PROFIT SHARE INCOME	(1)	1.935.159	1.502.306
1.1 Profit Share on Loans		1.708.889	1.376.418
1.2 Income Received from Reserve Deposits		10.263	492
1.3 Income Received from Banks		36	1.882
1.4 Income Received from Money Market Placements		-	-
1.5 Income Received from Marketable Securities Portfolio		135.215	95.136
1.5.1 Held-For-Trading Financial Assets		-	-
1.5.2 Financial Assets at Fair Value Through Profit and Loss		-	-
1.5.3 Available-For-Sale Financial Assets		70.619	41.154
1.5.4 Investments Held to Maturity		64.596	53.982
1.6 Finance Lease Income		79.117	28.152
1.7 Other Profit Share Income		1.639	226
II. PROFIT SHARE EXPENSE	(2)	1.049.478	803.332
2.1 Expense on Profit Sharing Accounts		829.534	680.979
2.2 Profit Share Expense on Funds Borrowed		163.528	100.036
2.3 Profit Share Expense on Money Market Borrowings		47.081	22.007
2.4 Profit Share Expense on Securities Issued		-	-
2.5 Other Profit Share Expense		9.335	310
III. NET PROFIT SHARE INCOME (I - II)		885.681	698.974
IV. NET FEES AND COMMISSIONS INCOME/EXPENSES		135.997	128.336
4.1 Fees and Commissions Received		187.627	161.173
4.1.1 Non-Cash Loans		98.046	81.953
4.1.2 Other	(12)	89.581	79.220
4.2 Fees and Commissions Paid		51.630	32.837
4.2.1 Non-Cash Loans		321	421
4.2.2 Other	(12)	51.309	32.416
V. DIVIDEND INCOME	(3)	519	180
VI. TRADING INCOME/LOSS (net)	(4)	52.570	53.257
6.1 Capital Market Transaction Income/(Loss)		2.223	1.474
6.2 Profit/(Loss) from Derivative Financial Instruments		68.093	21.141
6.3 Foreign Exchange Income/(Loss)		(17.746)	30.642
VII. OTHER OPERATING INCOME	(5)	113.407	96.819
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)		1.188.174	977.566
IX. PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)	(6)	157.143	149.576
X. OTHER OPERATING EXPENSES (-)	(7)	654.253	502.438
XI. NET OPERATING INCOME/(LOSS) (VIII-IX-X)		376.778	325.552
XII. EXCESS AMOUNT RECORDED AS GAIN AFTER MERGER		-	-
XIII. PROFIT/(LOSS) ON EQUITY METHOD		-	-
XIV. PROFIT/(LOSS) ON NET MONETARY POSITION		-	-
XV. PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XI+...+XIV)	(8)	376.778	325.552
XVI. TAX PROVISION FOR CONTINUED OPERATIONS (±)	(9)	(73.915)	(72.921)
16.1 Provision for Current Taxes		(78.166)	(73.282)
16.2 Provision for Deferred Taxes		4.251	361
XVII. NET INCOME/(LOSS) FROM CONTINUED OPERATIONS (XV±XVI)	(10)	302.863	252.631
XVIII. INCOME FROM DISCONTINUED OPERATIONS	(10)	-	-
18.1 Income from Assets Held For Sale		-	-
18.2 Income from Sale Of Associates, Subsidiaries And Jointly Controlled Entities (Joint Vent.)		-	-
18.3 Income from Other Discontinued Operations		-	-
XIX. LOSS FROM DISCONTINUED OPERATIONS (-)		-	-
19.1 Loss from Assets Held for Sale		-	-
19.2 Loss on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Vent.)		-	-
19.3 Loss from Other Discontinued Operations		-	-
XX. PROFIT/(LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XVIII-XIX)		-	-
XXI. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
21.1 Provision for Current Taxes		-	-
21.2 Provision for Deferred Taxes		-	-
XXII. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)		-	-
XXIII. NET PROFIT/LOSS (XVII+XXII)	(11)	302.863	252.631
23.1 Group's Profit/Loss		302.863	252.631
23.2 Minority shares (-)		-	-
Earnings Per Share (Full TL)		0,337	0,281

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

Statement of Income and Expense Items Accounted Under Shareholders' Equity

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY	THOUSAND TURKISH LIRA	
	CURRENT PERIOD (01/01/2015- 31/12/2015)	PRIOR PERIOD (01/01/2014- 31/12/2014)
I. ADDITIONS TO MARKETABLE SECURITIES VALUATION DIFFERENCES FROM AVAILABLE FOR SALE FINANCIAL ASSETS	876	18.415
II. TANGIBLE ASSETS REVALUATION DIFFERENCES	31.988	73.598
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	4.368	1.305
V. PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR CASH FLOW HEDGE PURPOSES (EFFECTIVE PORTION OF FAIR VALUE DIFFERENCES)	-	-
VI. PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGE OF NET INVESTMENT IN FOREIGN OPERATIONS (EFFECTIVE PORTION OF FAIR VALUE DIFFERENCES)	-	-
VII. THE EFFECT OF CORRECTIONS OF ERRORS AND CHANGES IN ACCOUNTING POLICIES	-	-
VIII. OTHER PROFIT LOSS ITEMS ACCOUNTED UNDER EQUITY IN ACCORDANCE WITH TAS	9.772	(6.958)
IX. DEFERRED TAX ON VALUATION DIFFERENCES	(2.494)	(17.010)
X. TOTAL NET PROFIT/LOSS ACCOUNTED UNDER EQUITY (I+II+...+IX)	44.510	69.350
XI. PROFIT/LOSS	302.863	252.631
11.1 Net change in Fair Value of Marketable Securities (Recycled To Profit/Loss)	-	-
11.2 Part of Derivatives Designated for Cash Flow Hedge Purposes reclassified and presented in Income Statement	-	-
11.3 Part of Hedge of Net Investments in Foreign Operations reclassified and presented in Income Statement	-	-
11.4 Other	302.863	252.631
XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE PERIOD (X±XI)	347.373	321.981

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

Albaraka Türk Katılım Bankası Anonim Şirketi

Statement of Cash Flows

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

STATEMENT OF CASH FLOWS	Notes (Section Five-VI)	THOUSAND TURKISH LIRA	
		CURRENT PERIOD (01/01/2015- 31/12/2015)	PRIOR PERIOD (01/01/2014- 31/12/2014)
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating Profit Before Changes In Operating Assets And Liabilities		848.529	659.665
1.1.1 Profit Share Income Received		1.728.917	1.266.709
1.1.2 Profit Share Expense Paid		(1.013.622)	(783.408)
1.1.3 Dividend Received		10	180
1.1.4 Fees and Commissions Received		187.628	273.494
1.1.5 Other Income		107.179	70.248
1.1.6 Collections from Previously Written Off Loans	(V-I-5,h2)	118.799	43.332
1.1.7 Payments to Personnel and Service Suppliers		(354.129)	(281.884)
1.1.8 Taxes Paid		(104.771)	(90.842)
1.1.9 Others	(V-VI-3)	178.518	161.836
1.2 Changes In Operating Assets And Liabilities		141.093	(987.442)
1.2.1 Net (Increase) Decrease in Available For Sale Financial Assets		(16.672)	(820)
1.2.2 Net (Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss		-	-
1.2.3 Net (Increase) Decrease in Due From Banks and Other Financial Institutions		(698.078)	(742.965)
1.2.4 Net (Increase) Decrease in Loans		(3.105.308)	(4.151.863)
1.2.5 Net (Increase) Decrease in Other Assets		(155.456)	(13.757)
1.2.6 Net Increase (Decrease) in Funds Collected From Banks		103.435	32.263
1.2.7 Net Increase (Decrease) in Other Funds Collected		3.105.520	3.795.726
1.2.8 Net Increase (Decrease) in Funds Borrowed		716.415	5.233
1.2.9 Net Increase (Decrease) in Payables		-	-
1.2.10 Net Increase (Decrease) in Other Liabilities	(V-VI-3)	191.237	88.741
I. Net Cash Flow From Banking Operations		989.622	(327.777)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash flow from investing activities		(381.782)	(409.049)
2.1 Cash Paid for Acquisition of Jointly Controlled Operations, Associates and Subsidiaries		(10.000)	(5.000)
2.2 Cash Obtained from Sale of Jointly Controlled Operations, Associates and Subsidiaries		-	-
2.3 Fixed Assets Purchases		(68.547)	(72.082)
2.4 Fixed Assets Sales		43.773	28.893
2.5 Cash Paid for Purchase of Financial Assets Available for Sale		(611.211)	(376.923)
2.6 Cash Obtained from Sale of Financial Assets Available for Sale		179.188	-
2.7 Cash Paid for Purchase of Investment Securities	(V-I-6)	(391.427)	(350.000)
2.8 Cash Obtained from Sale of Investment Securities	(V-I-6)	476.442	366.063
2.9 Other		-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net Cash Flow From Financing Activities		1.167.349	1.055.298
3.1 Cash Obtained from Funds Borrowed and Securities Issued		6.263.893	5.131.196
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued		(5.062.344)	(4.044.398)
3.3 Issued Capital Instruments		-	-
3.4 Dividends Paid		(34.200)	(31.500)
3.5 Payments for Finance Leases		-	-
3.6 Other		-	-
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents	(V-VI-3)	124.317	58.299
V. Net (Decrease) Increase in Cash and Cash Equivalents		1.899.506	376.771
VI. Cash and Cash Equivalents at the Beginning of the Period	(V-VI-i)	1.908.548	1.531.777
VII. Cash and Cash Equivalents at the End of the Period	(V-VI-ii)	3.808.054	1.908.548

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

Statement of Changes in Shareholders' Equity

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

(THOUSAND TURKISH LIRA)

	Notes (Section Five-V)	Paid-in Capital	Effect of Inflation Accounting on Capital	Share Premium	Share Cancellation Profits	Legal Reserves	Status Reserves
CHANGES IN SHAREHOLDERS' EQUITY							
PRIOR PERIOD (01/01/2014-31/12/2014)							
I. Beginning balance	(V)	900.000	-	-	-	59.602	-
Changes In Period							
II. Increase/Decrease Related to Merger		-	-	-	-	-	-
III. Marketable Securities Valuation Differences		-	-	-	-	-	-
IV. Hedging Funds (Effective Portion)		-	-	-	-	-	-
4.1 Cash-Flow Hedge		-	-	-	-	-	-
4.2 Hedge Of Net Investment in Foreign Operations		-	-	-	-	-	-
V. Tangible Assets Revaluation Differences		-	-	-	-	-	-
VI. Intangible Assets Revaluation Differences		-	-	-	-	-	-
VII. Bonus Shares Obtained from Associates, Subsidiaries and Jointly Controlled Operations		-	-	-	-	-	-
VIII. Foreign Exchange Differences		-	-	-	-	-	-
IX. Changes Related to the Disposal Of Assets		-	-	-	-	-	-
X. Changes Related to the Reclassification of Assets		-	-	-	-	-	-
XI. The Effect of Change in Associate's Equity		-	-	-	-	-	-
XII. Capital Increase		-	-	-	-	-	-
12.1 Cash		-	-	-	-	-	-
12.2 Internal Sources		-	-	-	-	-	-
XIII. Share Issue Premium		-	-	-	-	-	-
XIV. Share Cancellation Profits		-	-	-	-	-	-
XV. Inflation Adjustment to Paid-in Capital		-	-	-	-	-	-
XVI. Other		-	-	-	-	-	-
XVII. Period Net Income/(Loss)		-	-	-	-	-	-
XVIII. Profit Distribution		-	-	-	-	12.142	-
18.1 Dividends Distributed		-	-	-	-	-	-
18.2 Transfers To Reserves		-	-	-	-	12.142	-
18.3 Other		-	-	-	-	-	-
Closing Balance (I+II+III+...+XVI+XVII+XVIII)		900.000	-	-	-	71.744	-

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

Extraordinary Reserves	Other Reserves	Current Period Net Income/ (Loss)	Prior Years Net Income/ (Loss)	Marketable Securities Valuation Reserve	Tangible and Intangible Assets Revaluation Reserve	Bonus Shares from Investments	Hedging Reserves	Accumulated Valuation Differences on Assets Held For Sale and Disc.op.	Total Equity
202.043	810	241.409	1.434	(4.742)	96.712	-	-	-	1.497.268
-	-	-	-	-	-	-	-	-	-
-	-	-	-	14.732	-	-	-	-	14.732
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	58.878	-	-	-	58.878
-	-	-	-	-	-	-	-	-	-
-	1.305	-	-	-	-	-	-	-	1.305
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	(5.088)	-	5.112	-	(2.411)	-	-	-	(2.387)
-	-	252.631	-	-	-	-	-	-	252.631
196.350	-	(241.409)	1.417	-	-	-	-	-	(31.500)
-	-	-	(31.500)	-	-	-	-	-	(31.500)
196.350	-	-	(208.492)	-	-	-	-	-	-
-	-	(241.409)	241.409	-	-	-	-	-	-
398.393	(2.973)	252.631	7.963	9.990	153.179	-	-	-	1.790.927

Statement of Changes in Shareholders' Equity

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

(THOUSAND TURKISH LIRA)

	Notes (Section Five-V)	Paid-in Capital	Effect of Inflation Accounting on Capital	Share Premium	Share Cancellation Profits	Legal Reserves	Status Reserves
CHANGES IN SHAREHOLDERS' EQUITY							
CURRENT PERIOD (01/01/2015-31/12/2015)							
I. Beginning balance	(V)	900.000	-	-	-	71.744	-
Changes In Period							
II. Increase/Decrease Related to Merger		-	-	-	-	-	-
III. Marketable Securities Valuation Differences		-	-	-	-	-	-
IV. Hedging Funds (Effective Portion)		-	-	-	-	-	-
4.1 Cash-Flow Hedge		-	-	-	-	-	-
4.2 Hedge Of Net Investment in Foreign Operations		-	-	-	-	-	-
V. Tangible Assets Revaluation Differences		-	-	-	-	-	-
VI. Intangible Assets Revaluation Differences		-	-	-	-	-	-
VII. Bonus Shares Obtained from Associates, Subsidiaries and Jointly Controlled Operations		-	-	-	-	-	-
VIII. Foreign Exchange Differences		-	-	-	-	-	-
IX. Changes Related to the Disposal Of Assets		-	-	-	-	-	-
X. Changes Related to the Reclassification of Assets		-	-	-	-	-	-
XI. The Effect of Change in Associate's Equity		-	-	-	-	-	-
XII. Capital Increase		-	-	-	-	-	-
12.1 Cash		-	-	-	-	-	-
12.2 Internal Sources		-	-	-	-	-	-
XIII. Share Issue Premium		-	-	-	-	-	-
XIV. Share Cancellation Profits		-	-	-	-	-	-
XV. Inflation Adjustment to Paid-in Capital		-	-	-	-	-	-
XVI. Other		-	-	-	-	-	-
XVII. Period Net Income/(Loss)		-	-	-	-	-	-
XVIII. Profit Distribution		-	-	-	-	13.030	-
18.1 Dividends Distributed		-	-	-	-	-	-
18.2 Transfers To Reserves		-	-	-	-	13.030	-
18.3 Other		-	-	-	-	-	-
Closing Balance (I+II+III+...+XVI+XVII+XVIII)		900.000	-	-	-	84.774	-

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

Extraordinary Reserves	Other Reserves	Current Period Net Income/ (Loss)	Prior Years Net Income/ (Loss)	Marketable Securities Valuation Reserve	Tangible and Intangible Assets Revaluation Reserve	Bonus Shares from Investments	Hedging Reserves	Accumulated Valuation Differences on Assets Held For Sale and Disc.op.	Total Equity
398.393	(2.973)	252.631	7.963	9.990	153.179	-	-	-	1.790.927
-	-	-	-	-	-	-	-	-	-
-	-	-	-	701	-	-	-	-	701
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	29.598	-	-	-	29.598
-	-	-	-	-	-	-	-	-	-
-	4.368	-	-	-	-	-	-	-	4.368
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	(268)	-	3.610	-	6.315	-	-	-	9.657
-	-	302.863	-	-	-	-	-	-	302.863
213.364	-	(252.631)	(7.963)	-	-	-	-	-	(34.200)
-	-	-	(34.200)	-	-	-	-	-	(34.200)
213.364	-	-	(226.394)	-	-	-	-	-	-
-	-	(252.631)	252.631	-	-	-	-	-	-
611.757	1.127	302.863	3.610	10.691	189.092	-	-	-	2.103.914

Albaraka Türk Katılım Bankası Anonim Şirketi
Statement of Profit Appropriation

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

STATEMENT OF PROFIT APPROPRIATION	THOUSAND TURKISH LIRA	
	CURRENT PERIOD ^(*) (31/12/2015)	PRIOR PERIOD (31/12/2014)
I. Distribution of current year income		
1.1. Current year income ^(****)	380.388	333.515
1.2. Taxes and duties payable (-)	73.915	72.921
1.2.1. Corporate tax (Income tax)	78.166	73.282
1.2.2. Income withholding tax		
1.2.3. Other taxes and legal liabilities ^(**)	(4.251)	(361)
A. Net income for the year (1.1-1.2)	306.473	260.594
1.3. Prior year losses (-)	-	-
1.4. First legal reserves (-)	-	13.030
1.5. Other statutory reserves (-)	-	-
B. Distributable net period income [(A- (1.3+1.4+1.5)) ^(*)	-	247.564
1.6. First dividend to shareholders (-)	-	34.200
1.6.1. To owners of ordinary shares	-	34.200
1.6.2. To owners of preferred shares	-	-
1.6.3. To owners of preferred shares (Preemptive rights)	-	-
1.6.4. To Profit sharing bonds	-	-
1.6.5. To owners of the profit/loss sharing certificates	-	-
1.7. Dividend to personnel (-)	-	-
1.8. Dividend to board of directors (-)	-	-
1.9. Second dividend to shareholders (-)	-	-
1.9.1. To owners of ordinary shares	-	-
1.9.2. To owners of preferred shares	-	-
1.9.3. To owners of preferred shares (Preemptive rights)	-	-
1.9.4. To profit sharing bonds	-	-
1.9.5. To owners of the profit/loss sharing Certificates	-	-
1.10. Second legal reserve (-)	-	-
1.11. Status reserves (-)	-	-
1.12. Extraordinary reserves	-	213.364
1.13. Other reserves	-	-
1.14. Special funds	-	-
II. Distribution from reserves		
2.1. Distributed reserves	-	-
2.2. Second legal reserves (-)	-	-
2.3. Share to shareholders (-)	-	-
2.3.1. To owners of ordinary shares	-	-
2.3.2. To owners of preferred shares	-	-
2.3.3. To owners of preferred shares (Preemptive rights)	-	-
2.3.4. To profit sharing bonds	-	-
2.3.5. To owners of the profit/loss sharing certificates	-	-
2.4. Share to personnel (-)	-	-
2.5. Share to board of directors (-)	-	-
III. Earnings per share		
3.1. To owners of ordinary shares ^(***) (Full TL)	0,341	0,290
3.2. To owners of ordinary shares (%)	34,1	29,0
3.3. To owners of preferred shares	-	-
3.4. To owners of preferred shares (%)	-	-
IV. Dividend per share		
4.1. To owners of ordinary shares (Full TL)	-	0,038
4.2. To owners of ordinary shares (%)	-	3,8
4.3. To owners of preferred shares	-	-
4.4. To owners of preferred shares (%)	-	-

^(*) General Assembly of the Bank is the authorized body for the profit appropriation decisions. The Ordinary General Assembly Meeting has not been held as of the date of the preparation of these financial statements

^(**) Deferred tax income is presented in "other taxes and legal liabilities" line. Deferred tax income is not subject to profit distribution, thus it is classified under extraordinary reserves.

^(***) Calculated by using the number of share certificates as of year-end.

^(****) Current year income includes previous year's profit and current year profit.

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

Albaraka Türk Katılım Bankası Anonim Şirketi

Notes Related to Unconsolidated Financial Statements As of December 31, 2015

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

Section three

Accounting policies

I. Explanations on basis of presentation:

a. The preparation of the financial statements and related notes and explanations in accordance with the Turkish Accounting Standards and Regulation on the Principles and Procedures Regarding Banks' Accounting Application and Safeguarding of Documents:

The unconsolidated financial statements are prepared within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Act numbered 5411 published in the Official Gazette numbered 26333 dated 1 November 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA"), and in case where a specific regulation is not prepared by BRSA, "Turkish Accounting Standards" ("TAS") and "Turkish Financial Reporting Standards" ("TFRS") and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority ("POA") (all are referred as BRSA Accounting and Reporting Legislation). The format and content of the publicly announced unconsolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements", published in Official Gazette numbered 28337, dated 28 June 2012, and amendments to this Communiqué. The Bank maintains its books in Turkish Lira in accordance with the Banking Act, Turkish Commercial Code and Turkish Tax Legislation.

The unconsolidated financial statements have been prepared in TL, under the historical cost convention except for the financial assets, liabilities and revalued real estates carried at fair value.

b. Accounting policies and valuation principles applied in the preparation of unconsolidated financial statements:

The accounting policies and valuation principles applied in the preparation of unconsolidated financial statements, are determined and applied in accordance with regulations, communiqués, explanations and circulars on accounting and financial reporting principles published by the BRSA, and in case where there is no special regulation made by the BRSA, in accordance with principles in the context of TAS and TFRS, and are consistent with the accounting policies applied in the annual financial statements of the year ended 31 December 2014. The aforementioned accounting policies and valuation principles are explained in Notes II to XXIV below.

TAS/TFRS changes which are effective from January 1, 2015 do not have a significant effect on the Bank's accounting policies, financial position or performance. As of the date of financial statements, TAS/TFRS changes which are announced but not yet effective do not have a significant effect on the Bank's accounting policies, financial position or performance.

The effects of changes in TAS and TFRS standards, except from TFRS 9 "Financial Instruments" (version 2011) and TAS 27 "Separate Financial Statements", which have been published as of reporting date but has not been implemented yet, will have no significant impact on the accounting policies, financial condition and performance of the Bank. The Bank assesses the impact of TFRS 9 Financial Instruments standard. TFRS 9 will have an effect on the classification and measurement of financial statements. However, as the impact of adoption depends on the assets held by the Bank at the date of adoption itself, potential effect has not been quantified yet. The change in TAS 27 "Separate Financial Statements", which will be effective starting from January 1, 2016, will enable Bank to recognize investments in associates, joint ventures and subsidiaries using equity method in separate financial statements as specified in TAS 28. The Bank will not use the related method in unconsolidated financial statements.

"Communiqué related to Changes in Communiqué on Financial Statements and Related Disclosures and Footnotes to be announced to Public by Banks" published in the Official Gazette dated January 23, 2011 and numbered 27824 has set out the financial statement formats for the banks which selected to early adopt TFRS 9 (In accordance with the Communiqué related to Changes in Communiqué on TFRS 9 "Financial Instruments" published in the Official Gazette dated April 7, 2015 numbered 29319, the effective date of the mentioned Communiqué has been changed as December 31, 2014 which is planned to be applied after 31 December 2017.) "Financial Instruments" before January 1, 2018. Since the Bank has not chosen to early adopt TFRS 9, the accompanying financial statements have been prepared in accordance with the financial statements in the appendix of "Communiqué on Financial Statements and Related Disclosures and Footnotes to be announced to Public by Banks" published in the Official Gazette dated June 28, 2012 and numbered 28337.

Notes Related to Unconsolidated Financial Statements As of December 31, 2015

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

The preparation of the unconsolidated financial statements according to TAS and BRSA Reporting and Accounting Legislation requires the Bank's management to make estimates and assumptions related to assets and liabilities in the balance sheet and contingent issues as of the balance sheet date. Such estimates and assumptions include the fair value calculations of the financial instruments, provisions for the lawsuits, deferred tax assets and liabilities, impairment of the financial assets and revaluation of immovables and reviewed periodically and when adjustments are considered necessary they are reflected in the financial statements. The assumptions and estimates used are explained in the related notes.

c. Restatement of the financial statements according to the current purchasing power of money:

Accompanying financial statements are subjected to TAS 29 "Financial Reporting in Hyperinflationary Economies" until December 31, 2004 and with regard to this the BRSA explained with its decision numbered 1623 and dated April 21, 2005 and its circular dated April 28, 2005 that the conditions for applying inflation accounting was no longer applicable and accordingly inflation accounting has not been applied in the accompanying financial statements starting from January 1, 2005.

II. Explanations on strategy of using financial instruments and foreign currency transactions:

The Bank creates its strategies on financial instruments considering its sources of financing. The main financing sources consist of current and profit sharing accounts. Other than current and profit sharing accounts, the Bank's most important funding sources are its equity and borrowings from foreign financial institutions. The Bank sustains its liquidity to cover matured liabilities by holding adequate level of cash and cash equivalents.

The Bank's transactions in foreign currencies are accounted in accordance with the TAS 21 "Accounting Standard on the Effect of Changes in Foreign Currency Rates", and converted with the exchange rate ruling at the transaction date into Turkish Lira. Foreign currency assets and liabilities have been translated into Turkish Lira at the rate of exchange rates ruling at the balance sheet date announced by the Bank. Gains or losses arising from foreign currency transactions and translation of foreign currency assets and liabilities are reflected in the income statement as foreign exchange gain or loss.

The portion of risk belonging to the profit sharing accounts for foreign currency non-performing loans which were funded from these accounts is evaluated at current foreign exchange rates. The portion of provisions provided for such loans belonging to profit sharing accounts are also evaluated at current foreign exchange rates.

Since the Bank provides full specific provision (except foreign branch) for the Bank's portion of risk of foreign currency non-performing loans and receivables funded from profit sharing accounts and for the risk of foreign currency non-performing loans and receivables funded by equity, such loans and receivables are translated to Turkish Lira at the current exchange rates instead of exchange rates prevailing at the date of transfer of the balances to non-performing portfolio. Such implementation does not have a positive or negative impact on trading income/loss of the Bank.

The foreign currency exchange differences resulting from the translation of debt securities issued and monetary financial assets into Turkish Lira are included in the income statement.

The balance sheet items of the foreign branch of the Bank included in the financial statements are translated into Turkish lira at the exchange rate ruling at the balance sheet date announced by the Bank. Income statement items are translated into Turkish lira by exchange rate ruling at the transaction date and all exchange differences arising from translation are accounted in other capital reserves under equity according to TAS 21.

Precious metals (gold) accounted under assets and liabilities which do not have fixed maturity are translated into Turkish lira by using the buying rate of gold at the balance sheet date announced by the Bank and resulting evaluation differences are reflected as foreign exchange gain or loss.

There are no foreign currency differences capitalized by the Bank.

III. Explanations on forward, option contracts and derivative instruments:

The derivative financial instruments of the Bank consist of forward foreign currency and swap agreements. The Bank records the spot foreign currency transactions in asset purchase and sale commitments.

The Bank's derivative transactions, even though they provide effective economic hedges under the Bank's risk management policy, do not qualify for hedge accounting under the specific rules in "Turkish Accounting Standard for Financial Instruments: Recognition and Measurement ("TAS 39")" and are therefore treated as "financial instruments at fair value through profit or loss" and the related gain or loss is associated with income statement.

Albaraka Türk Katılım Bankası Anonim Şirketi

Notes Related to Unconsolidated Financial Statements As of December 31, 2015

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

The liabilities and receivables arising from the derivative transactions are recorded as off-balance sheet items at their contract values. The derivative transactions are initially recognized at fair value and presented in the financial statements at fair values recalculated in the subsequent reporting periods.

IV. Explanations on profit share income and expenses:

Profit share income

Profit share income is accounted in accordance with "Turkish Accounting Standard for Financial Instruments: Recognition and Measurement ("TAS 39")" by using internal rate of return method that equalizes the future cash flows of the financial instrument to the net present value. Profit share income is recognized on accrual basis.

Revenues regarding the profit and loss sharing investment projects are recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer, the Bank retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, the amount of revenue can be measured reliably, inflow of economic benefits associated with the transaction is probable and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

In accordance with the "Communiqué of Principles and Procedures for the Determination of the Quality of Loans and Other Receivables and Reserves to be provided for these Loans" dated November 1, 2006 and numbered 26333, the profit share accruals of non-performing loans and other receivables are reversed and are recorded as profit share income when collected.

Profit share expense

The Bank records profit share expenses on accrual basis. The profit share expense accrual calculated in accordance with the unit value method on profit sharing accounts has been included under the account 'Funds Collected' in the balance sheet.

V. Explanations on fees, commission income and expenses:

Other than commission income and fees and expenses for various banking services that are reflected as income/expense when collected/paid, fees and commission income and expenses are reflected to income statement depending on the term of the related transaction.

In accordance with provisions of TAS, the portion of the commission and fees which are related to the reporting period and collected in advance for cash and non-cash loans granted is reflected to the income statement by using the internal rate of return method and straight line methods, respectively over the commission period of the related loan, respectively. Fees and commissions collected in advance which are related to the future periods are recorded under the account 'Unearned Revenues' and included in 'Miscellaneous Payables' in the balance sheet. The commission received from cash loans corresponding to the current period is presented in "Profit Share from Loans" in the income statement.

In the correspondence of BRSA dated June 8, 2012 and numbered B.02.1.BDK.0.13.00.0-91.11-12061, it has been stated that there is no objection to recording the commissions received from long term non-cash loans collected in quarterly periods or periods less than a quarter directly as income. Consequently, the Bank records the related cash and non-cash loans commissions directly as income.

VI. Explanations on financial assets:

The Bank categorizes and records its financial assets as 'Financial Assets at Fair Value through Profit and Loss', 'Financial Assets Available for Sale', 'Loans and Receivables' or 'Financial Assets Held to Maturity'. Sale and purchase transactions of the financial assets mentioned above are recognized at the settlement dates. The appropriate classification of financial assets of the Bank is determined at the time of purchase by the Bank management taking into consideration the purpose of the investment.

Financial assets at fair value through profit or loss:

Financial assets at fair value through profit or loss has two sub categories: "Trading financial assets" and "Financial assets at fair value through profit and loss".

Trading financial assets are financial assets which are either acquired for generating profit from short-term fluctuations in prices or dealers' margin, or are financial assets included in a portfolio in which a pattern of short-term profit making exists.

Financial assets classified in this group are initially recognized at cost which reflects their fair values and are subsequently measured at fair value in the financial statements. All gains and losses arising from these valuations are reflected in the income statement.

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The Bank has classified share certificates in its portfolio as trading financial assets and presented them at fair value in the accompanying financial statements.

As of December 31, 2015, the Bank has no financial assets classified as financial assets at fair value through profit or loss except for trading financial assets. (December 31, 2014: None)

Financial assets available for sale:

Financial assets available for sale are initially recognized at cost; which reflects their fair values; including the transaction costs. After the initial recognition, available for sale securities are measured at fair value and the unrealized gains or losses resulting from the difference between the amortized cost and the fair value is recorded in "Marketable Securities Valuation Reserve" under equity. In case of a disposal of available for sale financial assets, value increases/decreases which have been recorded in the marketable securities valuation reserve under the equity is transferred to income statement. Financial assets classified as available for sale financial assets which do not have a quoted market price in an active market and whose fair values cannot be reliably measured are carried at cost, less impairment, if any.

Loans and receivables:

Loans and receivables are non-derivative financial assets whose payments are fixed or can be determined, are not traded in an active market and are not classified as trading assets, financial assets at fair value through profit or loss and financial assets available for sale.

Loans and receivables are carried initially at cost including the transaction costs which reflects their fair value; and subsequently recognized at the amortized cost value using the internal rate of return method in accordance with TAS 39 "Financial Assets: Recognition and Measurement". Fees, transaction costs and other similar costs in connection with the collaterals of loans and receivables are paid by the customers and accordingly not included in expense items in the income statement.

Cash loans are accounted in related accounts as specified by the Communiqué "Uniform Chart of Accounts and Explanations to be implemented by Participation Banks" dated January 26, 2007 and numbered 26415.

Financial assets held to maturity:

Held to maturity financial assets are financial assets that are not classified under 'Loans and receivables' with fixed maturities and fixed or determinable payments where management has the intent and ability to hold until maturity. Held to maturity financial assets are initially recognized at cost including the transaction costs which reflects their fair value, and subsequently carried at amortized cost using the internal rate of return method. Profit share income from held to maturity financial assets is reflected in the income statement.

VII. Explanations on impairment of financial assets:

At each balance sheet date, the Bank evaluates the carrying amounts of its financial assets or a group of financial assets to determine whether there is an objective indication that those assets have suffered an impairment loss. If any such indication exists, the Bank determines the related amount of impairment.

A financial asset or a group of financial assets incurs impairment loss only if there is an objective evidence related to the occurrence of one or more than one event (loss events) subsequent to initial recognition of that asset or group of assets; and such loss event (or events) causes an impairment loss as a result of the effect on the reliable estimate of the expected future cash flows of the related financial asset and asset group. Any amount attributable to expected losses arising from any future events is not recognized under any circumstances.

If there is objective evidence that the loans granted might not be collected, general and specific provisions for such loans are expensed as 'Provision for Loan Losses and Other Receivables' in accordance with the Communiqué of "Principles and Procedures for the Determination of the Quality of Loans and Other Receivables and Reserves to be provided for these Loans". Subsequent recoveries of amounts previously written off or provisions provided in prior periods are included in "Other Operating Income" in the income statement. The profit sharing accounts' portion of general and specific provisions for loans and other receivables originated from profit sharing accounts is reflected to the profit sharing accounts.

If there is objective evidence indicating that the value of financial assets held to maturity is impaired, the amount of the loss is measured as the difference between the present value which is calculated by discounting the projected cash flows in the future with the original profit share rate and the net book value; provision is provided for impairment and the provision is associated with the expense accounts.

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If there is objective evidence indicating that the fair value of a financial asset available for sale, for which decreases in the fair value has been accounted in the equity, has been impaired then the total loss which was accounted directly under the equity is deducted from equity and transferred to the income statement.

If there is objective evidence indicating that an unquoted equity instrument which is not carried at fair value because its fair value cannot be reliably measured is impaired, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses cannot be reversed.

VIII. Explanations on offsetting of financial instruments:

Financial instruments are offset when the Bank has a legally enforceable right to net off the recognized amounts, and there is an intention to settle on net basis or realize the asset and settle the liability simultaneously. The sukuk investments issued by the Bank which are repurchased has been offset in available for sale and subordinated loan accounts.

IX. Explanations on sale and repurchase agreements and lending of securities:

Securities subject to repurchase agreement are classified as "at fair value through profit or loss", "available-for-sale" and "held-to-maturity" according to the investment purposes of the Bank and measured according to the portfolio to which they belong. Funds obtained from the related agreements are accounted under "Borrowings from Money Markets" in liabilities and the difference between the sale and repurchase price is accrued over the life of the agreements using the internal rate of return method. Profit share expense on such transactions is recorded under "Profit Share Expense on Money Market Borrowings" in the income statement.

The Bank has no securities lending transactions.

X. Explanations on assets held for sale and discontinued operations and liabilities related to these assets:

Assets held for sale (or disposal group) are measured at the lower of the carrying amount of assets and fair value less any cost to be incurred for disposal. In order to classify an asset as held for sale, the possibility of sale should be highly probable and the asset (or disposal group) should be available for immediate sale in its present condition. Highly saleable condition requires a plan designed by an appropriate level of management regarding the sale of the asset to be disposed of together with an active program for the determination of buyers as well as for the completion of the plan. Also the asset shall be actively marketed in conformity with its fair value. In addition, the sale is expected to be recognized as a completed sale within one year after the classification date and the necessary transactions and procedures to complete the plan should demonstrate the fact that there is remote possibility of making any significant changes in the plan or cancellation of the plan.

The Bank has assets that are possessed due to receivables and debtors' obligations to the Bank and classified as assets held for sale. In the case that the Bank has not disposed of such assets within a year of receipt or failed to produce a solid plan for sale of the assets, they are reclassified as fixed assets and are amortized. The Bank transfers such assets from assets held for sale and discounted operations to tangible assets.

A discontinued operation is a part of the Bank's business which has been disposed of or classified as held-for-sale. The operating results of the discontinued operations are disclosed separately in the income statement. The Bank has no discontinued operations.

XI. Explanations on goodwill and other intangible assets:

Goodwill and other intangible assets are recorded at cost in accordance with TAS 38 "Turkish Accounting Standards for Intangible Assets". As of the balance sheet date, there is no goodwill in the financial statements of the Bank. The Bank's intangible assets consist of softwares and intangible rights. The Bank has started to use the new core banking system on June 19, 2015 after waiving the prior core banking system and useful live of the new banking system has been determined as 3 years.

The costs of the intangible assets purchased before December 31, 2004 have been restated from the purchasing dates to December 31, 2004, the date the hyperinflationary period is considered to be ended. Intangible assets purchased after this date have been recorded at their historical costs. Intangible assets are amortised by the Bank over their estimated economic useful lives in equal amounts on a straight-line basis. Useful lives of the Bank's software have been determined as 3 to 4 years and other intangible assets' useful lives have been determined as 15 years.

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

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XII. Explanations on tangible assets:

The cost of the tangible assets purchased before December 31, 2004 have been restated by inflationary index from the purchasing dates to December 31, 2004, the date the hyperinflationary period is considered to be ended. The tangible assets purchased after this date are recorded at their historical costs. Tangible assets are recorded at cost less accumulated depreciation and provision for impairment, if any in compliance with the TAS 16 "Turkish Accounting Standards for Tangible Assets" in the financial statements.

As of March 31, 2009, the Bank has made a change in accounting policy and adopted revaluation model for immovables in accordance TAS 16 and reflected the results of appraisal reports prepared by an authorized real estate appraisal firm to the financial statements. As of December 31, 2015, the Bank has revalued its immovables and reflected the results of appraisal reports prepared by an independent real estate appraiser firm using comparison of similar items method to the financial statements. The revaluation fund mentioned cannot be distributed as dividend to shareholders. Current period depreciation charge relating to the revaluation has been transferred to retained earnings from revaluation fund reserve in accordance with TAS 16.

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

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

Depreciation is calculated on a straight-line basis. Depreciation rates used are determined by considering the estimated economic useful life of the assets. The annual rates used are as follows:

	%
Buildings	2
Motor vehicles	20 - 25
Furniture, fixture and office equipment	4 - 33
Safe-deposit boxes	2 - 20
Operational lease improvement costs (Leasehold improvements)	Leasing period - 5 years

The depreciation of an asset held for a period less than a full financial year is calculated as a proportion of the full year depreciation charge from the date of acquisition to the financial year end. Leasehold improvements are depreciated over their estimated economic useful lives in equal amounts. The estimated economic useful lives cannot exceed the leasing period. In cases where the leasing period is not certain, the useful life is determined as five years. After January 1, 2010 in cases where leasing period is more than five years, the useful life is determined as five years.

If there is an indication for impairment, the Bank estimates the recoverable amount of the tangible asset in accordance with TAS 36 "Turkish Accounting Standard for Impairment of Assets" and if the recoverable amount is less than its carrying value, provides for an impairment loss.

Fixed assets which are carried at fair value in the financial statements are revalued by independent CMB licensed firms in accordance with TFRS 13.

Gain or loss resulting from disposals of the tangible assets is calculated as the difference between the net proceeds from the sale and the net book value of the related asset.

The repair and maintenance costs of the tangible assets are capitalized, if the expenditure increases the economic life of the asset. Other repair and maintenance costs are expensed.

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XIII. Explanations on leasing transactions:

Transactions as a lessee

Leases where the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee are classified as finance leases and other leases are classified as operational leases.

Assets acquired under finance lease contracts are recorded both as an asset and a liability at the beginning date of the lease. The basis for the determination of the balances recorded in the balance sheet as asset and liability is the lower of fair value of the leased asset at the inception of the lease and the present value of the lease payments. Finance charges arising from lease contracts are expensed in the related periods taking into consideration the internal rate of return over the period of the lease.

Assets acquired under finance lease contracts are depreciated over their useful lives and impairment provision is provided in case a decrease in recoverable amount has been determined.

The prepaid lease payments made under operational leases are charged to income statement on a straight line basis over the period of the lease.

Transactions as a lessor

The Bank, as a participation bank, acts as a lessor in finance leasing transactions. The Bank presents finance leased assets as a receivable equal to the net investment in the lease. Finance income is based on a pattern reflecting a constant periodic rate of return on the net investment outstanding.

XIV. Explanations on provisions and contingent liabilities:

Provisions and contingent liabilities, excluding the general and specific provisions for impairment on loans and other receivables, are accounted in accordance with TAS 37: "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets".

Provisions are recognized when the Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence in accordance with the cut-off principle.

A liability is recognized as a contingent liability where a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of more than one events not wholly within the control of the Bank; or a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability and disclosed in the footnotes.

XV. Explanations on liabilities regarding employee rights:

i) Defined benefit plans:

Provision for employee severance benefits has been accounted for in accordance with TAS 19 "Employee Benefits".

In accordance with the existing social legislation in Turkey, the Bank is required to make lump-sum termination indemnities including retirement and notice payments to each employee whose employment is terminated due to resignation or for reasons other than misconduct. The retirement pay is calculated for every working year within the Bank over salary for 30 days or the official ceiling amount per year of employment and the notice pay is calculated for the relevant notice period time as determined based on the number of years worked for the Bank.

The Bank has reflected the retirement pay liability amount, which was calculated by an independent actuary, in the accompanying financial statements. According to TAS 19, The Bank recognizes all actuarial gains and losses immediately through other comprehensive income.

Provision for the employees' unused vacations has been booked in accordance with TAS 19 and reflected to the financial statements.

There are no foundations, pension funds or similar associations of which the employees are members

As of December 31, 2015, actuarial loss amounts to TL 6.896. (December 31, 2014: TL 6.538 actuarial loss).

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ii) *Defined contribution plans:*

The Bank pays defined contribution plans to publicly administered Social Security Funds for its employees. The Bank has no further payment obligations other than this contribution share. The contributions are recognized as personnel expenses when they accrue.

iii) *Short term benefits to employees:*

In accordance with TAS 19, Bank measures the expected costs of the cumulative annual leaves as additional amounts anticipate to pay accumulated and unused rights as of reporting period.

XVI. Explanations on taxation:

Current tax:

The Bank is subject to tax laws and legislation effective in Turkey.

In accordance with the Corporate Tax Law numbered 5520 published in the Official Gazette numbered 26205 dated June 21, 2006, the corporation tax rate effective from January 1, 2006 is 20%.

Dividends paid to the resident institutions are not subject to withholding tax. Withholding tax rate on the dividend payments other than these is 15%. Appropriation of the retained earnings to capital is not considered as profit distribution and accordingly is not subject to withholding tax.

The prepaid taxes are calculated based on quarterly profits of the Bank using the corporate rate of 20% which must be announced by the 14th day and paid by the 17th day of the second month following the taxed period. The prepaid taxes can be deducted from the annual corporate tax calculated on the annual corporate income. The remaining prepaid tax, if any after deduction, can be refunded in cash or deducted from other financial liabilities to the government.

75% of the profits generated from the sale of properties and share certificates of which the Bank held possession for two years or more, are exempt from corporate tax if added to the capital or accounted under shareholders' equity as a special fund for 5 years according to the Corporate Tax Law.

Income generated by the transfer of properties, share certificates of subsidiaries, founders' shares, preferred shares and preemptive rights owned by corporations under legal follow-up together with their guarantors and mortgagers, which are transferred to banks due to their debts and used for winding up the debts is exempt from corporation tax. Additionally, 75% of the profit generated by sales of above mentioned instruments is also exempt from corporation tax.

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 accordance with the last paragraph of the first article of the law dated February 11, 1986 and numbered 3259 "Law related to granting tax exemption to Islamic Development Bank" dividends paid to Islamic Development Bank is exempt from corporate tax. Therefore, dividend distributed to Islamic Development Bank as a shareholder of the Bank is exempt from corporate tax and income tax withholding.

In Turkey, there is no procedure for a final and definite agreement on tax assessments. Companies file their tax returns to 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 reassessments based on their findings and carry out sectorial investigations.

Considering the participation accounts' part in general loan loss provision as expense for tax calculation, Finance Ministry initiated a sector-specific review. The relevant documents and calculations have been requested from the Bank. As of report date, there is no information or written report transmitted to the Bank.

Deferred tax:

The Bank calculates and accounts for deferred income taxes for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with TAS 12 "Turkish Accounting Standard for Income Taxes". Deferred tax asset is calculated on all temporary differences other than general loan loss provisions to the extent that is probable that taxable profit will be available and deferred tax liability is calculated for all temporary differences. Deferred tax asset and liabilities are shown in the accompanying financial statements on a net basis.

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Deferred tax liabilities are calculated for all of the temporary differences whereas deferred tax assets resulting from temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deferred tax assets can be utilized.

Transfer pricing:

Transfer pricing is regulated through article 13 of Corporate Tax Law titled "Disguised Profit Distribution by way of Transfer Pricing". Detailed information for the practice regarding the subject is found in the "General Communiqué on Disguised Profit Distribution by way of Transfer Pricing".

According to the related regulation, in the case of making purchase or sales of goods or services with related persons/corporations at a price that is determined against "arm's length principle", the gain is considered to be distributed implicitly through transfer pricing and such distribution of gains is not deductible in calculation of corporate tax.

XVII. Additional explanations on borrowings:

The Bank records borrowings in accordance with TAS 39 'Financial Instruments: Recognition and Measurement'. Borrowings, except for funds collected, are recognized at amortized cost using the effective internal rate of return method in the following periods after the initial recognition.

There are no debt securities issued by the Bank. The Bank has issued borrowings through its subsidiary Bereket Varlık Kiralama A.Ş. and its structured entities ABT Sukuk Limited and Albaraka Sukuk Limited.

The Bank has subordinated loan borrowed through sukuk issuance which has convertible nature to the shares.

XVIII. Explanations on issued share certificates:

None.

XIX. Explanations on acceptances and availed drafts:

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

XX. Explanations on government grants:

As of the balance sheet date, there are no government grants received by the Bank.

XXI. Explanations on segment reporting:

Business segment is a component of the Bank that engages in business activities from which the Bank may earn revenues and incur expenses, whose operating results are regularly reviewed by the Bank's chief operating decision makers to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial available.

Segment reporting is disclosed in Section Four, Note XIV.

XXII. Explanations on Classifications:

In order to provide comparability with the financial statements dated December 31, 2015, some classifications are made in statement of cash flows dated December 31, 2014.

XXIII. Explanations on other matters:

None.

XXIV. Additional paragraph for convenience translation:

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

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Section four

Information on financial structure and risk management

I. Explanations on capital adequacy standard ratio:

Capital adequacy ratio calculations are made in accordance with "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" (Regulation) published in the Official Gazette numbered 28337 dated June 28, 2012 starting from July 1, 2012.

As of December 31, 2015, the Bank's unconsolidated capital adequacy ratio calculated in accordance with the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" is 15,27% (December 31, 2014: 14,15%).

a) Risk measurement methods used in the calculation of capital adequacy standard ratio:

Capital adequacy ratio is calculated within the scope of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks", published in the Official Gazette numbered 28337 dated June 28, 2012, "Regulation on Credit Risk Mitigation Techniques" published in the Official Gazette numbered 29111 dated September 6, 2014 and the "Regulation on the Equity of Banks" published in the Official Gazette numbered 28756 dated September 5, 2013.

In the calculation of capital adequacy ratio the Bank applies standard method for market risk, basic indicator method for operational risk and standard method for credit risk.

In the calculation of capital adequacy ratio, the data composed from accounting records prepared in compliance with the current legislation are used. Such accounting data is included in the calculation of credit and market risks subsequent to their designation as "trading book" and "banking book" according to the Regulation.

The items classified as trading book and the items deducted from the equity are not included in the calculation of credit risk. 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.

In the calculation of the value at credit risk for the non-cash loans and commitments and the receivables from counterparties in such transactions are weighted after netting with specific provisions and calculated based on the "Regulation on Identification of and Provision against Non-Performing Loans and Other Receivables". The net amounts are then multiplied by the rates stated in the Article 5 of the Regulation, 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 and weighted as per Appendix-1 of the Regulation.

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b) Information on capital adequacy standard ratio:

	Bank									
	0%	10%	20%	50%	75%	100%	150%	200%	250%	
Value at Credit Risk	5.691.248	-	3.102.140	4.780.174	3.362.048	13.222.520	131.004	93.528	-	-
Risk Categories										
Receivables from central governments or central banks	4.956.070	-	-	149.375	-	543	-	-	-	-
Receivables from regional or local Governments	-	-	13.316	-	-	-	-	-	-	-
Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	1.481	-	-	-	-
Receivables from multilateral development banks	62	-	-	-	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-	-	-	-	-
Receivables from banks and brokerage houses	-	-	2.188.942	222.727	-	223.489	-	-	-	-
Receivables from corporates	186.821	-	448.051	60.196	-	12.225.469	-	-	-	-
Retail receivables	100.316	-	36.653	5.483	3.362.048	-	-	-	-	-
Receivables secured by mortgages on property	-	-	-	4.342.393	-	5.696	-	-	-	-
Past due receivables	-	-	-	-	-	51.199	98.913	-	-	-
Receivables defined in high risk category by BRSA	2.266	-	884	-	-	14	32.091	93.528	-	-
Securities collateralized by mortgages	-	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-
Other receivables	445.713	-	414.294	-	-	714.629	-	-	-	-

c) Summary information related to capital adequacy standard ratio:

	Current Period	Prior Period (*)
Capital Requirement for Credit Risk (Value at Credit Risk*0.08) (CRCR)	1.531.051	1.167.538
Capital Requirement for Market Risk (MRCR)	8.235	13.258
Capital Requirement for Operational Risk (ORCR)	114.795	95.440
Shareholders' Equity	3.157.310	2.256.680
Shareholders' Equity/((CRCR+MRCR+ORCR)*12,5*100)	15,27%	14,15%
Core Capital/((CRCR+MRCR+ORCR) *12,5)*100	9,80%	10,80%
Tier I Capital/((CRCR+MRCR+ORCR) *12,5)*100	9,92%	10,92%

(*) Equity calculation has changed as per the "Regulation on Equities of Banks" applicable as of January 1, 2015, figures belonging to prior period are calculated as per former regulation.

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ç) Details of shareholders' equity accounts:

Current period equity amount is calculated as per "Regulation on Equities of Banks" applicable as of January 1, 2015 published in Official gazette dated September 5, 2013 numbered 28756.

	December 31, 2015
Tier I capital	
Paid-in Capital to be Entitled for Compensation after All Creditors	900.000
Share Premium	-
Share Cancellation Profits	-
Reserves	696.531
Other Comprehensive Income according to TAS	206.427
Profit	306.473
Current Period Profit	302.863
Prior Period Profit	3.610
General Reserves for Possible Losses	88
Bonus Shares from Associates, Subsidiaries and Joint-Ventures not Accounted in Current Period's Profit	-
Tier I capital before deductions	2.109.519
Deductions from tier I capital	
Current and Prior Periods' Losses not Covered by Reserves, and Losses Accounted under Equity according to TAS (-)	5.517
Leasehold Improvements on Operational Leases (-)	36.383
Goodwill and Other Intangible Assets and Related Deferred Taxes (-)	16.742
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 Unconsolidated 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 Unconsolidated 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 Unconsolidated 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	58.642
Total tier I capital	2.050.877
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)	-
Additional core capital before deductions	-
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 Unconsolidated 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 Tier I Capital of Unconsolidated 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	-

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Deductions from core capital

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 (-)	25.113
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 (-)	-
Total core capital	2.025.764

Tier II capital

Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Issued or Obtained after 1.1.2014)	642.166
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Issued or Obtained before 1.1.2014)	420.300
Pledged Assets of the Shareholders to be used for the Bank's Capital Increases	
General Provisions	74.819
Tier II capital before deductions	1.137.285

Deductions from tier ii capital

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 Unconsolidated 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 Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of Tier I Capital (-)	-
Other items to be Defined by the BRSA (-)	-
Total deductions from tier II capital	-

Total tier II capital

1.137.285

Capital

3.163.049

Loans Granted against the Articles 50 and 51 of the Banking Law (-)	-
Net Book Values of Movables and Immovables 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 (-)	2.459
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 (-)	3.280
The Portion of Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of 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 Unconsolidated 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 Unconsolidated 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) and Temporary Article 2, Clause 1 of the Regulation (-)	-

Equity

3.157.310

Amounts lower than excesses as per deduction rules

Remaining Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital	-
Remaining Total of Net Long Positions of the Investments in Tier I Capital of Unconsolidated 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	18.922

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	December 31, 2014
Tier I capital	
Paid-in Capital to be Entitled for Compensation after All Creditors	900.000
Share Premium	-
Share Cancellation Profits	-
Reserves	470.137
Other Comprehensive Income according to TAS	165.427
Profit	260.594
Current Period Profit	252.631
Prior Period Profit	7.963
General Reserves for Possible Losses	88
Bonus Shares from Associates, Subsidiaries and Joint-Ventures not Accounted in Current Period's Profit	-
Tier I capital before deductions	1.796.246
Deductions from tier I capital	
Current and Prior Periods' Losses not Covered by Reserves, and Losses Accounted under Equity according to TAS (-)	5.231
Leasehold Improvements on Operational Leases (-)	43.470
Goodwill and Other Intangible Assets and Related Deferred Taxes (-)	5.081
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 Unconsolidated 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 Unconsolidated 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 Unconsolidated 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	53.782
Total tier I capital	1.742.464
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)	-
Additional core capital before deductions	-
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 Unconsolidated 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 Tier I Capital of Unconsolidated 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	-

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Deductions from core capital

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 (-) 20.323

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 (-) -

Total core capital 1.722.141

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) 467.000

Pledged Assets of the Shareholders to be used for the Bank's Capital Increases -

General Provisions 70.947

Tier II capital before deductions 537.947

Deductions from tier ii capital

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 Unconsolidated 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 Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of Tier I Capital (-) -

Other items to be Defined by the BRSA (-) -

Total deductions from tier II capital -

Total tier II capital 537.947

Capital 2.260.088

Loans Granted against the Articles 50 and 51 of the Banking Law (-) -

Net Book Values of Movables and Immovables 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 (-) 1.408

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 (-) 2.000

The Portion of Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of 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 Unconsolidated 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 Unconsolidated 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) and Temporary Article 2, Clause 1 of the Regulation (-) -

Equity 2.256.680

Amounts lower than excesses as per deduction rules

Remaining Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital -

Remaining Total of Net Long Positions of the Investments in Tier I Capital of Unconsolidated 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 7.375

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d) Approaches for assessment of adequacy of internal capital requirements for current and future activities:

Charter on Internal Capital Adequacy Policy was prepared in order to define internal capital adequacy evaluation process and capital adequacy policy by the Bank and was approved by the Board of Directors on October 17, 2012. The ultimate aim of such internal capital adequacy policy is to maintain capital adequacy by defining the basic principles that regulate management and implementation of internal capital adequacy, apart from exceptional circumstances.

The Bank within the framework of BRSA regulations and also considering the best practices ensures the management of internal capital adequacy, pursuant to the volume, qualification and complexity of its operations. The methodology for evaluation of internal capital adequacy is considered an ongoing process and the related future studies are planned in this way.

e) Details on Subordinated Liabilities

Issuer	ABT Sukuk Ltd.	Albaraka Sukuk Ltd.
Unique Identifier	XS0927211754	XS1301525207
Governing Law (s) of the Instrument	English Law	English Law
Special Consideration in the Calculation of Equity		
As of January 1, 2015 consideration to be subject to a 10% reduction application status	Yes	No
Eligible at Unconsolidated/Consolidated	Unconsolidated/ Consolidated	Unconsolidated/ Consolidated
Instrument Type	Sukuk Murabaha	Sukuk Wakala
Amount recognized in regulatory capital (as of most recent reporting date)	TL 420.300	TL 642.166
Par Value of Instrument	576.000 TL	650.880 TL
Accounting Classification	Subordinated Loan	Subordinated Loan
Original date of Issuance	May 7 2013	November 30 2015
Perpetual or dated	Dated	Dated
Maturity date	May 7 2023	November 30 2025
Issuer call subject to prior supervisory (BRSA) approval	Yes	Yes
Optional call date, contingent call dates and redemption amount	Last Payment Date : 07.05.2018	Last Payment Date : 30.11.2020
	Total Repayment	Total Repayment
	Amount of Profit Share : USD.77.500.000,-	Amount of Profit Share : USD.131.250.000,-
	Repayment Period: 6 months	Repayment Period: 6 months
	Principal Payment: USD 200.000.000	Principal Payment: USD 250.000.000
Subsequent call dates	-	-
Profit Share/Dividends		
Fixed or floating profit share/dividend	Fixed	Fixed
Profit share rate and any related index	7,75%	10,50%
Existence of a dividend stopper	-	As per BRSA regulations and Communiqués it is payable
Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	-	-
Noncumulative or cumulative	Noncumulative	Noncumulative
Convertible or Non-convertible		
If convertible, conversion trigger	-	As per BRSA regulations and Communiqués it is convertible
If convertible, fully or partially	-	As per BRSA'a approval it is convertible fully or partially
If convertible, conversion rate	-	As per BRSA'a approval it is convertible and the rate may be determined.
If convertible, mandatory or optional conversion	-	Subject to BRSA's approval.
If convertible, specify instrument type convertible into	-	Share certificate
If convertible, specify issuer of instrument it converts into	-	-
Write-down feature		
If write-down, write-down trigger (s)	-	-
If write-down, full or partial	-	-
If write down, permanent or temporary	-	-
If temporary write-down, description of write-up mechanism	-	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	After all creditors and participation fund owners	After all creditors and participation fund owners
In compliance with article number 7 and 8 of "Own fund regulation"	Yes	No
Details of incompliances with article number 7 and 8 of "Own fund regulation"	8,2,ğ	No

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II. Explanations on credit risk:

1) Credit risk represents the Bank's risk or losses arising from corporate and individual loan customers who have cash or non-cash credit relations with the Bank not fulfilling the terms of their agreements partially or in full. Limit assignment authority primarily belongs to the Board of Directors and based on the authority given by the Board of Directors, the risk limits of the Bank are determined by Head-office Loan Committee, Loan Committee and Board of Directors. Head-office Loan Committee may exercise such authority partially through units of the Bank or branches. Proposal for loans are presented in a written format to the Loan Committee and Board of Directors and are signed by the members of Loan Proposal Committee.

Regarding the credit risk, debtors or group of debtors is subject to risk limitations. Credit limits are determined separately for each individual customer, company, group of companies, and risk groups. While determining credit risk several criteria such as the customers' financial strength, commercial capacities, sectors, geographical areas and capital structure are evaluated collectively.

In accordance with the decision taken by the Board of Directors of the Bank, the Bank cannot grant loans above 15% of its equity to a real person or legal entity. (Exception to this decision is subject to the decision of the Board of Directors.) Distributing the risk in a balanced manner to the sectors is observed, therefore in their marketing operations the branches strive for reaching various firms existing in different sectors. As a principle, each branch oversee the balanced distribution of the total risk to the sectors and progress of the firms existing in critical sectors.

The credibility of the debtors of loans and other receivables are monitored periodically in accordance with related legislation. The financial documents for loans are obtained, audited and updated as necessary as stipulated in the related legislation. Credit limits of customers are renewed periodically according to the Bank's credit limit renewal procedure. The Bank obtains necessary collaterals for loans and other receivables by analyzing the creditworthiness of corporate and individual loans according to its credit policy. Main collaterals obtained for credit risk are mortgage on real estate, cash blockage, pledges on vehicle and machinery.

Limits defined by the Board of Directors and Loan Committee for each bank are followed-up by Treasury Management on a daily basis for the transactions related with placements or treasury operations like foreign currency purchase and sales with domestic and foreign correspondent banks.

Loans which are past due up to 90 days as of period ends but not impaired are defined as "Past Due Receivables". "General provision" is set aside for these loans in accordance with the Communiqué of "Principles and Procedures for the Determination of the Quality of Loans and Other Receivables and Reserves to be provided for these Loans".

Loans which are past due for more than 90 days as of period ends or assessed as impaired based on risk assessment made are defined as "Impaired Loans". "Specific provision" is set aside for these in accordance with the Communiqué of "Principles and Procedures for the Determination of the Quality of Loans and Other Receivables and Reserves to be provided for these Loans".

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The amount of exposures after offsetting transactions but before applying credit risk mitigations and the average exposure amounts that are classified in different risk groups and types, are disclosed below for the relevant period:

Risk Categories	Current Period Risk Amount	Average Risk Amount
Receivables from central governments or central banks	5.105.988	4.872.394
Receivables from regional or local governments	13.316	50.498
Receivables from administrative units and non-commercial enterprises	1.481	712
Receivables from multilateral development banks	62	62
Receivables from international organizations	-	-
Receivables from banks and brokerage houses	2.635.158	2.150.225
Receivables from corporates	12.920.537	10.830.531
Retail receivables	3.504.500	3.177.664
Receivables secured by mortgages on property	4.348.089	5.984.167
Past due receivables	150.112	81.951
Receivables defined in high risk category by BRSA	128.783	82.944
Securities collateralized by mortgages	-	-
Securitization positions	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-
Investments similar to collective investment funds	-	-
Other receivables	1.574.636	1.038.090
Total	30.382.662	28.269.238

(2) The credit risk undertaken for forwards, options and similar agreements is managed together with the risks arising from market movements.

The risks of forwards, options and similar agreements are followed regularly and the Bank utilizes risk mitigation methods if needed.

(3) Indemnified non-cash loans are subject to the same risk weight as overdue loans. Rescheduled or restructured loans are followed in accordance with the principles of credit risk management and follow-up principle of the Bank. Financial position and commercial operations of those customers are analyzed continuously and the principal and profit payments based on the restructured payment plan are monitored by the related departments.

The Bank considers that long-term commitments are exposed to more credit risk than short-term commitments, and matters such as defining risk limits and obtaining collateral for long-term risks are addressed more extensively as compared to short-term risks.

(4) The Bank has credit lines in different countries within the scope of its banking activity and due inquires (economic, cyclical, etc.) are carried out during the allocation and revision of such credit lines.

For the banks where correspondent activity and international commodity transactions are intended to be carried out, credit limits are allocated by the related credit committees taking into account the size of the correspondent bank and the size of Bank itself and concentration of risk is avoided. The Bank does not carry any serious risk in this respect.

5) Share of cash receivables of the Bank from its top 100 and top 200 cash loan customers in total cash loans is 38% (December 31, 2014: 38%) and 46% (December 31, 2014: 47%) respectively.

Share of non-cash receivables of the Bank from its top 100 and top 200 non-cash loan customers in total non-cash loans is 45% (December 31, 2014: 47%) and 56% (December 31, 2014: 59%) respectively.

Share of cash and non-cash receivables of the Bank from its top 100 and top 200 loan and non-cash loan customers in total of balance sheet and off balance sheet commitments is 33% (December 31, 2014: 35%) and 41% (December 31, 2014: 44%) respectively.

(6) The Bank's general provision amount for its credit risk is TL 170.885 (December 31, 2014: TL 153.910).

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(7) Profile on significant risks in significant regions:

	Risk Categories (*)											Total
	1	2	3	4	5	6	7	8	9	10	11	
Current Period												
Domestic	5.105.988	13.316	1.481	-	2.092.510	12.343.531	3.495.258	4.316.649	143.142	128.783	1.551.388	29.192.046
EU Countries	-	-	-	-	194.557	79.585	1.589	5.460	-	-	131	281.322
OECD Countries (**)	-	-	-	-	5.316	-	12	-	-	-	-	5.328
Off-shore banking regions	-	-	-	-	11.563	186.013	4.517	11.883	6.052	-	-	220.028
USA, Canada	-	-	-	-	77.021	9.450	10	-	-	-	-	86.481
Other countries	-	-	-	62	254.191	271.020	3.114	14.097	918	-	2.002	545.404
Associates, subsidiaries and jointly controlled entities	-	-	-	-	-	30.938	-	-	-	-	21.115	52.053
Unallocated assets/liabilities (***)	-	-	-	-	-	-	-	-	-	-	-	-
	5.105.988	13.316	1.481	62	2.635.158	12.920.537	3.504.500	4.348.089	150.112	128.783	1.574.636	30.382.662

(*) Risk classifications in the "Regulation on Measurement and Assessment of Capital Adequacy of Banks" will be used.

(**) OECD countries other than EU countries, USA and Canada.

(***) Assets and liabilities are not allocated on a consistent basis

- 1- Receivables from central governments or central banks
- 2- Receivables from regional or local governments
- 3- Receivables from administrative units and non-commercial enterprises
- 4- Receivables from the Multilateral Development Banks
- 5- Receivables from banks and brokerage houses
- 6- Receivables from corporates
- 7- Retail receivables
- 8- Receivables secured by mortgages on property
- 9- Past due receivables
- 10- Receivables defined in high risk category by BRSA
- 11- Other Receivables

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Risk Profile according to sectors and counterparties:

	Sectors/Counterparties	Risk Categories				
		1	2	3	4	5
1	Agriculture	-	20	-	-	-
1.1	Farming and stockbreeding	-	20	-	-	-
1.2	Forestry	-	-	-	-	-
1.3	Fishery	-	-	-	-	-
2	Manufacturing	-	12.295	-	-	-
2.1	Mining	-	-	-	-	-
2.2	Production	-	12.295	-	-	-
2.3	Electricity, gas, water	-	-	-	-	-
3	Construction	-	438	-	-	1.089
4	Services	5.105.443	23	-	62	2.633.560
4.1	Wholesale and retail trade	-	23	-	-	496
4.2	Hotel, food and beverage services	-	-	-	-	-
4.3	Transportation and telecommunication	-	-	-	-	-
4.4	Financial institutions	5.105.443	-	-	62	2.622.538
4.5	Real estate and renting services	-	-	-	-	10.526
4.6	Self-employment services	-	-	-	-	-
4.7	Education services	-	-	-	-	-
4.8	Health and social services	-	-	-	-	-
5	Other	545	540	1.481	-	509
6	Total	5.105.988	13.316	1.481	62	2.635.158

- 1- Receivables from central governments or central banks
- 2- Receivables from regional or local governments
- 3- Receivables from administrative units and non-commercial enterprises
- 4- Receivables from the Multilateral Development Bank
- 5- Receivables from banks and brokerage houses.
- 6- Receivables from corporates
- 7- Retail receivables
- 8- Receivables secured by mortgages on property
- 9- Past due receivables
- 10- Receivables defined in high risk category by BRSA
- 11- Other Receivables

Risk Categories									
	6	7	8	9	10	11	TL	FC	Total
	146.278	32.432	18.441	983	24	30	141.439	56.769	198.208
	104.929	23.581	13.713	866	10	28	109.890	33.257	143.147
	37.220	7.453	3.880	117	13	2	27.671	21.014	48.685
	4.129	1.398	848	-	1	-	3.878	2.498	6.376
	6.360.096	1.222.273	981.409	62.682	147	276	5.686.473	2.952.705	8.639.178
	120.955	21.624	13.321	655	4	1	91.268	65.292	156.560
	5.422.235	1.184.208	946.454	61.962	140	105	5.310.361	2.317.038	7.627.399
	816.906	16.441	21.634	65	3	170	284.844	570.375	855.219
	3.202.259	431.204	1.833.811	31.845	98	510	4.254.772	1.246.482	5.501.254
	2.856.355	684.575	547.113	48.480	390	1.572.593	6.465.752	6.982.842	13.448.594
	1.348.004	453.653	218.319	32.848	291	19	1.585.783	467.870	2.053.653
	50.873	37.764	30.404	123	12	40	59.996	59.220	119.216
	146.655	56.464	18.119	8.124	13	9	128.333	101.051	229.384
	660.703	18.114	88.897	2.528	-	1.572.427	4.003.213	6.067.499	10.070.712
	300.571	43.486	156.583	1.477	20	19	424.802	87.880	512.682
	272.079	23.070	2.796	2.605	10	75	112.805	187.830	300.635
	18.562	5.880	11.107	-	8	1	34.898	660	35.558
	58.908	46.144	20.888	775	36	3	115.922	10.832	126.754
	355.549	1.134.016	967.315	6.122	128.124	1.227	2.502.064	93.364	2.595.428
	12.920.537	3.504.500	4.348.089	150.112	128.783	1.574.636	19.050.500	11.332.162	30.382.662

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Distribution of risks with term structure according to remaining maturities:

Risk Categories	Time to Maturity				
	1 month	1-3 months	3-6 months	6-12 months	1 year and over
1 Receivables from central governments or central banks	-	260.034	-	503.208	886.805
2 Receivables from regional or local governments	-	12.062	-	711	-
3 Receivables from administrative units and non-commercial enterprises	-	-	-	-	-
4 Receivables from multilateral development banks	-	-	-	-	-
5 Receivables from international organizations	-	-	-	-	-
6 Receivables from banks and brokerage houses	19.378	585.840	6.410	1.566	497
7 Receivables from corporates	470.834	1.021.207	1.211.714	2.195.607	6.231.830
8 Retail receivables	171.162	209.382	349.635	671.198	1.826.783
9 Receivables secured by mortgages on property	99.316	144.930	256.214	700.089	2.878.656
10 Past due receivables	197	2.002	9.211	4.280	11.821
11 Receivables defined in high risk category by BRSA	-	-	-	42.474	86.309
12 Securities collateralized by mortgages	-	-	-	-	-
13 Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-
14 Investments similar to collective investment funds	-	-	-	-	-
15 Other receivables	18	39	-	74	-
TOTAL	760.905	2.235.496	1.833.184	4.119.207	11.922.701

8) While determining risk weights of receivables from banks and receivables from central banks and central governments indicated in the sixth article of "Regulation on Measurement and Assessment of Capital Adequacy of Banks", rating grades obtained from rating agencies commissioned by customers are being used. Other receivables in the regulation are considered as unrated while calculating capital adequacy.

Total exposure amount before and after applying risk mitigation techniques and total amounts deducted from the capital which are calculated in accordance with the Appendix-1 of the "Regulation on Measurement and Assessment of Capital Adequacy Ratio of Banks" are presented below:

Risk Weights	0%	10%	20%	50%	75%	100%	150%	200%	250%	Deductions
										from Shareholders' Equity
1 Amount before credit risk mitigation	5.401.846	-	2.719.672	4.773.133	3.504.500	13.755.815	132.525	95.171	-	5.739
2 Amount after credit risk mitigation	5.691.248	-	3.102.140	4.780.174	3.362.048	13.222.520	131.004	93.528	-	5.739

(9) Amounts of impaired loans and past due receivables, value adjustments and provisions, current period value adjustments and provisions according to sectors or counterparties individually:

For loans which are classified as impaired loans due to delay of collection of principal or profit share 90 days and above, and/or negative risk assessments of credit worthiness of the debtor; "specific provision" is set aside in the accompanying financial statements as of December 31, 2015.

For loans which are classified as past due not impaired loans due to delay of collection of principal or profit share up to 90 days; "general provision" is set aside in the accompanying financial statements as of December 31, 2015.

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Sectors/Counterparties	Loans			
	Impaired Loans	Past Due	Value Adjustments	Provisions
1 Agriculture	7.989	5.067	113	6.181
1.1 Farming and stockbreeding	6.048	4.817	110	4.559
1.2 Forestry	1.937	246	3	1.618
1.3 Fishery	4	4	-	4
2 Manufacturing	186.933	349.936	7.306	108.756
2.1 Mining	2.635	1.849	71	1.566
2.2 Production	184.008	263.673	6.196	106.967
2.3 Electricity, gas, water	290	84.414	1.039	223
3 Construction	114.738	345.578	6.974	76.981
4 Services	127.555	341.330	5.505	66.301
4.1 Wholesale and retail trade	83.838	74.877	1.368	42.132
4.2 Hotel, food and beverage services	353	6.034	75	228
4.3 Transportation and telecommunication	20.631	12.551	242	10.145
4.4 Financial institutions	3.527	22.179	288	369
4.5 Real estate and renting services	2.936	112.901	1.134	1.379
4.6 Self-employment services	14.849	108.425	2.319	11.412
4.7 Education services	42	1.012	16	42
4.8 Health and social services	1.379	3.351	63	594
5 Other	31.198	134.682	1.828	22.628
6 Total	468.413	1.176.593	21.726	280.847

(10) Information related to value adjustments and credit provisions:

The Bank provides specific provisions for loans which are overdue for 90 days or more. The collaterals are being taken into consideration while providing specific provisions in accordance with the Provisioning Communiqué.

The bank provides general loan provision for loans classified as first and second group loan portfolio. This provision is calculated in accordance with the "Regulation on procedures and principles for determination of qualifications of loans and other receivables by banks and provisions to be set aside" communiqué.

	Opening Balance	Provision made during the period	Reversal of Provisions	Other Adjustments (*)	Closing Balance
1 Specific Provisions	287.261	130.188	(143.792) (**)	7.190	280.847
2 General Provisions	153.910	12.869	(1.607)	5.713	170.885

(*) Determined according to currency differences.

(**) Related balance includes reversal of provisions regarding write-off's in the amount of TL 94.592

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The table below presents the maximum exposure to credit risk for the components of the financial statements:

	Current period	Prior period
Central Bank of the Republic of Turkey	4.069.921	2.933.726
Trading financial assets	671	-
Due from banks	2.482.614	1.648.235
Available-for-sale financial assets	1.038.701	658.085
Loans and receivables	18.557.965	15.474.046
Held to maturity investments	762.890	783.309
Finance lease receivables	947.427	709.646
Other assets	4.927	10.860
Total balance sheet items subject to credit risk	27.865.116	22.217.907
Contingent liabilities	8.664.057	8.078.509
Commitments	1.329.475	928.650
Total off-balance sheet items subject to credit risk	9.993.532	9.007.159
Total credit risk exposure	37.858.648	31.225.066

Explanations on credit rating system:

The Bank assesses the credit quality of customers through rating systems developed for the loan and finance lease customers. The principal criteria used in the rating systems are the volume of transactions of the customer with the Bank, payment performance of the customer and income generated from the customer.

The table below presents the concentration information of the loans and finance lease receivables classified according to the rating systems:

	Current period	Prior period
Above average	13,56%	16,01%
Average	77,62%	75,26%
Below average	8,82%	8,73%

III. Explanations on market risk:

(1) The Bank measures its market risk exposures within the framework of "Regulation on Measurement and Assessment of Capital Adequacy of Banks" published in Official Gazette numbered 28337 dated June 28, 2012 by using standardized approach and allocates statutory capital accordingly. On the other hand, market risk is also calculated for testing purposes using internal model methods (Value at Risk) and the results are validated by back test analysis. The VaR (Value at Risk) is calculated daily by using Variance, Covariance, EWMA, Monte Carlo and historical simulation methods and the results are reported to senior management.

The Board of Directors set the risk limits by taking into account the main risk factors and these limits are periodically revised in accordance with the market conditions and the Bank's strategies. Furthermore, the Board of Directors ensure that, the necessary measures are to be taken by risk management department and top level management in respect of defining, measuring, prioritizing, monitoring and managing the risks exposed by the Bank.

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The riskiness of on and off balance sheet positions which will occur due to the market volatility is measured regularly. The information related to market risk taken into consideration in calculation of legal capital is stated below.

a) Information related to market risk:

	Amount
(I) Capital requirement to be employed for general market risk - standard method	63
(II) Capital requirement to be employed for specific risk - standard method	63
Capital requirement against specific risks of securitization positions- standard method	-
(III) Capital requirement to be employed for currency risk - standard method	7.188
(IV) Capital requirement to be employed for commodity risk - standard method	-
(V) Capital requirement to be employed for swap risk - standard method	-
(VI) Capital requirement to be employed for market risk of options - standard method	-
(VII) Capital requirement against counterparty credit risks - standard method	921
(VIII) Capital requirement to be employed for market risks of banks using risk measurement model	-
(IX) Total capital requirement to be employed for market risk (I+II+III+IV+V+VI+VII)	8.235
(X) Amount subject to market risk (12,5 X VIII) or (12,5 x IX)	102.931

b) Average market risk table concerning market risk calculated as of month ends during the period:

	Current period			Prior period		
	Average	Maximum	Minimum	Average	Maximum	Minimum
Interest Rate Risk	-	-	-	-	-	-
Share Certificates Risk	125	129	122	791	898	722
Currency Risk	7.609	12.690	4.090	10.406	12.360	7.711
Commodity Risk	-	-	-	-	-	-
Swap Risk	-	-	-	-	-	-
Option Risk	-	-	-	-	-	-
Counterparty Credit Risk	925	2.271	-	172	406	-
Total Value Subject to Risk	8.659	15.090	4.212	11.369	13.664	8.433

(2) Quantitative information on counterparty risk:

The "counterparty credit risk" is calculated according to the fair value methodology indicated in the Appendix-2 Part 3 of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks".

Replacement cost of agreements having positive value is calculated by revaluation of agreements according to their fair values. Potential credit risk amount is acquired by multiplying related ratios on agreement types by agreement amounts or amounts subject to the transaction.

	Balance (*)	
	December 31, 2015	December 31, 2014
Interest Rate Contracts	-	-
Foreign Exchange Rate Contracts	23.013	-
Commodity Contracts	-	-
Equity Shares Related Contracts	-	-
Other	-	-
Gross Positive Fair Value	-	-
Netting Benefits	-	-
Net Current Exposure Amount	-	-
Collateral Received	-	-
Net Derivative Position	23.013	-

(*) Includes only the counterparty risks arising from trading book.

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(3) Explanations on calculation of capital requirements through a risk measurement model which is permitted to be used by the authorities:

None.

IV. Explanations on operational risk:

a) Amount subject to operational risk is calculated with the help of basic indicator method according to article fourteen of "Regulation on Measurement and Assessment of Capital Adequacy of Banks". Annual gross profit calculated based on adding net fee and commission income, dividend income except for dividends from subsidiaries and associates, trading gain/loss (net) and other operational income to net profit share income; and deducting the profit/loss from selling assets except from trading accounts, extraordinary income, operating expense due to support services from a bank, main shareholder of the bank and compensations from insurance.

b) In case of using the basic indicator approach, the related information is as below:

	2 PP Value	1 PP Value	CP Value	Total number of years for which gross income is positive	Rate (%)	Total
Gross Income	625.375	782.732	887.798	765.302	15	114.795
Amount subject to Operational Risk (Total*12,5)						1.434.941

V. Explanations on currency risk:

Foreign currency risk arises from the Bank's possible exposure to the changes in foreign currencies.

a) The Bank is exposed to currency risks as a market risk and tries to balance the currency risks by avoiding to keep any long or short positions. The currency risk of the Bank is monitored on a daily basis. Net foreign currency position/shareholders' equity ratio is also controlled on a daily basis. All foreign currency assets, liabilities and foreign currency forward transactions are taken into consideration while capital requirement to be employed for foreign currency risk is calculated. Standard Method used in legal reporting and amount subject to risk is calculated on a monthly basis.

b) The Bank does not have any derivative financial instruments held for hedging purposes.

c) As a result of the uncertainty and volatility in the markets, foreign currency position is kept at a balance, and accordingly, no currency risk is anticipated. The Bank takes necessary measures to keep the currency risk at a minimum level.

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d) Foreign exchange buying rates of the last five working days before the balance sheet date as publicly announced by the Bank are as follows:

	USD	EUR
As of December 31, 2015 - Balance sheet evaluation rate	2,880	3,142
As of December 30, 2015	2,880	3,142
As of December 29, 2015	2,880	3,142
As of December 28, 2015	2,880	3,156
As of December 25, 2015	2,880	3,156
As of December 24, 2015	2,880	3,152

e) The simple arithmetical average of the major foreign exchange buying rates of the Bank for the thirty days before the balance sheet date is full TL 2,883 for 1 USD (December 2014 : full TL 2,272), full TL 3,145 for 1 EURO (December 2014 : full TL 2,794).

Foreign currency sensitivity:

The Bank is mainly exposed to EUR and USD currency risks.

The following table details the Bank's sensitivity to a 10% change in the USD and EURO rates. A negative amount indicates a decrease effect in profit/loss or equity of the 10% value change of USD and EUR against TL.

% Change in foreign currency rate	Effect on profit/loss		Effect on equity	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
USD 10% increase	1.547	6.037	(210)	84
USD 10% decrease	(1.547)	(6.037)	210	(84)
EURO 10% increase	4.264	(294)	859	-
EURO 10% decrease	(4.264)	294	(859)	-

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Information on currency risk of the Bank:

	EUR	USD	Other FC (*)	Total
Current Period				
Assets				
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Turkey	656.963	2.891.870	461.761	4.010.594
Banks	97.595	1.621.763	163.286	1.882.644
Financial assets at fair value through profit and loss	14	20.840	2	20.856
Money market placements	-	-	-	-
Available-for-sale financial assets	10.863	285.366	-	296.229
Loans and financial lease receivables (**)	2.666.335	5.605.514	2.166	8.274.015
Subsidiaries, associates and joint ventures	-	-	-	-
Held-to-maturity investments	-	-	-	-
Derivative financial assets for hedging purposes	-	-	-	-
Tangible assets	-	-	1.336	1.336
Intangible assets	-	-	476	476
Other assets (***)	452	1.475	993	2.920
Total assets	3.432.222	10.426.828	630.020	14.489.070
Liabilities				
Current account and funds collected from banks via participation accounts	320.601	183.686	3.950	508.237
Other current and profit sharing accounts	2.196.276	5.892.879	412.610	8.501.765
Money market borrowings	-	-	-	-
Funds provided from other financial institutions and subordinated loans	850.195	4.494.050	-	5.344.245
Marketable securities issued	-	-	-	-
Miscellaneous payables	5.216	47.093	765	53.074
Derivative financial liabilities for hedging purposes	-	-	-	-
Other liabilities	370	4.532	2.802	7.704
Total liabilities	3.372.658	10.622.240	420.127	14.415.025
Net balance sheet position	59.564	(195.412)	209.893	74.045
Net off balance sheet position	(16.929)	210.880	(191.644)	2.307
Derivative financial instruments assets (****)	8.320	249.140	7.599	265.059
Derivative financial instruments liabilities (****)	25.249	38.260	199.243	262.752
Non-cash loans (*****)	1.298.973	3.054.388	35.294	4.388.655
Prior Period				
Total assets	2.598.470	7.766.518	417.265	10.782.253
Total liabilities	2.601.411	7.706.151	370.529	10.678.091
Net balance sheet position	(2.941)	60.367	46.736	104.162
Net off balance sheet position	-	-	-	-
Derivative financial instruments assets	-	-	-	-
Derivative financial instruments liabilities	-	-	-	-
Non-cash loans	1.130.253	2.775.456	23.435	3.929.144

(*) TL 446.121 of the balance in Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Turkey in other FC column represent precious metals, TL 39.682 of the balance in Banks in other FC column represent precious metals accounts with banks, TL 294.008 of the balance in Other current and profit sharing accounts in other FC column represent precious metals deposits accounts.

(**) The balance includes foreign currency indexed loans and financial lease receivables of TL 5.068.133 (December 31, 2014: TL 4.720.625).

(***) Foreign currency indexed receivables from commission and fees of non-cash loans amounting to TL 431 (December 31, 2014: TL 873) is included in other assets.

(****) In the current period, derivative financial instruments assets include foreign currency purchase commitment in the amount of TL 45.969 and derivative financial instruments liabilities include foreign currency sale commitment in the amount of TL 64.837 (December 31, 2014: foreign currency purchase commitment: none, foreign currency sale commitment: none)

(*****) Does not have any effect on the net off-balance sheet position.

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VI. Explanations on position risk of equity securities in banking book:

The Bank does not have an associate and subsidiary quoted at Borsa İstanbul.

VII. Explanations on liquidity risk:

Liquidity Risk is managed by Asset and Liability Committee (ALCO) in line with risk management policies and risk appetite approved by the Board of Directors in order to take the necessary measures in a timely and correct manner against possible liquidity shortages that may result from market conditions and balance sheet structure of the Bank. Under stressed conditions, liquidity risk is managed within the Contingency Funding Plan framework.

The Board of Directors reviews the liquidity risk management strategy, policy and practices and approves the liquidity strategy and policies within the framework of risk management strategy and policies, ensures the effective of practice of policies and integrations with Bank's risk management strategy. The Board of Directors determines the basic metrics in liquidity risk measurement and monitoring. The Board of Directors establishes risk appetite of the Bank in liquidity risk management and identifies the risk limits in accordance with the risk appetite and reviews it regularly.

ALCO takes necessary decisions which will be executed by related departments by assessing the liquidity risk that the Bank is exposed to and considering the Bank's strategy and conditions of competition and pursues the implementations.

Risk Management Department defines the Bank's liquidity risk, measures and monitors the risks with liquidity risk measurement methods that are in compliance with legal legislation, presents measurement results periodically to related departments, committees and senior management. Risk Management Department coordinates related parties in order to ensure compliance of risk management process in accordance with the Bank's risk profile, operation environment and strategic plan with regulations.

The liquidity risk analysis and the important early warning signals are reported periodically to related senior management. Additionally, analysis and monitored internal reserve limit ratios related to liquidity risk are presented in ALCO report. Reserve limit ratios and alert levels approved by the Board of Directors are monitored and reported regularly to related parties.

The Bank's funding management is carried out in compliance with the ALCO decisions. Funding and placement strategies are developed by assessing liquidity of the Bank.

In liquidity risk management actions that will be taken and procedures are determined by considering normal economic conditions and stress conditions.

Diversification of assets and liabilities is assured so as to be able to continuously meet the obligations, also taking into account the relevant currencies. Funding sources are monitored actively during identification of concentration risk related to funding. The Bank's funding base of funds collected and other borrowing transactions are diversified in order to prevent the concentration of a particular funding source. Factors that could trigger the sudden and significant run off in funds or impair the accessibility of the funding sources are analyzed.

In the context of TL and foreign currencies liquidity management, the Bank monitors the cash flows regarding assets and liabilities and forecasts the required liquidity in future periods. In cash flow analysis, stress is applied to items that affect the liquidity by volume and rate of change from a liquidity management point of view.

Liquidity risk exposed by the Bank is managed by establishing risk appetite, effective control environment and closely monitoring by limits.

The results of liquidity risk stress testing are taken into consideration in the assessment of liquidity adequacy and identification of strategy, policy and procedures regarding liquidity risk and contingency funding plan is prepared within this framework.

There exists "Liquidity Risk Management Contingency Funding Plan" in the Bank including mechanisms to prevent increase in liquidity risk during normal and liquidity crisis scenarios for different conditions and levels. Available liquidity sources are determined by considering the liquidity squeezes. Within the framework of this plan, the Bank monitors liquidity risk in terms of early warning indicators in each stress.

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Liquidity Coverage Ratio :

Current Period	Rate of "Percentage to be taken into account" not Implemented Total value		Rate of "Percentage to be taken into account" Implemented Total value	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS				
1	High quality liquid assets		4.646.672	3.219.811
CASH OUTFLOWS				
2	Retail and Small Business Funds Collected	11.185.760	4.553.060	1.118.576
3	Stable Funds Collected	-	-	-
4	Less stable Funds Collected	11.185.760	4.553.060	1.118.576
5	Unsecured Funding other than Retail and Small Business Customers Deposits	5.457.231	2.634.109	2.806.246
6	Operational Funds Collected	138.796	137.828	34.699
7	Non-Operational Funds Collected	2.740.796	1.270.374	1.467.273
8	Other Unsecured Funding	2.577.639	1.225.907	1.304.274
9	Secured funding	-	-	-
10	Other Cash Outflows	93.544	64.836	93.544
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	93.544	64.836	93.544
12	Debts related to the structured financial products	-	-	-
13	Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-
14	Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	-	-	-
15	Other irrevocable or conditionally revocable commitments	8.582.626	3.943.011	753.816
16	TOTAL CASH OUTFLOWS	-	-	4.772.182
CASH INFLOWS				
17	Secured Lending Transactions	-	-	-
18	Unsecured Lending Transactions	3.881.434	2.240.888	2.982.449
19	Other contractual cash inflows	155.463	102.406	155.463
20	TOTAL CASH INFLOWS	4.036.897	2.343.294	3.137.912
				Upper limit applied amounts
21	TOTAL HQLA	-	-	4.646.672
22	TOTAL NET CASH OUTFLOWS	-	-	1.634.270
23	Liquidity Coverage Ratio (%)	-	-	284,33

As per "Regulation on Liquidity Coverage Ratio Calculation" published in the Official Gazette numbered 28948, dated 21 March 2014, the weeks on which the minimum and maximum liquidity coverage ratios have been calculated for the last three months are as follows:

	Current Period - 31.12.2015	
	TL+FC	FC
Lowest	276,20	314,95
Week	11.11.2015	06.10.2015
Highest	387,85	570,73
Week	18.12.2015	30.11.2015
Average (%)	327,59	460,32

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Presentation of assets and liabilities according to their remaining maturities:

	Demand	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Unallocated (**) (***)	Total
Current Period								
Assets								
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Turkey	1.907.432	2.997.366	-	-	-	-	-	4.904.798
Banks	1.913.140	496.316	73.158	-	-	-	-	2.482.614
Financial Assets at Fair Value Through Profit and Loss	790	671	-	20.822	-	-	-	22.283
Money Market Placements	-	-	-	-	-	-	-	-
Available-For-Sale Financial Assets	12.865	61.675	313.919	149.698	482.799	30.610	-	1.051.566
Loans (*)	-	1.776.936	2.145.921	6.456.191	7.631.096	1.146.578	348.670	19.505.392
Held-To-Maturity Investments	-	-	-	358.557	404.333	-	-	762.890
Other Assets	-	-	9	2.328	2.663	-	827.456	832.456
Total Assets	3.834.227	5.332.964	2.533.007	6.987.596	8.520.891	1.177.188	1.176.126	29.561.999
Liabilities								
Current account and funds collected from banks via participation accounts	138.797	284.605	84.223	18.864	-	-	-	526.489
Other current and profit sharing accounts	4.122.394	11.191.072	3.301.361	1.199.687	5.175	-	-	19.819.689
Funds provided from other financial institutions and subordinated loans	-	341.587	350.662	858.029	2.567.087	1.226.880	-	5.344.245
Money Market Borrowings	-	770.959	-	-	-	-	-	770.959
Marketable securities issued	-	-	-	-	-	-	-	-
Miscellaneous payables	-	141.889	31.168	9.244	-	-	504.085	686.386
Other liabilities	-	31.163	18.447	-	-	-	2.364.621	2.414.231
Total Liabilities	4.261.191	12.761.275	3.785.861	2.085.824	2.572.262	1.226.880	2.868.706	29.561.999
Net Liquidity Gap	(426.964)	(7.428.311)	(1.252.854)	4.901.772	5.948.629	(49.692)	(1.692.580)	-
Prior period								
Total Assets	1.959.555	4.760.268	2.379.007	5.448.846	7.327.608	505.655	665.485	23.046.424
Total Liabilities	3.375.935	11.277.161	2.143.386	2.552.411	1.024.959	304.134	2.368.438	23.046.424
Net Liquidity Gap	(1.416.380)	(6.516.893)	235.621	2.896.435	6.302.649	201.521	(1.702.953)	-

(*) Leasing receivables are included under loans. Unallocated amount represents the amount arising from advances granted for leasing receivables and net non-performing loans.

(**) Certain assets in the balance sheet that are necessary for the banking operations but cannot be readily convertible into cash in the near future, such as tangible assets, investments in associates and subsidiaries, stationary supplies, prepaid expenses are included here.

(***) The unallocated other liabilities column consists of equity, provisions and deferred tax liabilities.

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Analysis of financial liabilities based on the remaining contractual maturities:

The table below is prepared taking into consideration undiscounted amounts of financial liabilities of the Bank and earliest dates required to be paid. The profit share expenses to be paid on funds collected calculated on the basis of account value per unit are included in the table below:

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
Current period							
Funds Collected	4.261.191	11.475.677	3.385.584	1.218.551	5.175	-	20.346.178
Funds Borrowed from Other Financial Institutions and subordinated loans	-	341.998	384.098	1.118.730	3.387.993	1.596.240	6.829.059
Borrowings from Money Markets	-	771.890	-	-	-	-	771.890
Total	4.261.191	12.589.565	3.769.682	2.337.281	3.393.168	1.596.240	27.947.127
Prior period							
Funds Collected	3.375.935	10.354.741	1.764.251	1.137.498	10.793	-	16.643.218
Funds Borrowed from Other Financial Institutions and subordinated loans	-	642.931	331.791	1.493.708	1.330.547	430.807	4.229.784
Borrowings from Money Markets	-	116.740	-	-	-	-	116.740
Total	3.375.935	11.114.412	2.096.042	2.631.206	1.341.340	430.807	20.989.742

Breakdown of commitment and contingencies according to their remaining contractual maturities:

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Unallocated	Total
Current Period								
Letters of guarantee ^(*)	3.871.393	330.530	930.443	1.471.529	1.086.597	39.796	-	7.730.288
Bank loans	28.324	-	-	-	-	-	-	28.324
Letters of credit	633.963	-	4.987	354	288	-	-	639.592
Other commitments and contingencies	-	265.853	-	-	-	-	-	265.853
Total	4.533.680	596.383	935.430	1.471.883	1.086.885	39.796	-	8.664.057
Prior Period								
Letters of guarantee ^(*)	3.523.368	174.087	388.300	1.622.644	1.138.964	25.278	-	6.872.641
Bank loans	33.055	-	-	-	-	-	-	33.055
Letters of credit	537.894	39.456	2.227	4.627	5.066	-	-	589.270
Other commitments and contingencies	-	583.543	-	-	-	-	-	583.543
Total	4.094.317	797.086	390.527	1.627.271	1.144.030	25.278	-	8.078.509

^(*) Remaining maturities presented for letters of guarantees represents the expiration periods. The correspondent of letters of guarantee has the right to demand the liquidation of the letter when the transaction stated at the letter is not realized.

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VIII. Explanations on securitisation positions:

None. (December 31, 2014: None)

IX. Explanations on credit risk mitigation techniques:

On and off balance sheet offsetting agreements are not utilized.

The risk mitigators that are used in credit process in compliance with Communiqué "The Risk Mitigation Techniques" which is published at September 6, 2014 are stated below:

- Financial collaterals (Government securities, cash, deposit or participation fund pledge, gold, stock pledge),
- Guarantees.

The credibility of guarantors is monitored and evaluated within the framework of credit revision periods. Collaterals obtained by the Bank are reviewed and appraised in accordance with related legislation as long as the credit relationship is outstanding.

If there are indicators on significant decreases of real estate's value in comparison to general market prices, the real estate's valuation is performed by the authorised valuation corporations authorised by Banking Regulation and Supervision Agency or Capital Markets Board of Turkey.

The Bank monitors other banks' guarantees that are evaluated as risk mitigators within the framework of BRSA regulations on a regular basis and reviews the credibility of banks periodically.

The volatility in real estate market is monitored closely by the Bank and the market fluctuations are considered in credit activities.

The information related to amount and type of collaterals which are applied in the calculation of risk weighted amount of risk categories within the scope of the Communiqué on "The Risk Mitigation Techniques" is provided below.

Collaterals in terms of Risk Categories:

Risk Categories	Amount	Financial Collaterals	Other/Physical Collaterals	Guarantees and Credit Derivatives
Receivables from central governments or central banks	5.105.988	-	-	-
Receivables from regional or local governments	13.316	-	-	-
Receivables from administrative units and non-commercial enterprises	1.481	-	-	-
Receivables from multilateral development banks	62	-	-	-
Receivables from international organizations	-	-	-	-
Receivables from banks and brokerage houses	2.635.158	-	-	-
Receivables from corporates	12.920.537	520.757	-	12.552
Retail receivables	3.504.500	105.745	-	36.707
Receivables secured by mortgages on property	4.348.089	-	-	-
Past due receivables	150.112	-	-	-
Receivables defined in high risk category by BRSA	128.783	3.150	-	14
Securities collateralized by mortgages	-	-	-	-
Securitization positions	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-
Investments similar to collective investment funds	-	-	-	-
Other receivables	1.574.636	-	-	-

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X. Explanations on leverage ratio:

As of 31 December 2015, leverage ratio of the Bank calculated from the arithmetic average of the last 3 months is 5,03% (31 December 2014: 5,35%). This ratio is above the minimum required. The most important reason for the difference in leverage ratio between current and previous period is the increase in the balance sheet assets.

Disclosure of Leverage ratio template :

	Current Period 31 December 2015 ^(*)	Prior Period 31 December 2014 ^(*)
Balance sheet assets		
1 Balance sheet assets (excluding derivative financial assets and credit derivatives, including collaterals)	28.936.499	22.394.984
2 (Assets deducted from Core capital)	(79.053)	(63.419)
3 Total risk amount of balance sheet assets (sum of lines 1 and 2)	28.857.446	22.331.565
Derivative financial assets and credit derivatives		
4 Cost of replenishment for derivative financial assets and credit derivatives	20.043	-
5 Potential credit risk amount of derivative financial assets and credit derivatives	4.913	-
6 Total risk amount of derivative financial assets and credit derivatives (sum of lines 4 and 5)	24.956	-
Financing transactions secured by marketable security or commodity		
7 Risk amount of financing transactions secured by marketable security or commodity (excluding Balance sheet)	139.204	63.645
8 Risk amount arising from intermediary transactions	-	-
9 Total risk amount of financing transactions secured by marketable security or commodity (sum of lines 7 and 8)	139.204	63.645
Off-balance sheet transactions		
10 Gross notional amount of off-balance sheet transactions	9.880.604	8.691.256
11 (Correction amount due to multiplication with credit conversion rates)	-	-
12 Total risk of off-balance sheet transactions (sum of lines 10 and 11)	9.880.604	8.691.256
Capital and total risk		
13 Core Capital	1.955.492	1.663.132
14 Total risk amount (sum of lines 3, 6, 9 and 12)	38.902.210	31.086.466
Leverage ratio		
15 Leverage ratio	5,03	5,35

(*) The arithmetic average of the last 3 months in the related periods

XI. Explanations on risk management objectives and policies:

The aim of the Bank's Risk management system is basically to ensure identification, measurement, monitoring and controlling of risks exposed, through establishment of policies, implementation procedure and limits for monitoring, controlling and in case of need changing the risk/return structure of future cash flows, and accordingly nature and level of operations.

Basically the Bank is exposed to market, liquidity, credit and strategic risk, reputation risk, and operational risk and determines risk policies, procedures to be implemented, and risk limits approved by Board of Directors for risks that can be quantified. The related limits are monitored, reported and maintained within the set limits by the units under Internal Systems and the related departments in the Bank. Risk Management Unit, organized within the frame of Risk Management regulations, undertakes activities for measuring, monitoring, controlling and reporting risks.

Market Risk

Market Risk is the probability of loss that the bank may be exposed to due to the bank's general market risk, foreign exchange risk, specific risk, commodity risk, settlement risk and counterparty credit risk in trading book.

Exchange rate risk or foreign currency risk which is one of the factors that constitutes market risk, defines the probability of loss due to the effects of possible changes in currency to all the Bank's foreign currency assets and liabilities. Security position risk is the negations in the Bank's revenues and thus shareholders' equity, cash flows, asset quality and finally in meeting the commitments arising from negative movements in security prices included in the Bank's trading accounts.

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Within the framework of market risk, the Bank calculates foreign currency position risk, general market risk for security position risk and specific risks via standard method and reports to the legal authority. The Bank also measures the foreign currency position risk by various internal methods for testing purposes. The variations between daily predicted value at risk and actual values and back testing practices are used to determine the accuracy and performance of these tests. The potential durability of portfolio against unpredictable risks that can be exposed is measured by stress tests including stress scenarios.

The Bank continuously monitors the compliance of market risk with the limits determined by legal regulations. Additionally foreign currency risk is reviewed by Assets and Liabilities Committee. The Bank's strategy for the currency risk is keeping it at a balance and not having any short or long position.

Liquidity Risk

The Bank's liquidity risk consists of funding liquidity risk and market liquidity risk.

Funding liquidity risk explains the probability of loss occurs in case of unable to meet the Bank's all anticipated and unanticipated cash flow requirements without damaging daily operations or the financial position.

Market liquidity risk is the probability of loss in case of the Bank's failure to close any position or stabilize market prices due to market depth or over fluctuations.

Maturity mismatch, impairment of the asset quality, unpredictable source outflows, decrease in profit and economic crisis situations are the factors that might cause the occurrence of the liquidity risk.

For liquidity risk, cash flows are monitored daily and preventive and remedial precautions are taken to meet obligations on time and in the required manner. Liquidity risk is evaluated on a weekly basis from Assets and Liabilities committee.

Regarding liquidity risk of the Bank, in order to meet liquidity needs arising from unpredictable movements in the markets, the Bank prefers to implement the policy of maintaining quality liquid assets in adequate proportion by considering previous liquidity experiences and minimum liquidity adequacy ratios set by legal regulations.

Credit Risk

Credit risk represents the Bank's possibility of losses due to loan customers not fulfilling the terms of their agreements partially or in full. At the same time, this risk includes market value loss arising from the deterioration of the financial position of the counterparty. Within the scope of the definition of the credit risk used, on balance and off balance sheet portfolios are included.

In the Bank, credit allocation authority belongs to the Board of Directors. The Board of Directors takes necessary measures by establishing policies related to allocation and approval of loans, credit risk management policies and other administrative issues; by ensuring implementation and monitoring of these policies. The Board of Directors transferred its credit allocation authority to the Credit Committee and Head-office in line with the policies and procedures defined by the legal regulations. Head-office Credit Committee exercises the credit allocation authority through units of the Bank/regional offices and branches. The Bank grants credits on the basis of limits determined for each individual customer and group of customers separately and core banking system prevents customers' credit risks being in excess of their limits.

The Bank pays attention in order not to result in sectoral concentration that might affect credit portfolio in a negative way. Maximum effort is being made to prevent risks from concentrating on few customers. Credit risk is continuously monitored and reported by units under internal systems and other risk management divisions. By this way, harmonization of credit risk with credit risk management policy and application standards is maintained.

Operational Risk

Operational risk is defined as the possibility of loss occurring due to insufficient or unsuccessful internal processes, persons and systems or external incidents. Although legal risk and compliance risk are included in this risk group, reputation risk and strategy risk (arising from misjudgements at wrong times) are excluded.

Operational risk is a risk type that exists in all functions of the Bank. It might arise from employee mistakes, an error caused by the system, transactions made based on inadequate or incorrect legal information, information flow failure among levels under Bank organization structure, ambiguity in limits of authorization, structural and/or operational changes, natural disasters, terror and fraud.

Operational risk is categorized under five groups according to its sources: employee risk, technological risks, organization risk, legal-compliance risk and external risks.

The Bank also takes necessary preventive measures in order to keep operational risk at an acceptable level.

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Other Risks

Other risks the Bank is exposed to are strategic risk, reputation risk, counterparty risk, compliance risk, residual risk, country risk, and concentration risk.

The Bank's risk management system, in order to prevent and/or control strategic risks, is prepared against changes in economic, political and socio-political conditions, laws, legislation and similar regulations that could affect the Bank's operations, status and strategies significantly and observes these issues in contingency and business continuity plan implementations.

Reputation risk is defined as events and situations arising from all services, functions and relations of the Bank that would cause to lose confidence in the Bank and damage its image. The Bank's risk management system in order to prevent and/or control reputation risk, switches on a proactive communication mechanism by giving priority to its customers whenever it is determined that the Bank's reputation or image is damaged. The system, ready for the worst case scenarios in advance, takes into account the level of the relationship between operational risks and reputation risk, its level and its effect.

Residual risk is the risk that arises in case that the risk mitigation techniques are not as effective as expected. Senior management procures the implementation of residual risk management policy and strategy that is approved by Board of Directors. Moreover, it considers maturity match between credit and collateral, some factors like changes due to negative market movements for risk management.

Counterparty credit risk is the probability that one of the parties of a transaction where both sides are imposed with liability becomes default on his liability before the last payment in the cash flow of the transaction. The Bank should manage counterparty credit risk in accordance with the volume, quality and complexity of its activities within the framework of legal legislation.

Compliance risk means those risks which are related to sanctions, financial losses and/or loss of reputation that the Bank may suffer in the event that the Bank's operations and the attitudes and acts of the Bank's staff members are not in conformity and compliance with the current legislation, regulations and standards. The Head of Legislation and Compliance Unit, who shall be appointed by the Board of Directors, shall be accountable for the purposes of planning, arranging, conducting, managing, assessing, monitoring and coordinating the corporate compliance activities.

Country risk is the probability of loss that the Bank may be exposed to in case borrowers in one country fail or shirk to fulfill their foreign obligations due to uncertainties in economic, social and political conditions. The Bank constitutes its commercial connections with foreign fiscal institutions and countries, as a result of feasibility studies made for country's economic conditions within legal restrictions and through consideration of market conditions and customer satisfaction.

Concentration risk is the probability of experiencing large scale losses due to one single risk amount or risk amounts in particular risk types that may threaten the body of the Bank and the capability of operating its principal activities. Policies in regards to concentration risk are classified as sectoral concentration, concentration to be created on the basis of collateral, concentration on the basis of market risk, concentration on the basis of types of losses, concentration arising from participation fund and other financing providers.

XII. Explanations on presentation of financial assets and liabilities at fair value:

a. Information on fair value of financial assets and liabilities :

The following table summarizes the carrying values and fair values of financial assets and liabilities. The carrying value represents the acquisition costs and accumulated profit share accruals of corresponding financial assets or liabilities.

The fair values of financial assets and liabilities are calculated based on the following principles:

The fair values of held-to-maturity investments are determined based on market prices.

The fair value of loans and receivables are determined by calculating the discounted cash flows using the current market profit share rates.

Carrying value of funds collected via special current accounts and participation accounts is assumed to approximate their fair value as they are valued at year-end unit values.

The fair values of funds collected from financial institutions are determined by calculating the discounted cash flows using the current market profit share rates.

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	Carrying value		Fair value	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Financial Assets				
Money market placements	-	-	-	-
Banks	2.482.614	1.648.235	2.482.614	1.648.235
Financial assets at fair value through profit and loss	22.283	5.611	22.283	5.611
Financial assets available for sale	1.051.566	659.760	1.051.566	659.760
Held to maturity investments	762.890	783.309	771.264	794.685
Loans and financial lease receivables	19.505.392	16.183.692	19.198.865	15.593.643
Financial Liabilities				
Funds collected from banks via current accounts and profit sharing accounts	526.489	572.717	526.489	572.717
Other current and profit sharing accounts	19.819.689	16.070.501	19.819.689	16.070.501
Funds provided from other financial institutions	5.344.245	3.688.424	4.904.160	3.682.518
Marketable securities issued	-	-	-	-
Miscellaneous payables	686.386	510.172	686.386	510.172

b. Information on fair value measurement recognized in the financial statements:

TFRS 7 (Financial Instruments: Turkish Financial Reporting Standard Related to Explanations) sets a hierarchy of valuation techniques according to the observability of data used in valuation techniques which establish a basis for fair value measurement. Aforesaid fair value hierarchy is determined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level I);
- Directly (by way of prices) or indirectly (derived from prices) data for the assets or liabilities, other than quoted prices in Level 1 (Level II);
- Data not based on observable data regarding assets and liabilities (Level III).

Fair value hierarchy of the financial assets and liabilities of the Bank carried at fair value according to the foregoing principles are given in the table below:

Current period (**)	Level I	Level II	Level III	Total
Financial assets				
Financial assets at fair value through profit and loss	790	21.493	-	22.283
Public sector debt securities	-	-	-	-
Equity securities	790	-	-	790
Derivative financial assets held for trading	-	20.822	-	20.822
Other	-	671	-	671
Financial assets- available for sale	1.038.701	-	10.743	1.049.444
Equity securities (*)	-	-	10.743	10.743
Public sector debt securities	887.157	-	-	887.157
Other marketable securities	151.544	-	-	151.544
	-	-	-	-
Financial liabilities				
Derivative financial liabilities held for trading	-	-	-	-
Derivative financial liabilities for hedging purposes	-	-	-	-

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Prior period	Level I	Level II	Level III	Total
Financial assets				
Financial assets at fair value through profit and loss	5,611	-	-	5,611
Public sector debt securities	-	-	-	-
Equity securities	5,611	-	-	5,611
Derivative financial assets held for trading	-	-	-	-
Other	-	-	-	-
Financial assets- available for sale	658,085	-	-	658,085
Equity securities ^(*)	-	-	-	-
Public sector debt securities	588,615	-	-	588,615
Other marketable securities	69,470	-	-	69,470
Financial liabilities				
Derivative financial liabilities held for trading	-	-	-	-
Derivative financial liabilities for hedging purposes	-	-	-	-

^(*) The shares of Visa Europa, which are not traded in an active market and presented under equity securities in available for sale assets and carried at cost since it is impossible to determine its fair value before December 31, 2015, are revalued basing on its indicator transaction value (cash to be collected and preferred stock) related to mentioned shares' take-over to Visa Inc. and the related revaluation difference are presented in shareholders' equity.

^(**) In the current period, there is no classification between level I and level II.

As of December 31, 2015 and 2014 the Bank carries the real estates at fair value under tangible assets. Level III section is used in determining the related fair values.

XIII. Explanations regarding the activities carried out on behalf and account of other persons:

The Bank does not perform purchases, sales and custody services on behalf of its customers. The Bank has no fiduciary transactions.

XIV. Explanations on business segments:

The Bank operates in retail, commercial and corporate banking segments via profit/loss sharing method in accordance with its mission.

Current Period	Commercial and			Undistributed	Total
	Retail	Corporate	Treasury		
Total Assets	2.772.567	17.685.898	2.263.190	6.840.344	29.561.999
Total Liabilities	13.119.733	8.367.686	5.570.834	399.832	27.458.085
Total Equity	-	-	-	2.103.914	2.103.914
Net profit share income/(expense) ^(*) ^(**)	(335.961)	1.289.175	(66.717)	(816)	885.681
Net fees and commissions income/(expense)	15.291	144.737	(17.866)	(6.165)	135.997
Other operating income/(expense)	14.574	16.274	65.787	(584.392)	(487.757)
Provision for loan losses and other receivables	(14.738)	(94.013)	-	(48.392)	(157.143)
Profit/(loss) before tax	(320.834)	1.356.173	(18.796)	(639.765)	376.778
Provision for tax	-	-	-	(73.915)	(73.915)
Net profit/(loss) for the period	(320.834)	1.356.173	(18.796)	(713.680)	302.863

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Prior Period	Retail	Commercial and Corporate	Treasury	Undistributed	Total
Total Assets	1.935.081	14.168.295	1.844.257	5.098.791	23.046.424
Total Liabilities	11.475.842	5.358.452	4.057.039	364.164	21.255.497
Total Equity	-	-	-	1.790.927	1.790.927
Net profit share income/(expense) ^(*) ^(**)	(349.075)	1.059.456	(11.407)	-	698.974
Net fees and commissions income/(expense)	8.849	129.097	(8.955)	(655)	128.336
Other operating income/(expense)	12.578	36.621	2.289	(403.670)	(352.182)
Provision for loan losses and other receivables	(12.559)	(91.955)	-	(45.062)	(149.576)
Profit/(loss) before tax	(340.207)	1.133.219	(18.073)	(449.387)	325.552
Provision for tax	-	-	-	(72.921)	(72.921)
Net profit/(loss) for the period	(340.207)	1.133.219	(18.073)	(522.308)	252.631

(*) The distribution difference in the retail, commercial and corporate segments stems from fund allocation and fund collection methods of the Bank.

(**) Since the management uses net profit share income/(expense) as a performance measurement criteria, profit share income and expense is presented net.

Section five

Explanations and notes on the unconsolidated financial statements

I. Explanations and notes related to assets:

1. a) Cash and balances with the Central Bank of Republic of Turkey (CBRT):

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash/Foreign currency	124.648	283.565	88.803	106.119
CBRT	698.140	3.371.781	263.590	2.670.136
Other ^(*)	71.416	355.248	-	538
Total	894.204	4.010.594	352.393	2.776.793

(*) Includes precious metals amounting to TL 12.370 (December 31, 2014: TL 538) and cash in transit amounting to TL 414.294 (December 31, 2014: None) as of December 31, 2015

b) Information related to CBRT:

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted demand deposit	695.445	377.110	263.328	278.761
Unrestricted time deposit	-	-	-	-
Restricted time deposit ^(*)	2.695	2.994.671	262	2.391.375
Total	698.140	3.371.781	263.590	2.670.136

(*) As of December 31, 2015, the reserve requirement held in standard gold is TL 433.751 (December 31, 2014: TL 340.792).

In accordance with the "Communiqué Regarding the Reserve Requirements numbered 2005/1", banks operating in Turkey are required to maintain reserves in CBRT for TL and foreign currency liabilities. According to the Communiqué Regarding the Reserve Requirements, reserve requirements can be maintained in TL, USD and/or EURO and standard gold.

As of December 31, 2015, the compulsory rates for the reserve deposits at the Central Bank of Turkey for Turkish Lira are implemented within an interval from 5% to 11,5% depending on maturity of deposits and the compulsory rates for the foreign currency liabilities are within an interval from 5% to 25% depending on maturity of deposits.

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The Central Bank of Republic of Turkey has launched to pay income on TL reserves since November 2014 and on USD reserves, reserve options and unrestricted deposits since May 2015.

2. a) Information on financial assets at fair value through profit/loss subject to repurchase agreements and given as collateral/blocked:

None. (December 31, 2014: None)

b) Table of positive differences related to derivative financial assets held for trading:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	-	-	-	-
Swap Transactions	-	20.822	-	-
Futures Transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	-	20.822	-	-

3. a) Information on banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic ^(*)	599.970	1.456.406	511.402	731.224
Abroad	-	426.238	-	405.609
Foreign head offices and branches	-	-	-	-
Total	599.970	1.882.644	511.402	1.136.833

^(*) Includes blockaged amount TL 569.474 (December 31, 2014: TL 475.384) booked under TL accounts arising from POS transactions.

b) Information on foreign bank accounts:

	Current period		Prior period	
	Unrestricted amount	Restricted amount	Unrestricted amount	Restricted amount
European Union Countries	194.411	-	83.042	-
USA and Canada	77.021	-	225.731	-
OECD Countries ^(*)	5.316	-	2.696	-
Off-shore banking regions	3.096	-	758	-
Other	146.394	-	93.382	-
Total	426.238	-	405.609	-

^(*) OECD countries other than EU countries, USA and Canada.

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4. Information on financial assets available-for-sale:

a) Information on financial assets available for sale subject to repurchase transactions, given as a guarantee or blocked:

The Bank has collateralized sukuk investments with a nominal amount of TL 217.577 and carrying value of TL 226.102 to CBRT with respect to money market transactions and subjected to repurchase agreements. (December 31, 2014: None)

As of December 31, 2015, available for sale investments given as a guarantee or blocked amount to TL 34.132. (December 31, 2014: None)

b) Information on financial assets available-for-sale:

	Current Period	Prior Period
Debt securities	1.040.924	658.435
Quoted on a stock exchange (*)	1.040.924	658.435
Unquoted	-	-
Share certificates	12.865	1.675
Quoted on a stock exchange	-	-
Unquoted (**)	12.865	1.675
Impairment provision (-)	2.223	350
Total	1.051.566	659.760

(*) Includes debt securities quoted on a stock exchange which are not traded at the related period ends.

(**) Besides including unquoted equity securities, The shares of Visa Europa, which are not traded in an active market and carried at cost since it is impossible to determine its fair value before December 31, 2015, are revalued basing on its indicator transaction value related to mentioned shares' take-over to Visa Inc. and the related revaluation difference is presented in financial statements of December 31, 2015

5. Information on loans and receivables:

a) Information on all types of loans and advances given to shareholders and employees of the Bank:

	Current Period		Prior Period	
	Cash	Non-cash	Cash	Non-cash
Direct loans granted to shareholders	80.073	62.236	8.808	35.469
Corporate shareholders	79.777	61.294	8.663	35.119
Real person shareholders	296	942	145	350
Indirect loans granted to shareholders	47.947	62.416	50.238	69.492
Loans granted to employees	8.985	28	7.742	-
Total	137.005	124.680	66.788	104.961

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b) Information on the first and second group loans, other receivables and restructured or rescheduled loans and other receivables:

Cash loans	Standard loans and other receivables			Loans and other receivables under close monitoring		
	Loans and other receivables (Total)	Restructured or rescheduled		Loans and other receivables (Total)	Restructured or rescheduled	
		Extension of Repayment Plan	Other		Extension of Repayment Plan	Other
Loans	17.754.205	212.812	18.546	616.194	55.255	20.557
Export loans	405.706	2.365	-	838	-	-
Import loans	1.431.798	19.465	2.312	10.718	803	40
Business loans	9.269.509	161.888	10.572	398.946	44.946	11.359
Consumer loans	2.700.852	6.505	1.009	25.316	175	62
Credit cards	189.347	-	-	4.092	-	-
Loans given to financial sector	4.337	-	-	-	-	-
Other (*)	3.752.656	22.589	4.653	176.284	9.331	9.096
Other receivables	-	-	-	-	-	-
Total	17.754.205	212.812	18.546	616.194	55.255	20.557

(*) Details of other loans are provided below:

Commercial loans with installments	1.917.320
Other investment credits	860.946
Loans given to abroad	490.739
Profit and loss sharing investments (**)	362.430
Loans for purchase of marketable securities for customer	263.529
Other	33.976
Total	3.928.940

(**) As of December 30, 2015, the related balance represents profit and loss sharing investment projects (12 projects) which are real estate development projects in various regions of Istanbul and Ankara. Revenue sharing of profit and loss sharing investment projects is done within the framework of the signed contract between the Bank and the counterparty after the cost of the projects is clarified and net profit of projects is determined once the project/stages of the project are completed. In case the transaction subject to the profit and loss sharing investment project results in a loss, the Bank's share of loss is limited with the funds invested in the project by the Bank. In the current period the Bank recognized TL 54.862 (December 31, 2014: TL 57.388) income in the accompanying financial statements in relation to such loans and presented in the profit share on loans in the income statement

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	Extension of Repayment Plan	
	Standard loans and other receivables	Loans and other receivables under close monitoring
1 or 2 times	212.812	55.255
3, 4 or 5 times	-	-
Over 5 times	-	-
Extension Periods	Standard loans and other receivables	Loans and other receivables under close monitoring
0 - 6 months	32.996	14.773
6 - 12 months	28.349	3.137
1 - 2 years	41.995	10.596
2 - 5 years	94.057	24.855
5 years and over	15.415	1.894

In accordance with the Communiqué "Principles and Procedures for the Determination of the Quality of Loans and Other Receivables and Reserves to be provided for These Loans" published in Official Gazette dated December 30, 2011 and numbered 28158, information related to the loans granted to maritime sector :

As of December 31, 2015, the Bank has loan receivables amounting to TL 21.971 arising from rescheduled loans within the scope of related Communiqué.

c) Maturity analysis of cash loans:

Cash Loans	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	Loans and Other Receivables	Restructured or Rescheduled (**)	Loans and Other Receivables	Restructured or Rescheduled
Short term loans and other receivables	4.013.248	46.538	72.664	8.323
Loans	4.013.248	46.538	72.664	8.323
Other receivables	-	-	-	-
Medium and long-term loans and other receivables (*)	13.509.599	184.820	467.718	67.489
Loans	13.509.599	184.820	467.718	67.489
Other receivables	-	-	-	-
Total	17.522.847	231.358	540.382	75.812

(*) Loans with original maturities longer than a year are classified as "Medium and Long Term Loans".

(**) Includes extensions, reductions and other changes in payment plans.

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ç) Information on consumer loans, retail credit cards, loans given to personnel and personnel credit cards:

	Short-term	Medium and long-term	Total
Consumer loans-TL	22.080	2.698.962	2.721.042
Housing loans	3.613	2.427.216	2.430.829
Vehicle loans	3.581	119.160	122.741
Consumer loans	14.886	152.586	167.472
Other	-	-	-
Consumer loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans-FC	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Retail credit cards-TL	57.240	-	57.240
With installment	21.188	-	21.188
Without installment	36.052	-	36.052
Retail credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Personnel loans-TL	3.145	1.981	5.126
Housing loans	-	243	243
Vehicle loans	95	1.266	1.361
Consumer loans	3.050	472	3.522
Other	-	-	-
Personnel loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel loans-FC	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel credit cards-TL	3.859	-	3.859
With installment	1.752	-	1.752
Without installment	2.107	-	2.107
Personnel credit cards-FC	-	-	-
With installment	-	-	-
Without-installment	-	-	-
Overdraft account-TL (real person)	-	-	-
Overdraft account-FC (real person)	-	-	-
Total	86.324	2.700.943	2.787.267

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d) Information on commercial loans with installments and corporate credit cards:

	Short-term	Medium and long-term	Total
Commercial installment loans-TL	39.142	1.303.165	1.342.307
Business loans	7.241	365.312	372.553
Vehicle loans	19.252	306.872	326.124
Consumer loans	12.649	630.981	643.630
Other	-	-	-
Commercial installment loans-FC indexed	863	527.186	528.049
Business loans	-	189.345	189.345
Vehicle loans	548	80.080	80.628
Consumer loans	315	257.761	258.076
Other	-	-	-
Commercial installment Loans-FC	-	46.964	46.964
Business loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	46.964	46.964
Other	-	-	-
Corporate credit cards-TL	132.340	-	132.340
With installment	28.942	-	28.942
Without installment	103.398	-	103.398
Corporate credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Overdraft account-TL (legal entity)	-	-	-
Overdraft account-FC (legal entity)	-	-	-
Total	172.345	1.877.315	2.049.660

e) Allocation of loans by customers:

	Current Period	Prior Period
Public	13.012	106.554
Private	18.357.387	15.327.778
Total	18.370.399	15.434.332

f) Breakdown of domestic and foreign loans:

	Current Period	Prior Period
Domestic loans	17.879.660	15.093.302
Foreign loans	490.739	341.030
Total	18.370.399	15.434.332

g) Loans granted to subsidiaries and associates:

As of the balance sheet date, there are no cash loans granted to subsidiaries and associates.

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ğ) Specific provisions for loans:

	Current Period	Prior Period
Loans and receivables with limited collectability	20.420	23.769
Loans and receivables with doubtful collectability	56.714	40.451
Uncollectible loans and receivables	192.801	212.500
Total	269.935	276.720

In addition to specific provision for loans amounting TL 269.935 (December 31, 2014: TL 276.720), provision amounting to TL 10.912 (December 31, 2014: TL 10.541) have been provided for fees and commissions and other receivables with doubtful collectability which sums up to total TL 280.847 (December 31, 2014: TL 287.261). Specific provision for loans amounting to TL 179.220 (December 31, 2014: TL 183.120) represents participation account share of specific provisions of loans provided from participation accounts.

h) Information on non-performing loans and receivables (net):

h.1) Non-performing loans and receivables which are restructured or rescheduled:

	III. Group Loans and receivables with limited collectability	IV. Group Loans and receivables with doubtful collectability	V. Group Uncollectible loans and receivables
Current period			
(Gross amount before specific provisions)	49.844	9.817	14.785
Restructured loans and other receivables	49.844	9.817	14.785
Rescheduled loans and other receivables	-	-	-
Prior period			
(Gross amounts before specific provisions)	62	1.132	19.288
Restructured loans and other receivables	62	1.132	19.288
Rescheduled loans and other receivables	-	-	-

h.2) Movements of non-performing loans:

	III. Group Loans and receivables with limited collectability	IV. Group Loans and receivables with doubtful collectability	V. Group Uncollectible loans and receivables
Closing balance of prior period	39.183	48.450	228.801
Additions in the current period (+)	295.816	17.714	37.087
Transfers from other categories of non-performing loans (+)	-	177.282	100.133
Transfers to other categories of non-performing loans (-)	177.282	100.133	-
Transfers to standard loans (-)	-	1.711	267
Collections in the current period (-)	34.115	27.902	53.019
Write offs (-)	3	1.098	91.435
Corporate and commercial loans	-	1.097	89.199
Retail loans	3	1	2.212
Credit cards	-	-	24
Other	-	-	-
Closing balance of the current period	123.599	112.602	221.300
Specific provisions (-)	20.420	56.714	192.801
Net balance at the balance sheet	103.179	55.888	28.499

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Non-performing loans and receivables in the amount of TL 457.501 (December 31, 2014: TL 316.434) comprise TL 281.719 (December 31, 2014: TL 194.337) of participation account share of loans and receivables provided from participation accounts.

In addition to non-performing loans and other receivables included in the above table, there are fees, commissions and other receivables with doubtful collectability amounting to TL 10.912 (December 31, 2014: TL 10.541). In the current period, collections from fees, commissions and other receivables with doubtful collectability amounted to TL 3.763.

h.3) Non-performing loans and other receivables in foreign currencies:

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current period:			
Period end balance	1.114	43	-
Specific provision (-)	317	12	-
Net balance on balance sheet	797	31	-
Prior period:			
Period end balance	15	12	-
Specific provision (-)	4	7	-
Net balance on balance sheet	11	5	-

h.4) Gross and net non-performing loans and other receivables per customer categories:

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current period (net)			
Loans to individuals and corporates (gross)	123.599	112.602	221.300
Specific provision (-)	20.420	56.714	192.801
Loans to individuals and corporates (net)	103.179	55.888	28.499
Banks (gross)	-	-	-
Specific provision (-)	-	-	-
Banks (net)	-	-	-
Other loans and receivables (gross)	-	-	-
Specific provision (-)	-	-	-
Other loans and receivables (net)	-	-	-
Prior period (net)			
Loans to individuals and corporates (gross)	39.183	48.450	228.801
Specific provision (-)	23.769	40.451	212.500
Loans to individuals and corporates (net)	15.414	7.999	16.301
Banks (gross)	-	-	-
Specific provision (-)	-	-	-
Banks (net)	-	-	-
Other loans and receivables (gross)	-	-	-
Specific provision (-)	-	-	-
Other loans and receivables (net)	-	-	-

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i) Liquidation policy for uncollectible loans and receivables:

Loans and other receivables determined as uncollectible are liquidated through starting legal follow up and by converting the guarantees into cash.

i) Information on "Write-off" policies:

The write-off policy of the Bank for receivables under follow up is to retire the receivables from assets in case of determination of the inability of collection through follow-up by the decision of Bank management.

Loans and other receivables, which have been deemed uncollectible according to the "Principles and Procedures for the Determination of the Quality of Loans and Other Receivables and Reserves to be provided for these Loans" published in the Official Gazette numbered 26333 dated November 01, 2006, have been written-off as per the decision of the Bank Management dated October 28, 2015 numbered 1480. In 2015, non-performing loans amounting to TL 94.592 were written-off (2014 - TL 19.336).

j) Other explanations on loans and receivables:

Aging analysis of past due but not impaired financial assets per classes of financial instruments is stated below:

Current Period	Less than 30 days	31-60 days	61-90 days	Total
Loans and Receivables				
Corporate Loans	1.307.983	296.077	294.939	1.898.999
Consumer Loans	135.307	25.018	4.579	164.904
Credit Cards	37.982	739	386	39.107
Total	1.481.272	321.834	299.904	2.103.010
Prior Period	Less than 30 days	31-60 days	61-90 days	Total
Loans and Receivables				
Corporate Loans	422.348	92.033	221.102	735.483
Consumer Loans	79.128	14.155	2.874	96.157
Credit Cards	3.708	990	339	5.037
Total	505.184	107.178	224.315	836.677

6. Information on held-to-maturity investments:

6.1) Information on held-to-maturity investments subject to repurchase transactions, given as a guarantee or blocked:

As of December 31, 2015, held to maturity investments given as a guarantee or blocked amount to TL 80.576. Held to maturity investments subject to repurchase agreements amount to TL 553.490 (December 31, 2014 : Held to maturity investments given as a guarantee or blocked amount to TL 30.982, held to maturity investments subject to repurchase agreements amount to TL 113.775).

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6.2) Information related to government securities held to maturity:

	Current Period	Prior Period
Government Bonds	-	-
Treasury Bills	-	-
Other Government Securities (*)	762.890	783.309
Total	762.890	783.309

(*) Consists of Sukook certificates issued by Undersecretariat of Treasury of Turkey.

6.3) Information on held-to-maturity investments:

	Current Period	Prior Period
Debt Securities	762.890	783.309
Quoted on a stock exchange (*)	762.890	783.309
Unquoted	-	-
Impairment provision (-)	-	-
Total	762.890	783.309

(*) Includes debt securities quoted on a stock exchange which are not traded at the related period ends.

6.4) Movement of held-to-maturity investments:

	Current Period	Prior Period
Balance at beginning of period	783.309	745.390
Foreign currency differences on monetary assets	-	-
Purchases during period	391.427	350.000
Disposals through sales and redemptions	(476.442)	(366.063)
Impairment provision (-)	-	-
Income accruals	64.596	53.982
Closing balance	762.890	783.309

7. Associates (net):

a) Information on unconsolidated associates:

Since the Bank does not have the necessary shareholding percentage to become a qualified shareholder and have significant influence over this associate, it has not been consolidated.

Name	Address (City/Country)	Bank's share percentage- If different voting percentage (%)	Bank's risk group share percentage (%)
Kredi Garanti Fonu A.Ş.	Ankara/Turkey	1,69	-

The balances of Kredi Garanti Fonu A.Ş. presented in the table below have been obtained from the unaudited financial statements as of September 30, 2015.

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period income/loss	Prior period income/loss	Fair value
316.348	313.416	5.836	-	-	19.899	-	-

b) Information on consolidated associates:

As of balance sheet date, the Bank does not have consolidated associates.

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8. Information on subsidiaries (net):

a) Information on unconsolidated subsidiaries:

As of balance sheet date, the Bank does not have unconsolidated subsidiary.

b) Information on consolidated subsidiaries:

i) The balances of Bereket Varlık Kiralama A.Ş. presented in the table below have been obtained from the audited financial statements as of December 31, 2015.

Name	Address (City/Country)	Bank's share percentage- If different voting percentage (%)	Risk share percentage of other shareholders (%)
Bereket Varlık Kiralama A.Ş.	Istanbul/Türkiye	100,00	-

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period income/loss	Prior period income/loss	Fair value
1.018.176	106	4	-	-	(67)	(77)	-

ii) In the Board of Directors meeting dated February 25, 2015, the Bank has taken a resolution on establishment a real estate portfolio management company with the name of "Albaraka Gayrimenkul Portföy Yönetimi A.Ş. whose capital is TL 5.000. The company is registered on June 3, 2015 and the foundation of the company is published on Trade Registry Gazette dated June 9, 2015 numbered 8837. The balances of Albaraka Gayrimenkul Portföy Yönetimi A.Ş. presented in the table below have been obtained from the audited financial statements as of December 31, 2015.

Name	Address (City/Country)	Bank's share percentage- If different voting percentage (%)	Risk share percentage of other shareholders (%)
Albaraka Gayrimenkul Portföy Yön.A.Ş.	Istanbul/Türkiye	100,00	-

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period income/loss	Prior period income/loss	Fair value
4.808	4.745	7	-	-	(255)	-	-

9. Information on investments in joint- ventures:

The Bank has founded Katılım Emeklilik ve Hayat A.Ş. ("Company") - a private pension and insurance company- through equal partnership with Kuveyt Turk Katılım Bankası A.Ş. in the form of joint venture in accordance with Board of Directors' decision dated May 10, 2013 numbered 1186, and permission of BRSA dated September 24, 2013 numbered 4389041421.91.11-24049. Company registered on December 17, 2013 and noticed in Trade registry gazette dated December 23, 2013 and numbered 8470. The financials from unaudited financial statements as of December 31, 2015 are below.

Joint-Ventures	The Parent Bank's shareholding percentage (%)	Group's shareholding percentage (%)	Current Assets	Non- Current Assets	Long Term Debts	Income	Expense
Katılım Emeklilik ve Hayat A.Ş.	50,00	50,00	24.970	236.128	237.340	24.948	29.400

Investment in joint venture in the unconsolidated financial statements is carried at cost.

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10. Information on lease receivables (net):

a) Presentation of remaining maturities of funds lent under finance lease method:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than a year	325.587	257.672	208.180	173.564
1 to 4 years	577.191	523.390	352.652	315.581
More than 4 years	187.285	166.365	221.780	220.501
Total	1.090.063	947.427	782.612	709.646

b) Information on net investments through finance lease:

	Current Period	Prior Period
Gross finance lease receivables	1.090.063	782.612
Unearned finance lease receivable (-)	142.636	72.966
Net receivable from finance leases	947.427	709.646

c) General explanation on finance lease contracts:

Finance lease contracts are realized in accordance with the related articles of Finance Lease, Factoring and Financing Companies Act numbered 6361. There are no restrictions due to finance lease contracts, no renewals or contingent rent payments that materially affect the financial statements.

Information on leasing receivables:

	Standard loans and other receivables			Loans and other receivables under close monitoring		
	Loans and other receivables	Restructured or rescheduled		Loans and other receivables	Restructured or rescheduled	
		Extension of Repayment Plan	Other		Extension of Repayment Plan	Other
	Finance lease receivables (Net)	916.510	89.366	-	30.917	-

11. Information on derivative financial assets for hedging purposes:

None. (December 31, 2014: None)

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12. Information on tangible assets:

Current period	Immovables	Leased tangible assets	Vehicles	Other	Assets held for sale	Total
Cost						
Opening balance: January 1,2015	338.576	-	1.667	196.420	70.775	607.438
Additions	9.492	-	801	22.112	27	32.432
Revaluation differences	31.988	-	-	-	-	31.988
Disposals	(16.035)	-	(821)	(2.559)	(20.482)	(39.897)
Impairment losses (-)/Reversal of impairment losses	-	-	-	-	94	94
Transfers	-	-	-	-	23.549	23.549
Ending balance: December 31,2015	364.021	-	1.647	215.973	73.963	655.604
Accumulated depreciation (-)						
Opening balance: January 1,2015	27.733	-	1.278	88.827	2.461	120.299
Depreciation expense	7.494	-	230	30.083	1.307	39.114
Reversal of depreciation of the disposed assets	(2.540)	-	(609)	(566)	(1.233)	(4.948)
Transfers	-	-	-	-	-	-
Ending balance: December 31,2015	32.687	-	899	118.344	2.535	154.465
Total cost at the end of the year	364.021	-	1.647	215.973	73.963	655.604
Total accumulated depreciation at the end of the year	(32.687)	-	(899)	(118.344)	(2.535)	(154.465)
Closing net book value	331.334	-	748	97.629	71.428	501.139

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Prior period	Immovables	Leased tangible assets	Vehicles	Other	Assets Held for sale	Total
Cost						
Opening balance: January 1, 2014	262.486	-	2.077	155.578	56.224	476.365
Additions	2.226	-	14	49.058	218	51.517
Revaluation differences	73.598	-	-	-	-	73.598
Disposals	-	-	(424)	(8.216)	(7.619)	(16.259)
Impairment losses (-)/Reversal of impairment losses	266	-	-	-	(1.093)	(828)
Transfers	-	-	-	-	23.045	23.045
Ending balance: December 31, 2014	338.576	-	1.667	196.420	70.775	607.438
Accumulated depreciation (-)						
Opening balance: January 1, 2014	21.837	-	1.423	71.083	1.408	95.751
Depreciation expense	5.896	-	277	25.653	1.255	33.082
Reversal of depreciation of the disposed assets	-	-	(422)	(7.909)	(202)	(8.534)
Transfers	-	-	-	-	-	-
Ending balance: December 31, 2014	27.733	-	1.278	88.827	2.461	120.299
Total cost at the end of the year	338.576	-	1.667	196.420	70.775	607.438
Total accumulated depreciation at the end of the year	(27.733)	-	(1.278)	(88.827)	(2.461)	(120.299)
Closing net book value	310.843	-	389	107.593	68.314	487.139

As of December 31, 2015, the immovables of the Bank have been revalued by an independent valuer and revaluation fund of TL 189.092 (December 31, 2014: TL 153.179) net of deferred tax and depreciation has been reflected in the financial statements. The carrying value of the aforesaid immovables would have been TL 109.007 (December 31, 2014: TL 106.810) if revaluation method had not been adopted.

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13. Information on intangible assets:

a) Opening and ending book values and accumulated depreciation balances:

	Current Period	Prior Period
Cost	86.623	50.447
Accumulated depreciation (-)	42.351	23.556
Total (net)	44.272	26.891

b) Intangible assets movement between the beginning and end of the period:

	Current Period	Prior Period
Opening balance	26.891	15.929
Additions	36.115	20.565
Disposals (-) net	-	-
Depreciation expense (-)	18.734	9.603
Closing net book value	44.272	26.891

14. Information on investment property:

None. (December 31, 2014: None)

15. Information related to deferred tax asset:

As of December 31, 2015, the Bank calculated deferred tax asset of TL 44.887 (December 31, 2014: TL 35.388) and deferred tax liability of TL 29.716 (December 31, 2014: TL 43.681) on all tax deductible/taxable temporary differences arising between the carrying amounts and the tax base of assets and liabilities in the financial statements that will be considered in the calculation of taxable earnings in the future periods and presented them as net in the accompanying financial statements. (December 31, 2014: TL 8.293 Deferred Tax Liability)

	Tax Base	Deferred Tax Amount
Rediscount on profit share and prepaid fees and commission income and unearned revenues	165.320	33.064
Provisions for retirement and vacation pay liabilities	53.033	10.607
Difference between carrying value and tax base of tangible assets	3.680	736
Provision for impairment	2.070	414
Other	332	66
Deferred tax asset	224.435	44.887
Revaluation difference of property	90.650	18.130
Financial assets available for sale valuation difference	2.630	2.673
Trading securities valuation difference	-	-
Rediscount on profit share	7.020	1.404
Other	48.280	7.509
Deferred tax liability	148.580	29.716
Deferred tax asset (net)	75.855	15.171

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16. Information on assets held for sale and assets of discontinued operations:

Assets held for sale consist of tangible assets which have been acquired due to non-performing loans and are accounted in the unconsolidated financial statements in accordance with the Communiqué of "Principles and Procedures on Bank's Disposal of Precious Metals and Assets Held for Sale".

	Current Period	Prior Period
Opening Balance	27.678	28.407
Additions	37.242	34.403
Disposals	(18.246)	(12.634)
Transfers (*)	(23.549)	(23.045)
Impairment Provision (-)/Reversal of Impairment Provision	306	547
Net closing balance	22.819	27.678

(*) The balance has been transferred from assets held for sale tangible assets to assets to be sold.

As of December 31, 2015, 22.539 of the assets held for sale is comprised of real estates, TL 280 is comprised of other tangible assets.

The Bank has no discontinued operations and assets of discontinued operations. (December 31, 2014: None)

17. Information on other assets:

As of the balance sheet date, the Bank's other assets balance is TL 218.262 (December 31, 2014: TL 76.411) and does not exceed 10% of balance sheet total excluding off balance sheet commitments.

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II. Explanations and notes related to liabilities:

1. Information on funds collected:

a) Information on maturity structure of funds collected:

Current Period	Demand	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	Over 1 year	Accumulated participation accounts	Total
I. Real Persons Current Accounts Non-Trade TL	771.214	-	-	-	-	-	-	-	771.214
II. Real Persons Participation Accounts Non-Trade TL	-	418.623	5.626.945	84.267	-	91.904	533.772	-	6.755.511
III. Current Account other-TL	1.236.070	-	-	-	-	-	-	-	1.236.070
Public Sector	38.481	-	-	-	-	-	-	-	38.481
Commercial Institutions	1.138.310	-	-	-	-	-	-	-	1.138.310
Other Institutions	52.254	-	-	-	-	-	-	-	52.254
Commercial and Other Institutions	6.056	-	-	-	-	-	-	-	6.056
Banks and Participation Banks	969	-	-	-	-	-	-	-	969
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	2	-	-	-	-	-	-	-	2
Foreign Banks	947	-	-	-	-	-	-	-	947
Participation Banks	20	-	-	-	-	-	-	-	20
Other	-	-	-	-	-	-	-	-	-
IV. Participation Accounts-TL	-	128.900	2.253.037	62.236	-	22.997	106.211	-	2.573.381
Public Sector	-	-	2.114	-	-	-	-	-	2.114
Commercial Institutions	-	127.370	1.899.813	48.471	-	21.761	102.397	-	2.199.812
Other Institutions	-	1.528	162.999	13.765	-	1.236	3.814	-	183.342
Commercial and Other Institutions	-	2	170.828	-	-	-	-	-	170.830
Banks and Participation Banks	-	-	17.283	-	-	-	-	-	17.283
V. Real Persons Current Accounts Non- Trade FC	1.005.988	-	-	-	-	-	-	-	1.005.988
VI. Real Persons Participation Accounts Non-Trade FC	-	259.827	3.269.145	85.684	-	176.141	558.294	-	4.349.091
VII. Other Current Accounts FC	1.142.114	-	-	-	-	-	-	-	1.142.114
Residents in Turkey-Corporate	796.423	-	-	-	-	-	-	-	796.423
Residents Abroad-Corporate	207.863	-	-	-	-	-	-	-	207.863
Banks and Participation Banks	137.828	-	-	-	-	-	-	-	137.828
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	-	-	-	-	-	-
Foreign Banks	106.227	-	-	-	-	-	-	-	106.227
Participation Banks	31.601	-	-	-	-	-	-	-	31.601
Other	-	-	-	-	-	-	-	-	-
VIII. Participation Accounts other- FC	-	109.229	1.805.612	164.175	-	55.447	84.338	-	2.218.801
Public sector	-	-	-	-	-	-	-	-	-
Commercial institutions	-	77.065	1.087.442	84.549	-	34.474	16.457	-	1.299.987
Other institutions	-	901	231.702	-	-	2.980	-	-	235.583
Commercial and Other Institutions	-	995	237.658	4.087	-	2.201	67.881	-	312.822
Banks and Participation Banks	-	30.268	248.810	75.539	-	15.792	-	-	370.409
IX. Precious Metals Deposits	105.805	41.027	132.729	7.025	-	3.736	3.686	-	294.008
X. Participation Accounts Special Fund Pools TL	-	-	-	-	-	-	-	-	-
Residents in Turkey	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
XI. Participation Accounts Special Fund Pools - FC	-	-	-	-	-	-	-	-	-
Residents in Turkey	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
Total (I+II+.....+IX+X+XI)	4.261.191	957.606	13.087.468	403.387	-	350.225	1.286.301	-	20.346.178

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Prior Period	Demand	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	Over 1 year	Accumulated participation accounts	Total
I. Real Persons Current Accounts Non-Trade TL	651.085	-	-	-	-	-	-	-	651.085
II. Real Persons Participation Accounts Non-Trade TL	-	3.221.702	2.450.686	129.932	-	38.739	433.932	-	6.274.991
III. Current Account other-TL	1.084.752	-	-	-	-	-	-	-	1.084.752
Public Sector	27.473	-	-	-	-	-	-	-	27.473
Commercial Institutions	1.027.822	-	-	-	-	-	-	-	1.027.822
Other Institutions	28.554	-	-	-	-	-	-	-	28.554
Commercial and Other Institutions	49	-	-	-	-	-	-	-	49
Banks and Participation Banks	854	-	-	-	-	-	-	-	854
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	2	-	-	-	-	-	-	-	2
Foreign Banks	801	-	-	-	-	-	-	-	801
Participation Banks	51	-	-	-	-	-	-	-	51
Other	-	-	-	-	-	-	-	-	-
IV. Participation Accounts-TL	-	512.441	984.970	123.546	-	30.191	120.187	-	1.771.335
Public Sector	-	18.575	41	-	-	-	-	-	18.616
Commercial Institutions	-	446.099	883.116	24.953	-	8.209	115.749	-	1.478.126
Other Institutions	-	35.074	65.275	7.311	-	886	4.438	-	112.984
Commercial and Other Institutions	-	12.693	7.107	-	-	-	-	-	19.800
Banks and Participation Banks	-	-	29.431	91.282	-	21.096	-	-	141.809
V. Real Persons Current Accounts Non- Trade FC	764.756	-	-	-	-	-	-	-	764.756
VI. Real Persons Participation Accounts Non-Trade FC	-	1.711.026	1.199.277	151.563	-	26.657	422.339	-	3.510.862
VII. Other Current Accounts FC	743.223	-	-	-	-	-	-	-	743.223
Residents in Turkey-Corporate	576.703	-	-	-	-	-	-	-	576.703
Residents Abroad-Corporate	51.011	-	-	-	-	-	-	-	51.011
Banks and Participation Banks	115.509	-	-	-	-	-	-	-	115.509
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	-	-	-	-	-	-
Foreign Banks	115.091	-	-	-	-	-	-	-	115.091
Participation Banks	418	-	-	-	-	-	-	-	418
Other	-	-	-	-	-	-	-	-	-
VIII. Participation Accounts other- FC	-	408.717	922.390	43.286	-	117.148	11.558	-	1.503.099
Public sector	-	-	-	-	-	-	-	-	-
Commercial institutions	-	327.919	679.277	5.108	-	92.161	951	-	1.105.416
Other institutions	-	26.777	7.295	9	-	-	-	-	34.081
Commercial and Other Institutions	-	25.756	10.315	-	-	2.379	10.607	-	49.057
Banks and Participation Banks	-	28.265	225.503	38.169	-	22.608	-	-	314.545
IX. Precious Metals Deposits	132.119	96.393	102.886	3.586	-	611	3.520	-	339.115
X. Participation Accounts Special Fund Pools TL	-	-	-	-	-	-	-	-	-
Residents in Turkey	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
XI. Participation Accounts Special Fund Pools - FC	-	-	-	-	-	-	-	-	-
Residents in Turkey	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
Total (I+II+.....+IX+X+XI)	3.375.935	5.950.279	5.660.209	451.913	-	213.346	991.536	-	16.643.218

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b) Saving deposits and other deposits accounts insured by Saving Deposit Insurance Fund:

b.1) Exceeding the limit of Insurance Fund:

Information on real persons' current and participation accounts not subject to trading transactions under the guarantee of insurance and exceeding the limit of Insurance Fund:

	Under the guarantee of Insurance		Exceeding the guarantee of Insurance	
	Current Period	Prior Period	Current Period	Prior Period
Real persons' current and participation accounts not subject to trading transactions				
Turkish Lira accounts	4.031.698	3.576.170	3.495.029	3.349.906
Foreign currency accounts	1.556.831	1.296.029	4.115.302	3.265.958
Foreign branches' deposits subject to foreign authorities insurance	-	-	-	-
Off-shore deposits under foreign authorities' insurance	-	-	-	-

Funds collected by Participation Banks (except foreign branches) from current and participation accounts denominated in Turkish Lira or foreign currency up to a limit of maximum TL 100 (including both capital and profit shares) for each real person is under the guarantee of Saving Deposit Insurance Fund in accordance with the Banking Law numbered 5411.

b.2) Funds collected which are not under the guarantee of insurance fund:

Funds collected of real persons which are not under the guarantee of insurance fund:

	Current Period	Prior Period
Foreign Branches' Profit Sharing Accounts and Other Accounts	21.595	29.444
Profit Sharing Accounts and Other Accounts of Controlling Shareholders and Profit Sharing Accounts and Other Accounts of Their Mother, Father, Spouse, and Children in Care	-	-
Profit Sharing Accounts and Other Accounts of Chairman and Members of Board Of Directors or Managers, General Manager and Assistant General Managers and Profit Sharing Accounts and Other Accounts of Their Mother, Father, Spouse, and Children in Care	8.825	7.451
Profit Sharing Accounts and Other Accounts in Scope of the Property Holdings Derived from Crime Defined in article 282 of Turkish Criminal Law no:5237 dated 26.09.2004	-	-
Profit Sharing Accounts in Participation Banks Established in Turkey in order to engage solely in Off-Shore Banking Activities	-	-

2. Information on derivative financial liabilities held for trading:

None (December 31; 2014: None)

3. Information on borrowings:

The Bank has obtained a Syndicated Murabaha Loan from international markets amounting to USD 87.500.000 and EUR 98.250.000 with maturity of one year, amounting to USD 458.500.000 and EUR 56.250.000 with maturity of more than one year, totaling to USD 546.000.000 and EUR 154.500.000. (December 31, 2014: one year maturity: USD 151.000.000 and EUR 54.400.000, more than one year maturity: USD 135.000.000 and EUR 98.000.000).

As of December 31, 2015, the Bank has wakala borrowings in accordance with investment purpose wakala contracts from banks in the amounts of USD 161.448.187 and EUR 112.419.953 (December 31, 2014: USD 359.955.589 and EUR 113.435.323).

The Bank has issued sukuk at September 30, 2014 in the amounts of USD 350.000.000 with five year maturity and 6.25% yearly profit rate determined to collect funds from various investors. The Bank has practised this transaction through its subsidiary Bereket Varlık Kiralama A.Ş. founded particularly for the related issue.

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a) Information on banks and other financial institutions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Loans from CBRT	-	-	-	-
Loans from domestic banks and institutions	-	1.158.248	-	884.691
Loans from foreign banks, institutions and funds	-	2.946.440	-	2.331.307
Total	-	4.104.688	-	3.215.998

b) Maturity analysis of funds borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	-	884.552	-	1.746.725
Medium and Long-Term	-	3.220.136	-	1.469.273
Total	-	4.104.688	-	3.215.998

c) Additional disclosures on concentration areas of Bank's liabilities:

The Bank does not have concentration on customer or sector group providing funds.

4. Breakdown of items in other liabilities which exceed 10% of the balance sheet total and breakdown of items which constitute at least 20% of grand total:

None. (December 31, 2014: None)

5. Lease payables:

a) Information on finance lease transactions:

a.1) Information on financial lease agreements:

The Bank has no obligation from finance lease operations as of balance sheet date.

a.2) Explanations on the changes in agreements and new obligations originating from these changes:

None.

a.3) Explanations on the obligations originating from finance leases:

None.

b) Explanations on operational leases:

The Bank has rented some branches, warehouses, storage and some of the administrative vehicles through operational lease agreements. The Bank does not have any overdue liabilities arising on the existing operational lease agreements.

The rent payments resulting from the operational leases which the Bank will pay in future periods are as follows:

	Current Period	Prior Period
Less than a year	40.057	34.737
1 to 4 years	103.291	92.312
Over 4 years	96.642	95.845
Total	239.990	222.894

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6. Information on hedging derivative financial liabilities:

None. (December 31, 2014: None)

7. Information on provisions:

a) Information on general provisions:

	Current Period	Prior Period
General provision for	170.885	153.910
I. Group loans and receivables (Total)	142.268	115.490
Participation Accounts' Share	87.710	67.736
Bank's Share	54.558	47.754
Others	-	-
Additional provision for loans and receivables with extended maturities for loans and receivables in Group I	8.270	49
Participation Accounts' Share	3.586	44
Bank's Share	4.684	5
Others	-	-
II. Group loans and receivables (Total)	14.436	23.414
Participation Accounts' Share	8.356	15.227
Bank's Share	6.080	8.187
Others	-	-
Additional provision for loans and receivables with extended maturities for loans and receivables in Group II	3.494	8.743
Participation Accounts' Share	2.692	5.694
Bank's Share	802	3.049
Others	-	-
Non-cash loans	14.181	15.006
Others	-	-

b) Information on provisions for foreign exchange losses on foreign currency indexed loans and financial lease receivables:

As of December 31, 2015, provision for foreign exchange losses on foreign currency indexed loans and lease receivables amounting to TL 27.874 (December 31, 2014: TL 15.086) has been offset against the loans and financial lease receivables included in the assets of the balance sheet.

c) Information on specific provisions for non-cash loans that are not indemnified:

As of December 31, 2015, the Bank has provided specific provisions amounting to TL 22.394 (December 31, 2014: TL 15.328) for non-cash loans that are not indemnified.

ç) Other provisions:

ç.1) Information on general reserves for possible losses:

	Current Period	Prior Period
General Reserves for Possible Losses (*)	88	88
Total	88	88

(*) The balance represents provision for the lawsuits against the Bank with high probability of realization and cash outflows.

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ç.2) Information on nature and amount of other provisions exceeding 10% of total provisions:

	Current Period	Prior Period
Provisions allocated from profit shares to be distributed to profit sharing accounts (*)	40	23.117
Provision for unindemnified letter of guarantees	18.469	15.328
Payment commitments for cheques	3.925	2.574
Provision for promotions related with credit cards and promotion of banking services	80	217
General reserves for possible losses	88	88
Financial assets at fair value through profit and loss	429	-
Other (**)	4.910	5.061
Total	27.941	46.385

(*) Represents participation accounts' portion of specific provisions, general provisions and Saving Deposits Insurance Fund premiums provided in accordance with the article 14 of Communiqué "Principles and Procedures for the Determination of the Quality of Loans and Other Receivables and Reserves to be provided for These Loans".

(**) Indicates other provision amount for possible losses in loan portfolio

d) Information on provisions for employee rights:

Provisions for employee benefits consist of reserve for employee termination benefits amounting to TL 30.235 (December 31, 2014: TL 26.201), vacation pay liability amounting to TL 7.048 (December 31, 2014: TL 6.328) and performance premium reserve amounting to TL 15.750 (December 31, 2014 : None) totaling to TL 53.033 (December 31, 2014: TL 32.529). The Bank has calculated the reserve for employee termination benefits using actuarial valuation methods as indicated in TAS 19. Accordingly, following actuarial assumptions were used in the calculation of the total liability.

	Current Period	Prior Period
Discount rate (%)	8,40	8,40
Estimated increase rate of salary ceiling (%)	6,90	6,00
Rate used in relation to possibility of retirement (*) (%)	62,26	73,71

(*) The rate has been calculated depending on the years of service of the employees; the rate presented in the table represents the average of such rates.

Movement of the reserve for employment termination benefits in the balance sheet is as follows:

	Current Period	Prior Period
Prior period ending balance	26.201	16.526
Provisions made in the period	6.480	4.324
Actuarial gain/(loss)	358	6.958
Paid during the period	(2.804)	(1.607)
Balance at the end of the period	30.235	26.201

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8. Information on taxes payable:

a) Explanations on current tax liability:

a.1) As of December 31, 2015, the Bank's corporate tax payable is TL 21.165 (December 31, 2014: TL 24.034) after offsetting prepaid corporate tax.

a.2) Information on taxes payable:

	Current Period	Prior Period
Corporate taxes payable	21.165	24.034
Banking insurance transaction tax	11.775	11.050
Taxation on securities income	11.747	9.391
Value added tax payable	895	710
Taxation on real estate income	665	561
Foreign exchange transaction tax	-	-
Other	6.130	5.048
Total	52.377	50.794

a.3) Information on premiums:

	Current Period	Prior Period
Social security premiums-employee	2.645	2.190
Social security premiums-employer	2.876	2.380
Bank pension fund premium- employees	-	-
Bank pension fund premium- employer	-	-
Pension fund membership fees and provisions-employees	-	-
Pension fund membership fees and provisions- employer	-	-
Unemployment insurance-employee	187	154
Unemployment insurance-employer	373	308
Other	-	-
Total	6.081	5.032

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b) Information on deferred tax liability:

There is not any deferred tax liability as of December 31, 2015. The information for December 31, 2014 is as follows:

	Tax Base	Deferred Tax Amount
Rediscount on profit share and prepaid fees and commission income and unearned revenues	137.820	27.564
Provisions for retirement and vacation pay liabilities	32.529	6.506
Difference between carrying value and tax base of tangible assets	4.105	821
Provision for impairment	2.215	443
Other	271	54
Deferred tax asset	176.940	35.388
Revaluation difference of property	191.475	38.295
Financial assets available for sale valuation difference	12.485	2.497
Trading securities valuation difference	1.930	386
Rediscount on profit share	125	25
Other	12.390	2.478
Deferred tax liability	218.405	43.681
Deferred tax liability (net)	41.465	8.293

9. Liabilities for assets held for sale and discontinued operations:

None. (December 31, 2014: None)

10. Detailed explanations on number, maturity, profit share rate, creditor and option to convert to share certificates; if any; of subordinated loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
Loans from Domestic Banks	-	-	-	-
Loans from other Institutions	-	-	-	-
Loans from Foreign Banks	-	-	-	-
Loans from other Foreign Institutions	-	1.239.557	-	472.426
Total	-	1.239.557	-	472.426

The Bank obtained subordinated loan on May 7, 2013 from the investors not resident in Turkey through its structured entity Albaraka Türk Sukuk Limited amounting to USD 200.000.000 with 10 years maturity with a grace period of 5 years. The profit rate of the subordinated loan with grace period of five years with 10 years total maturity' was determined as 7,75%.

The Bank obtained subordinated loan on November 30, 2015 from the investors not resident in Turkey through its structured entity Albaraka Sukuk Limited amounting to USD 250.000.000 with 10 years maturity with a grace period of 5 years. The profit rate of the subordinated loan with grace period of 5 years with 10 years total maturity was determined as 10,50%. The Bank has repurchased the sukuk issued in the amount of USD 24.000.000 and this amount is offset in available for sale assets and subordinated loans.

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11. Information on shareholders' equity:

a) Presentation of paid-in capital:

	Current Period	Prior Period
Common stock	900.000	900.000
Preferred stock	-	-

b) Paid-in capital amount, explanation as to whether the registered share capital system is applicable at the Bank and if so, amount of the registered share capital ceiling:

In the Board of Directors meeting dated February 28, 2013, the Bank has taken a resolution on transition to registered capital system. The Bank's application to the Capital Market Board on the same date was approved on March 7, 2013 and the registered capital ceiling was determined as TL 2.500.000 to be valid until December 31, 2017.

Share Capital System	Paid-in Capital	Ceiling
Registered Capital	900.000	2.500.000

c) Information on the share capital increases during the period and their sources; other information on increased capital in the current period:

There is no capital increase in the current period.

ç) Information on share capital increases from capital reserves during the current period:

There is no share capital increase from capital reserves during the current period.

d) Capital commitments in the last fiscal year and by the end of the following interim period, general purpose of these commitments and projected resources required to meet these commitments:

There are no capital commitments till the end of the last fiscal year and following interim period.

e) Estimated effects on the shareholders equity of the Bank, of predictions to be made by taking into account previous period indicators regarding the Bank's income, profitability and liquidity, and uncertainties regarding such indicators:

The Bank continues its operations in a profitable manner and majority of the profits are kept in shareholders' equity through transfer to reserves. Moreover, the Bank's shareholders' equity is invested in liquid and earning assets.

f) Information on privileges given to stocks representing the capital:

There is no privilege given to stocks representing the capital.

g) Information on marketable securities valuation reserve:

	Current Period		Prior Period	
	TL	FC	TL	FC
From investments in associates, subsidiaries, and joint ventures	-	-	-	-
Valuation difference ^(*)	4.203	6.488	9.155	835
Foreign exchange difference	-	-	-	-
Total	4.203	6.488	9.155	835

^(*) The amount represents the net balance after deferred tax liability.

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III. Explanations and notes related to off-balance sheet:

1. Explanations on off balance sheet:

a) Type and amount of irrevocable loan commitments:

	Current Period	Prior Period
Commitments for credit card limits	521.562	510.257
Payment commitments for cheques	500.882	353.093
Asset purchase and sale commitments	187.332	-
Loan granting commitments	116.862	59.439
Tax and funds liabilities arising from export commitments	2.035	1.506
Commitments for promotions related with credit cards and banking activities	599	523
Other irrevocable commitments	203	3.832
Total	1.329.475	928.650

b) Type and amount of possible losses and commitments arising from off-balance sheet items:

b.1) Non-cash loans including guarantees, bank acceptances, collaterals and others that are accepted as financial commitments and other letters of credit:

	Current Period	Prior Period
Guarantees	7.730.288	6.872.641
Bank loans	28.324	33.055
Letters of credit	639.592	589.270
Other guaranties and sureties	265.853	583.543
Total	8.664.057	8.078.509

b.2) Revocable, irrevocable guarantees and other similar commitments and contingencies:

	Current Period	Prior Period
Letters of guarantees	7.730.288	6.872.641
Long standing letters of guarantees	4.956.813	4.602.603
Temporary letters of guarantees	293.937	345.357
Advance letters of guarantees	278.642	289.778
Letters of guarantees given to customs	247.773	219.657
Letters of guarantees given for obtaining cash loans	1.953.123	1.415.246
Sureties and similar transactions	265.853	583.543
Total	7.996.141	7.456.184

c) Within the Non-cash Loans

c.1) Total amount of non-cash loans:

	Current Period	Prior Period
Non-cash loans given against cash loans	1.953.123	1.415.246
With original maturity of 1 year or less	441.733	903.720
With original maturity of more than 1 year	1.511.390	511.526
Other non-cash loans	6.710.934	6.663.263
Total	8.664.057	8.078.509

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c.2) Sectoral risk concentration of non-cash loans:

	Current period				Prior period			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	73.452	1,72	39.514	0,90	99.639	2,41	25.056	0,64
Farming and stockbreeding	60.693	1,42	13.675	0,31	54.739	1,32	23.906	0,61
Forestry	11.284	0,26	23.341	0,53	44.856	1,08	-	-
Fishery	1.475	0,04	2.498	0,06	44	0,01	1.150	0,03
Manufacturing	932.582	21,81	2.434.207	55,47	1.119.292	26,98	1.955.461	49,77
Mining	22.933	0,54	61.431	1,40	33.103	0,80	78.965	2,01
Production	678.558	15,87	1.627.801	37,09	772.471	18,62	1.335.795	34,00
Electricity, gas and water	231.091	5,40	744.975	16,98	313.718	7,56	540.701	13,76
Construction	1.176.191	27,51	645.842	14,72	1.077.293	25,96	606.437	15,43
Services	1.691.894	39,57	1.150.416	26,21	1.662.751	40,06	1.076.420	27,40
Wholesale and retail trade	690.202	16,14	555.381	12,65	276.452	6,66	97.533	2,48
Hotel, food and beverage services	22.976	0,54	96.734	2,20	8.320	0,20	77.802	1,98
Transportation and telecommunication	65.131	1,52	71.640	1,63	50.769	1,22	182.038	4,63
Financial Institutions	17.638	0,41	118.816	2,71	79.009	1,90	522.572	13,30
Real estate and renting services	622.039	14,55	103.532	2,36	134.764	3,25	39.300	1,00
Self-employment services	119.216	2,79	187.680	4,28	15.253	0,37	4.073	0,10
Education services	31.998	0,75	1.319	0,03	21.604	0,52	41	0,01
Health and social services	122.694	2,87	15.314	0,35	1.076.580	25,94	153.061	3,90
Other	401.283	9,39	118.676	2,70	190.390	4,59	265.770	6,76
Total	4.275.402	100	4.388.655	100,00	4.149.365	100,00	3.929.144	100,00

c.3) Information on the non-cash loans classified in Group I and Group II:

	I st Group		II nd Group	
	TL	FC	TL	FC
Non-cash loans	4.238.879	4.368.945	36.523	19.710
Letters of guarantee	4.232.955	3.445.448	36.523	15.362
Bank loans	-	28.324	-	-
Letters of credit	-	635.244	-	4.348
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring commitments	-	-	-	-
Other commitments and contingencies	5.924	259.929	-	-

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2. Explanations on derivative transactions:

	Derivative transactions according to purpose	
	December 31,2015	December 31,2014
Trading Derivatives		
Foreign Currency Related Derivative Transactions (I)	417.005	-
Currency Forwards-Purchases, sales	-	-
Currency Swaps-Purchases, sales	417.005	-
Currency Futures	-	-
Currency Options-Purchases, sales	-	-
Interest Rate Related Derivative Transactions (II)	-	-
Interest rates forwards-Purchase, sales	-	-
Interest rates swaps-Purchases, sales	-	-
Interest rates options-Purchases, sales	-	-
Interest rates futures-Purchases, sales	-	-
Other Trading Derivatives (III)	-	-
A. Total Trading Derivatives (I + II + III)	417.005	-
Hedging Derivatives	-	-
Fair value hedges	-	-
Cash flow hedges	-	-
Foreign currency investment hedges	-	-
B. Total Hedging Derivatives	-	-
Total Derivatives Transactions (A+B)	417.005	-

3. Explanations on contingent assets and liabilities:

The Bank has made a provision amounting to TL 88 (December 31,2014: TL 88), as presented under "Other Provisions" note in Section Five Note II.7.ç, for the lawsuits opened by various real persons and legal entities against the Bank with high probability of realization and cash outflows. Although there are other ongoing lawsuits against the Bank, the Bank considers the probability of a negative result in ongoing litigations resulting in cash outflows as remote.

4. Explanations on services rendered on behalf of third parties:

The Bank has no operations like money placements on behalf of real persons or legal entities, charitable foundations, retirement insurance funds and other institutions.

IV. Explanations and notes related to the statement of income:

1. Information on profit share income:

a) Information on profit share income received from loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share received from loans (*)	1.527.470	181.419	1.255.868	120.550
Short Term Loans	418.602	20.455	552.910	13.494
Medium and Long Term Loans	1.100.716	160.958	695.778	107.045
Profit Share on Non-Performing Loans	8.152	6	7.180	11

(*) Includes fees and commission income on cash loans.

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b) Information on profit share income received from banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
CBRT	6.718	3.545	492	-
Domestic Banks	-	-	-	-
Foreign Banks	-	36	-	1.882
Head Offices and Branches Abroad	-	-	-	-
Total	6.718	3.581	492	1.882

c) Information on profit share income received from marketable securities:

	Current Period		Prior Period	
	TL	FC	TL	FC
From financial assets held for trading	-	-	-	-
From financial assets at fair value through profit or loss	-	-	-	-
From financial assets available-for-sale	62.858	7.761	36.656	4.498
From held-to-maturity investments	64.596	-	53.982	-
Total	127.454	7.761	90.638	4.498

ç) Information on profit share income received from associates and subsidiaries:

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit shares income received from associates and subsidiaries	-	2.326	-	920
Total	-	2.326	-	920

2. Explanations on profit share expenses:

a) Information on profit share expense paid to funds borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	-	50.701	-	39.791
CBRT	-	-	-	-
Domestic banks	-	3.127	-	473
Foreign banks	-	47.574	-	39.318
Head offices and branches abroad	-	-	-	-
Other institutions	-	112.827	-	60.245
Total	-	163.528	-	100.036

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b) Profit share expense paid to associates and subsidiaries:

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share paid to Investments in Associates and Subsidiaries	255	61.491	179	25.684
Total	255	61.491	179	25.684

c) Profit share expenses paid to marketable securities issued:

None. (December 31,2014 : None)

ç) Distribution of profit share expense on funds collected based on maturity of funds collected:

Account name	Profit sharing accounts						Accumulated profit sharing account	Total
	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	More than 1 year		
TL								
Funds collected from banks through current and profit sharing accounts	-	4.139	2.914	-	6	-	-	7.059
Real persons' non-trading profit sharing accounts	112.942	351.446	8.701	-	6.821	42.840	-	522.750
Public sector profit sharing accounts	382	420	-	-	-	-	-	802
Commercial sector profit sharing accounts	22.591	120.309	5.278	-	1.015	8.901	-	158.094
Other institutions profit sharing accounts	1.575	17.858	1.173	-	101	369	-	21.076
Total	137.490	494.172	18.066	-	7.943	52.110	-	709.781
FC								
Banks	1.196	6.806	807	-	643	-	-	9.452
Real persons' non-trading profit sharing accounts	15.439	47.227	2.237	-	2.703	11.079	-	78.685
Public sector profit sharing accounts	-	-	-	-	-	-	-	-
Commercial sector profit sharing accounts	3.377	15.647	727	-	1.593	246	-	21.590
Other institutions profit sharing accounts	643	4.430	129	-	74	743	-	6.019
Precious metals deposits	927	2.757	165	-	55	103	-	4.007
Total	21.582	76.867	4.065	-	5.068	12.171	-	119.753
Grand total	159.072	571.039	22.131	-	13.011	64.281	-	829.534

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3. Information on dividend income:

	Current Period		Prior Period	
	TL	FC	TL	FC
From trading financial assets	10	-	180	-
From financial assets at fair value through profit and loss	-	-	-	-
From available for sale financial assets	-	-	-	-
Other	509	-	-	-
Total	519	-	180	-

4. Explanations on trading income/loss (net):

	Current Period		Prior Period	
	TL	FC	TL	FC
Income	6.809.954		3.295.553	
Income from capital market transactions	2.243		1.484	
Income from derivative financial instruments	73.239		21.681	
Foreign exchange income	6.734.472		3.272.388	
Loss (-)	6.757.384		3.242.296	
Loss on capital market transactions	20		10	
Loss on derivative financial instruments	5.146		540	
Foreign exchange losses	6.752.218		3.241.746	
Trading income/loss (net)	52.570		53.257	

5. Explanations related to other operating income:

	Current Period		Prior Period	
	TL	FC	TL	FC
Reversal of prior year provisions	89.166		79.768	
Income from sale of assets	16.742		9.863	
Reimbursement for communication expenses	3.798		3.295	
Reimbursement for bank statement expenses	120		980	
Cheque book charges	806		754	
Other income	2.775		2.159	
Total	113.407		96.819	

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6. Provisions for loan losses and other receivables of the Bank:

	Current Period	Prior Period
Specific provisions for loans and other receivables	130.834	86.262
Loans and receivables in III. Group	43.412	64.093
Loans and receivables in IV. Group	46.642	10.500
Loans and receivables in V. Group	36.222	6.530
Doubtful commission, fee and other receivables	4.558	5.139
General provision expenses	12.869	45.361
Provision expenses for possible losses	-	31
Impairment losses on marketable securities	194	26
Financial assets at fair value through profit and loss	124	26
Financial assets available for sale	70	-
Impairment losses on associates, subsidiaries, joint ventures and held to maturity investments	-	-
Associates	-	-
Subsidiaries	-	-
Joint ventures	-	-
Held to maturity investments	-	-
Other	13.246	17.896
Total	157.143	149.576

TL 78.376 (December 31, 2014: TL 59.340) of the total specific provisions provided for loan and other receivables amounting to TL 130.834 (December 31, 2014: TL 86.262) is the participation accounts portion of specific provision provided for loans and other receivables.

TL 9.287 (December 31, 2014: TL 18.515) of the total general loan loss provisions provided for loan and other receivables amounting to 12.869 (December 31, 2014: TL 45.361) is the participation accounts portion of general loan loss provision provided for loans and other receivables.

7. Information on other operating expenses:

	Current Period	Prior Period
Personnel expenses	354.129	281.884
Provision for retirement pay liability	3.676	2.717
Deficit provision for pension fund	-	-
Impairment expenses of tangible assets	-	-
Depreciation expenses of tangible assets	39.114	31.812
Impairment expenses of intangible assets	-	-
Impairment expense of goodwill	-	-
Amortization expenses of intangible assets	18.734	9.603
Impairment provision for investments accounted for under equity method	-	-
Impairment expenses of assets to be disposed	404	1.347
Depreciation expenses of assets to be disposed	1.307	1.257
Impairment expenses of assets held for sale and assets of discontinued operations	1.036	3
Other operating expenses	136.719	106.864
Operating lease expenses	53.531	41.220
Maintenance expenses	10.639	6.256
Advertisement expenses	10.192	8.166
Other expenses	62.357	51.222
Loss on sale of assets	1.215	351
Other (*)	97.919	66.600
Total	654.253	502.438

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(*) Details of other balance are provided as below:

	Current Period	Prior Period
Saving Deposit Insurance Fund	32.571	27.223
Taxes, Duties, Charges and Funds	23.735	19.445
Bonus Reserve Expenses	15.750	-
Expertise and Information Expenses	11.825	9.170
Audit and Consultancy Fees	7.632	7.174
Other	6.406	3.588
Total	97.919	66.600

8. Explanations on income/loss from continued operations before taxes:

As the Bank does not have any discontinued operations, there is no explanation related to income/loss from discontinued operations before taxes.

The Bank's income before tax increased by 16% compared to prior period and is realized as TL 376.778. Income before tax comprises net profit share income in the amount of TL 885.681 and fees and commission income in the amount of TL 135.997. Total other operating expenses amount to TL 654.253.

9. Explanations on tax provision for continued and discontinued operations:

Tax provision for continued operations:

	Current Period	Prior Period
Income before tax	376.778	325.552
Tax calculated with tax rate of 20%	75.356	65.110
Other additions and disallowable expenses	18.276	15.939
Deductions	(15.466)	(7.767)
Provision for current taxes	78.166	73.282
Provision for deferred taxes	(4.251)	(361)
Continuing Operations Tax Provision	73.915	72.921

Since the Bank does not have any discontinued operations, there is no tax provision for discontinued operations.

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10. Explanations on net income/loss from continued and discontinued operations:

The Bank has no discontinued operations. Net income for the period has been realized as TL 302.863 (December 31, 2014: TL 252.631) by deducting tax provision expense amounting to TL 73.915 (December 31,2014: TL 72.921) from profit from continued operations amounting to TL 376.778 (December 31,2014: TL 325.552).

11. Explanations on net income/loss:

a) The nature and amount of certain income and expense items from ordinary operations; if the disclosure for nature, amount and repetition rate of such items is required for a complete understanding of the Bank's performance for the period:

None.

b) The effect of the change in accounting estimates to the net income/loss; including the effects on the future period:

None.

c) Income/loss of minority interest:

None.

12. Components of other items which constitute at least 20% of the total of other items, if the total of other items in income statement exceed 10% of the total of income statement:

Other Fees and Commissions Received	Current Period	Prior Period
Member firm-POS fees and commissions	33.618	30.130
Clearing room fees and commissions	15.482	16.039
Commissions on money orders	10.602	8.323
Appraisal fees	8.808	7.389
Insurance and brokerage commissions	8.229	5.109
Other	12.842	12.230
Total	89.581	79.220
Other Fees and Commissions Paid	Current Period	Prior Period
Funds borrowed fees and commissions	17.941	11.526
Credit cards fees and commissions	8.002	6.092
Member firm-POS fees and commissions	11.162	7.469
Other	14.204	7.329
Total	51.309	32.416

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V. Explanations and notes related to the statement of changes in shareholders' equity:

a) There is no declaration of dividends made subsequent to the balance sheet date, and prior to the announcement of the financial statements.

Decision related to the dividend distribution will be taken in the General Assembly. General Assembly has not been held as of the date of finalization of the accompanying financial statements.

b) "Unrealized gains and losses" arising from changes in the fair value of securities classified as available-for-sale are recognized in the "Marketable securities valuation reserve" account under equity, until the financial assets are sold, disposed of or impaired at which time they are transferred to the statement of income. TL 876 increase has occurred after the revaluation of available-for-sale securities (December 31, 2014: TL 18.415 increase).

c) Revaluation funds related to tangible and intangible assets and foreign exchange differences arising from translation of tangible and intangible assets of foreign branch of the Bank are accounted under equity in revaluation reserve on tangible assets and revaluation reserve on intangible assets.

d) Foreign exchange differences arising from translation of income statement of foreign branch of the Bank are accounted in other capital reserves amounts to TL 4.368. (December 31, 2014: TL 1.305).

VI. Explanations and disclosures related to the statement of cash flows:

a) Components of cash and cash equivalents and accounting policy applied in their determination: "Cash" is defined as cash in vault and foreign currency cash, money in transit, cheques purchased, unrestricted balance with the Central Bank and demand deposits at banks. "Cash equivalents" is defined as money market placements and time deposits at banks with original maturities less than three months.

(i). Cash and cash equivalents at the beginning of the period:

	Current Period	Prior Period
Cash	737.011	503.284
Cash in TL/foreign currency	194.922	128.349
Cash in transit	-	-
CBRT	542.089	374.935
Cash equivalents	1.171.537	1.028.493
Domestic banks	767.242	700.780
Foreign banks	404.295	327.713
Total cash and cash equivalents	1.908.548	1.531.777

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(ii). Cash and cash equivalents at the end of the period:

	Current Period	Prior Period
Cash	1.895.062	737.011
Cash in TL/foreign currency	408.213	194.922
Cash in transit	414.294	-
CBRT	1.072.555	542.089
Cash equivalents	1.912.992	1.171.537
Domestic banks	1.486.902	767.242
Foreign banks	426.090	404.295
Total cash and cash equivalents	3.808.054	1.908.548

2. Cash and cash equivalent items which are restricted for the usage of the Bank by legal or other limitations:

Restricted time deposits held at the Central Bank of Turkey and blockaged amount arising from POS are not considered as cash and cash equivalent items.

3. Explanation about other cash flow items and the effect of the changes in foreign exchange rates on cash and cash equivalents:

The "Others" item under "Operating profit before changes in operating assets and liabilities" amounting to TL 178.518 (December 31, 2014: TL 161.836) mainly comprises other operating expenses excluding personnel expenses and amortization expenses.

The "Net increase/decrease in other liabilities" item under "Changes in operating assets and liabilities" amounting to TL 191.237 (December 31, 2014: TL 88.741) mainly comprises changes in miscellaneous payables, other liabilities and taxes and other duties payable.

Effect of the changes in foreign currency rates on cash and cash equivalents has been calculated approximately as TL 124.317 as of December 31, 2015 (December 31, 2014: TL 58.299).

Notes Related to Unconsolidated Financial Statements As of December 31, 2015

(Currency - Thousand Turkish Lira)

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish - See section three Note XXIII)

VII. Explanations related to the risk group of the Bank:

1. Information on the volume of transactions relating to the Bank's risk group, outstanding loans and funds collected and income and expenses related to the period:

a) Current period:

Risk Group of the Bank ^(*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at the beginning of the period	-	-	5	-	50.238	69.492
Balance at the end of the period	-	-	8	-	47.939	62.444
Profit share and commission income received	2.326	-	-	-	23	582

b) Prior period:

Risk Group of the Bank	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at the beginning of period	-	-	28	-	1.476	15.514
Balance at end of period	-	-	5	-	50.238	69.492
Profit share and commission income received	920	-	-	-	437	257

(*) Defined under Banking Law numbered 5411 in article 49 and "Communiqué Related to Credit Operations of Banks" in article 4 published on November 1, 2006.

c. 1) Information on current and profit sharing accounts of the Bank's risk group:

Risk Group of the Bank ^(*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect Shareholders of the Bank		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Current and profit sharing accounts						
Balance at the beginning of period	1.594	5.703	5.354	3.224	248.343	185.192
Balance at the end of period	7.810	1.594	5.563	5.354	266.101	248.343
Profit share expense	521	500	123	152	13.214	7.368

(*) As of December 31, 2015 wakala borrowings obtained from risk group of the Bank through investment purpose wakala contracts amount to USD 125.440.079 and EURO 90.816.893 (December 31, 2014: USD 241.859.711 and EURO 100.017.980). The profit share expense relating to such borrowings for the period between January 1, 2015 - December 31, 2015 is TL 12.345 (December 31, 2014: 16.656 TL). The Bank has issued Sukuk in the amounts of USD 350.000.000 through "Bereket Varlık Kiralama A.Ş." which exists in the risk group of the Bank. The expense for the related issue is TL 61.491 as of December 31, 2015.

Directory

Head Office

Saray Mah.
Dr. Adnan Büyükdeniz Cad. No: 6
34768 Ümraniye - İSTANBUL
Tel: (90 216) 666 01 01
Fax: (90 216) 666 16 00

Region Representative Offices

Ankara Region Representative Offices

Kızılelma Mah. Anafartalar Cad. No: 59
Ulus - ANKARA
Tel: (90 312) 311 00 43
Fax: (90 216) 666 16 34

Ege Region Representative Offices

Aşık Veysel Mah.
Yeşillik Cad. No: 437-441A Kat: 2
Karabağlar - İZMİR
Tel: (90 232) 254 54 00
Fax: (90 216) 666

Güney Anadolu Region Representative Offices

İncilipınar Mah. Nişantaşı Sok. No: 11
FH İş Merkezi Asma Kat No: 4
Şehitkamil - GAZİANTEP
Tel: (90 342) 215 04 32
Fax: (90 216) 666 16 35

İç Anadolu Region Representative Offices

Musalla Bağları Mah.
Kule Cad. No: 2 Kat: 17 İç Kapı No: 25
Kulesite, Selçuklu - KONYA
Tel: (90 332) 235 00 44
Fax: (90 216) 666

İstanbul Anadolu Region Representative Offices

Kozyatağı Mah. Saniye Ermutlu Sok.
No: 6 Şaşmaz Plaza Kat: 12 D: 24
Kozyatağı - İSTANBUL
Tel: (90 216) 464 81 00
Fax: (90 216) 666 16 33

İstanbul Avrupa 1 Region Representative Offices

Büyükdere Cad. No: 78-80
Akabe Ticaret Merkezi Kat: 10
Mecidiyeköy - Şişli - İSTANBUL
Tel: (90 212) 347 68 58
Fax: (90 216) 666 16 31

İstanbul Avrupa 2 Region Representative Offices

Göztepe Mah. Batışehir Cad. Batışehir Sit.
K1 Blok Apt. No: 2/1B5
Bağcılar - İSTANBUL
Tel: (90 212) 603 60 18
Fax: (90 216) 666 16 32

İstanbul Branches

Akşemsettin Branch

Telsiz Mah. Seyit Nizam Cad. No: 160/B
Zeytinburnu - İSTANBUL
Tel: (90 90 212) 415 83 40
Fax: (90 90 216) 666 18 78

Alibeyköy Branch

Atatürk Cad. No: 21
34100 Eyüp - İSTANBUL
Tel: (90 90 212) 627 43 33
Fax: (90 90 216) 666 18 17

Altunizade Branch

Kısıklı Cad. Aköz İş Merkezi A-Blok No: 2
Altunizade, Üsküdar - İSTANBUL
Tel: (90 216) 651 74 94
Fax: (90 216) 666 17 92

Anadolu Kurumsal Branch

Kozyatağı Mah. Saniye Ermutlu Sok.
No: 6 Şaşmaz Plaza Kat: 12 D: 25
Kozyatağı Kadıköy - İSTANBUL
Tel: (90 216) 445 05 50
Fax: (90 216) 666 18 30

Arnavutköy Branch

Fatih Cad. Kadakal İş Merkezi No: 15/B
34276 Arnavutköy - İSTANBUL
Tel: (90 212) 597 67 57
Fax: (90 216) 666 18 12

Avcılar Branch

Merkez Mah. Reşitpaşa Cad. No: 37/2B
Avcılar - İSTANBUL
Tel: (90 212) 509 05 24
Fax: (90 216) 666 17 53

Avrupa Kurumsal Branch

Büyükdere Cad. No: 78-80
Akabe Ticaret Merkezi Kat: 10
Mecidiyeköy - Şişli - İSTANBUL
Tel: (90 212) 347 13 53
Fax: (90 216) 666 18 31

Bağcılar Branch

Osmangazi Cad. No: 23/B
34560 Bağcılar - İSTANBUL
Tel: (90 212) 434 23 28
Fax: (90 216) 666 17 28

Bahçelievler Soğanlı Branch

Soğanlı Mah. Mustafa Kemal Paşa Cad.
No: 176 B Bahçelievler - İSTANBUL
Tel: (90 212) 643 16 72
Fax: (90 216) 666 18 98

Bahçelievler Branch

Eski Edirne Asfaltı
Ömür Sitesi B1-Blok No: 30
34180 Bahçelievler - İSTANBUL
Tel: (90 212) 642 00 44
Fax: (90 216) 666 17 75

Bakırköy Çarşı Branch

Sakızağacı Mah. İstanbul Cad. No: 40/A
Bakırköy - İSTANBUL
Tel: (90 212) 583 66 33
Fax: (90 216) 666 17 99

Balmumcu Branch

Gayrettepe Mah. Barbaros Bulvarı
No: 157B D: 7 Beşiktaş - İSTANBUL
Tel: (90 212) 216 74 01
Fax: (90 216) 666 18 89

Basın Ekspres Branch

Yenibosna Merkez Mah.
Değirmenbahçe Cad. No: 17-A1/10
Yenibosna Bahçelievler - İSTANBUL
Tel: (90 212) 397 04 58
Fax: (90 216) 666 18 52

Başakşehir Branch

İkitelli OSB Mah. Tümsan 1. Kısım
3. Blok Sok. No: 15/15
Başakşehir - İSTANBUL
Tel: (90 212) 485 12 74
Fax: (90 216) 666 89 00

Bayrampaşa Branch

Yenidoğan Mah. Abdi İpekçi Cad.
No: 75 Bayrampaşa - İSTANBUL
Tel: (90 212) 612 52 21
Fax: (90 216) 666 17 13

Beşüzevler Branch

Eski Edirne Asfaltı No: 349-351
34045 Bayrampaşa - İSTANBUL
Tel: (90 212) 477 61 90
Fax: (90 216) 666 17 27

Beyazıt Branch

Mimar Kemalettin Mah. Yeniçeriler Cad.
No: 59B Fatih - İSTANBUL
Tel: (90 212) 516 17 13
Fax: (90 216) 666 18 84

Beylikdüzü Organize Sanayi Branch

Beylikdüzü OSB Mah. Birlik Sanayi Sitesi
3. Cad. No: 1 Beylikdüzü - İSTANBUL
Tel: (90 212) 876 49 13
Fax: (90 216) 666 18 54

Beylikdüzü Branch

Yavuz Sultan Selim Bulvarı
Perla Vista AVM No: C-73
34520 Beykent - Beylikdüzü - İSTANBUL
Tel: (90 212) 871 00 45
Fax: (90 216) 666 17 30

Büyükçekmece Branch

Mimar Sinan Cad. Cami Sok. No: 1
34500 Büyükçekmece - İSTANBUL
Tel: (90 212) 881 57 01
Fax: (90 216) 666 18 21

Cennet Mahallesi Branch

Cennet Mah. Barbaros Cad. No: 73/B
Küçükçekmece - İSTANBUL
Tel: (90 212) 598 79 02
Fax: (90 216) 666 18 50

Çağlayan Branch

Vatan Cad. No: 15/C
34403 Çağlayan, Kağıthane - İSTANBUL
Tel: (90 212) 246 06 11
Fax: (90 216) 666 17 44

Çakmak Branch

Armağanevler Mah. Alemdağ Cad.
No: 414A Ümraniye - İSTANBUL
Tel: (90 216) 335 04 64
Fax: (90 216) 666 18 83

Çekmeköy Branch

Meclis Mah. Aşkın Sok. No: 27/C
Sancaktepe - İSTANBUL
Tel: (90 216) 420 63 63
Fax: (90 216) 666 18 22

Dudullu/İstanbul Branch

Adem Yavuz Mah. Alemdağ Cad.
No: 447/A Ümraniye - İSTANBUL
Tel: (90 216) 614 09 87
Fax: (90 216) 666 89 11

Esenler Branch

Atışalanı Cad. No: 46/B
34220 Esenler - İSTANBUL
Tel: (90 212) 508 49 99
Fax: (90 216) 666 17 80

Esenyurt Branch

İnönü Mah. Doğan Araslı Bulvarı
No: 108 AB Esenyurt - İSTANBUL
Tel: (90 212) 699 33 99
Fax: (90 216) 666 18 13

Eyüp Branch

Eyüp Merkez Mah. Fahri Korutürk Cad.
No: 52/A Eyüp - İSTANBUL
Tel: (90 212) 578 10 20
Fax: (90 216) 666 18 92

Fatih Branch

MacarKardeşler Cad. No: 30
34080 Fatih - İSTANBUL
Tel: (90 212) 635 48 96
Fax: (90 216) 666 17 15

Firuzköy Branch

M. Kemal Paşa Mah. Firuzköy Bulvarı
No: 103 Avcılar - İSTANBUL
Tel: (90 212) 428 68 36
Fax: (90 216) 666 18 82

Florya Branch

Şenlikköy Mah. Florya Cad. No: 88/1-2
Florya/Bakırköy - İSTANBUL
Tel: (90 212) 574 20 41
Fax: (90 216) 666 18 42

Gaziosmanpaşa Branch

Sarıgöl Mah. Ordu Cad. No: 9B
Gaziosmanpaşa - İSTANBUL
Tel: (90 212) 563 54 10
Fax: (90 216) 666 17 93

Güneşli Branch

Güneşli Mah. Koçman Cad. No: 4
Güneşli/Bağcılar - İSTANBUL
Tel: (90 212) 474 03 03
Fax: (90 216) 666 17 40

Güngören Branch

Posta Cad. No: 109/1
34164 Güngören - İSTANBUL
Tel: (90 212) 539 03 80
Fax: (90 216) 666 18 01

Hadımköy Branch

Kıraç Tem Bağlantı Yolu No: 196
34522 Kıraç, Esenyurt - İSTANBUL
Tel: (90 212) 886 19 10
Fax: (90 216) 666 17 98

Hasanpaşa Branch

Hasanpaşa Mah.
Fahrettin Kerim Gökay Cad. No: 7
Kadıköy - İSTANBUL
Tel: (90 216) 336 55 40
Fax: (90 216) 666 17 81

Ihlamurkuyu/İstanbul Branch

Ihlamurkuyu Mah. Alemdağ Cad.
No: 271/A Ümraniye - İSTANBUL
Tel: (90 216) 614 00 77
Fax: (90 216) 666 18 51

İkitelli Branch

İkitelli Organize Sanayi Bölgesi
Atatürk Cad. No: 72/C
34306 Başakşehir - İSTANBUL
Tel: (90 212) 671 28 10
Fax: (90 216) 666 17 24

İmes Branch

İmes Sanayi Sitesi, A-Blok 104. Sok.
No: 2 34776
Y. Dudullu, Ümraniye - İSTANBUL
Tel: (90 216) 590 09 90
Fax: (90 216) 666 17 37

İncirli Branch

İncirli Cad. No: 106
34740 Bakırköy - İSTANBUL
Tel: (90 212) 542 02 22
Fax: (90 216) 666 17 12

İstoç Branch

İstoç Ticaret Merkezi, 3. Ada No: 77
34218 Mahmutbey, Bağcılar - İSTANBUL
Tel: (90 212) 659 68 70
Fax: (90 216) 666 17 83

Kadıköy Branch

Rıhtım Cad. No: 44
34716 Kadıköy - İSTANBUL
Tel: (90 216) 414 31 63
Fax: (90 216) 666 17 11

Karaköy Branch

Haraççı Ali Sok. No: 2
Karaköy Meydanı
34420 Beyoğlu - İSTANBUL
Tel: (90 212) 252 56 87
Fax: (90 216) 666 17 05

Kartal Branch

Ankara Cad. No: 92
34860 Kartal - İSTANBUL
Tel: (90 216) 473 60 05
Fax: (90 216) 666 17 56

Directory

Kavacık Branch

Kavacık Mah. Orhan Veli Kanık Cad.
No: 98 Beykoz - İSTANBUL
Tel: (90 216) 680 27 33
Fax: (90 216) 666 17 57

Kaynarca Branch

Cemal Gürsel Cad. No: 175
Kaynarca, Pendik - İSTANBUL
Tel: (90 216) 397 07 10
Fax: (90 216) 666 18 27

Kocamustafapaşa Branch

Kocamustafapaşa Cad. No: 186
Kocamustafapaşa, Fatih - İSTANBUL
Tel: (90 212) 587 89 89
Fax: (90 216) 666 18 29

Kozyatağı Branch

Üsküdar Cad. Saniye Ermutlu Sok.
Şaşmaz Plaza No: 6
34742 Kozyatağı, Kadıköy - İSTANBUL
Tel: (90 216) 384 28 22
Fax: (90 216) 666 17 85

Kurtköy Branch

Ankara Cad. No: 322
Kurtköy, Pendik - İSTANBUL
Tel: (90 216) 378 14 39
Fax: (90 216) 666 18 20

Küçükbakkalköy Branch

Küçükbakkalköy Mah. Fevzipaşa Cad.
No: 45 Ataşehir - İSTANBUL
Tel: (90 216) 576 89 99
Fax: (90 216) 666 18 33

Küçükköy Branch

Hekimsuyu Cad. No: 7 Küçükköy
34180 Gaziosmanpaşa - İSTANBUL
Tel: (90 0212) 618 11 80
Fax: (90 216) 666 18 24

Laleli Branch

Ordu Cad. No: 56
34130 Laleli, Fatih - İSTANBUL
Tel: (90 212) 528 70 70
Fax: (90 216) 666 17 71

Levent Sanayi Branch

Eski Büyükdere Cad. No: 49/A
34416 4. Levent, Kağıthane - İSTANBUL
Tel: (90 212) 278 25 00
Fax: (90 216) 666 17 49

Maltepe Branch

Bağlarbaşı Mah. Bağdat Cad.
No: 418A Maltepe - İSTANBUL
Tel: (90 216) 370 14 70
Fax: (90 216) 666 17 43

Masko Branch

İkitelli OSB Mah.
Süleyman Demirel Bulvarı
Esot Sanayi Sitesi Esot İş Merkezi No:
6/1B Başakşehir - İSTANBUL
Tel: (90 212) 549 37 77
Fax: (90 216) 666 18 37

Maslak Branch

Büyükdere Cad. No: 257-G
Maslak Şişli - İSTANBUL
Tel: (90 212) 276 01 11
Fax: (90 216) 666 18 09

Mecidiyeköy Branch

Büyükdere Cad. No: 80
34460 Mecidiyeköy, Şişli - İSTANBUL
Tel: (90 212) 347 16 10
Fax: (90 216) 666 18 10

Megacenter Branch

Kocatepe Mah. Yağ İskelesi Cad. No: 29/C
Bayrampaşa - İSTANBUL
Tel: (90 212) 437 38 04
Fax: (90 216) 666 18 75

Merkez Şube

Dr. Adnan Büyükdeniz Cad. No: 6 34768
Ümraniye - İSTANBUL
Tel: (90 216) 666 02 02
Fax: (90 216) 666 17 01

Merter Branch

Keresteciler Sitesi Fatih Cad. No: 24
34169 Merter, Güngören - İSTANBUL
Tel: (90 212) 637 84 10
Fax: (90 216) 666 17 26

Metrokent Branch

Başak Mah. Yeşil Vadi Cad.
Metrokent Sitesi D2 Blok No: 3/1Z
Başakşehir - İSTANBUL
Tel: (90 212) 777 98 53
Fax: (90 216) 666 18 99

Osmanbey Branch

Meşrutiyet Mah. Halaskargazi Cad.
No: 100A Şişli - İSTANBUL
Tel: (90 212) 231 81 65
Fax: (90 216) 666 17 86

Pendik E5 Branch

Çınardere Mah.
Gönenli Mehmet Efendi Cad. No: 71/F-G
Pendik - İSTANBUL
Tel: (90 216) 379 49 00
Fax: (90 216) 666 18 74

Pendik Branch

23 Nisan Cad. No: 16/A
34890 Pendik - İSTANBUL
Tel: (90 216) 483 65 05
Fax: (90 216) 666 17 25

Sahrayıcedit Branch

Şemsettin Günaltay Cad. No: 250/A
34735 Kadıköy - İSTANBUL
Tel: (90 216) 302 16 32
Fax: (90 216) 666 17 36

Sancaktepe Branch

Eski Ankara Cad. No: 50/A
34785 Sancaktepe - İSTANBUL
Tel: (90 216) 622 55 00
Fax: (90 216) 666 18 04

Sefaköy Branch

Kartaltepe Mah. Halkalı Cad. No: 82 A-B
Küçükçekmece - İSTANBUL
Tel: (90 212) 580 32 00
Fax: (90 216) 666 17 58

Silivri Branch

Piri Mehmet Paşa Mah. Fevzi Çakmak
Cad. No: 3B Silivri - İSTANBUL
Tel: (90 212) 728 78 00
Fax: (90 216) 666 18 66

Sultanbeyli Branch

Abdurrahman Gazi Mah.
Bosna Bulvarı No: 4
Sultanbeyli - İSTANBUL
Tel: (90 216) 419 37 00
Fax: (90 216) 666 17 41

Sultançiftliği Branch

Eski Edirne Asfaltı No: 672/B
34270 Sultangazi - İSTANBUL
Tel: (90 212) 475 53 40
Fax: (90 216) 666 17 94

Sultanhamam Branch

Marpuççular Sok. No: 26
34110 Eminönü Fatih - İSTANBUL
Tel: (90 212) 519 64 30
Fax: (90 216) 666 17 23

Şehremini Branch

Şehremini Mah. Turgut Özal Millet Cad.
No: 163/A Fatih - İSTANBUL
Tel: (90 212) 585 00 13
Fax: (90 216) 666 18 69

Şirinevler Branch

Şirinevler Mah. Fetih Cad. No: 19/A
Şirinevler, Bahçelievler - İSTANBUL
Tel: (90 212) 551 81 51
Fax: (90 216) 666 17 48

Terazidere Branch

Terazidere Mah. Güneş Cad. No: 5-7
Bayrampaşa - İSTANBUL
Tel: (90 212) 501 28 76
Fax: (90 216) 666 18 97

Topçular Branch

Rami Kışla Cad. Vaytaşlar Plaza No: 58
34055 Topçular, Eyüp - İSTANBUL
Tel: (90 212) 613 85 74
Fax: (90 216) 666 17 84

Topkapı Branch

Maltepe Mah. Gümüşsuyu Cad. No: 28
Dk: 156 Zeytinburnu - İSTANBUL
Tel: (90 212) 565 95 03
Fax: (90 216) 666 18 38

Trakya Kurumsal Branch

Göztepe Mah. Batışehir Cad.
Batışehir Sit. K1 Blok Apt. No: 2/1B3
Bağcılar - İSTANBUL
Tel: (90 212) 550 16 65
Fax: (90 216) 666 18 36

Tuzla Sanayi Branch

Mescit Mah. Demokrasi Cad.
No: 3 A11 Tuzla - İSTANBUL
Tel: (90 216) 394 86 54
Fax: (90 216) 666 18 44

Ümraniye Çarşı Branch

İstiklal Mah. Alemdağ Cad. No: 176A
Ümraniye - İSTANBUL
Tel: (90 216) 523 44 14
Fax: (90 216) 666 18 95

Ümraniye Branch

Alemdağ Cad. No: 10-12 Ümraniye
34764 Ümraniye - İSTANBUL
Tel: (90 216) 443 66 35
Fax: (90 216) 666 17 18

Üsküdar Branch

Mimar Sinan Mah.
Hakimiyet-i Milliye Cad. Molla Eşref Sok.
No: 17-17/A Üsküdar - İSTANBUL
Tel: (90 216) 532 89 39
Fax: (90 216) 666 17 35

Yavuzselim Branch

Ali Kuşçu Mah. Fevzipaşa Cad. No: 60
Fatih - İSTANBUL
Tel: (90 212) 532 92 52
Fax: (90 216) 666 18 93

Zeytinburnu Branch

Gökalp Mah. 58 Bulvar Cad. No: 12/A
Zeytinburnu - İSTANBUL
Tel: (90 212) 510 10 22
Fax: (90 216) 666 17 39

Branches in Other Cities and Towns**Adana Branch**

İnönü Cad. No: 85
01060 Seyhan - ADANA
Tel: (90 322) 363 11 00
Fax: (90 216) 666 17 08

Adana Barkal Branch

Turhan Cemal Beriker Bulvarı
Adana İş Merkezi A-Blok No: 25
01100 Seyhan - ADANA
Tel: (90 322) 429 78 78
Fax: (90 216) 666 17 79

Adana Çukurova Branch

Mahfesiğmaz Mah. Turgut Özal Bulvarı
No: 131/A Çukurova - ADANA
Tel: (90 322) 233 23 51
Fax: (90 216) 666 18 61

Adana Küçüksaat Branch

Sefaözler Cad. No: 3/E
01060 Seyhan - ADANA
Tel: (90 322) 351 20 00
Fax: (90 216) 666 17 96

Adana Organize Sanayi Branch

Adana Hacı Sabancı Organize Sanayi
Bölgesi OSB Turgut Özal Bulvarı No: 17
Sarıçam - ADANA
Tel: (90 322) 394 53 29
Fax: (90 216) 666 18 39

Adıyaman Branch

Gölbaşı Cad. Sıddık Efendi Pasajı No: 13
Merkez - ADIYAMAN
Tel: (90 416) 213 60 84
Fax: (90 216) 666 18 26

Afyonkarahisar Branch

Marulcu Mah. Kadınana Cad. No: 24/B
Merkez - AFYONKARAHİSAR
Tel: (90 272) 214 10 14
Fax: (90 216) 666 17 62

Aksaray Branch

Bankalar Cad. No: 32
Merkez - AKSARAY
Tel: (90 382) 212 12 71
Fax: (90 216) 666 17 91

Amasya Branch

Dere Mah. Mustafa Kemal Paşa Cad.
No: 9 A B Merkez - AMASYA
Tel: (90 358) 218 07 03
Fax: (90 216) 666 89 12

Ankara Branch

Atatürk Bulvarı No: 57/A
06410 Sıhhiye Çankaya - ANKARA
Tel: (90 312) 430 53 20
Fax: (90 216) 666 17 02

Ankara Bakanlıklar Branch

Tunus Cad. No: 6/A
06800 Kavaklıdere, Çankaya - ANKARA
Tel: (90 312) 417 70 33
Fax: (90 216) 666 18 03

Ankara Balgat Branch

Ceyhun Atıf Kansu Cad. No: 100/Ü
06520 Balgat, Çankaya - ANKARA
Tel: (90 312) 472 40 30
Fax: (90 216) 666 17 42

Ankara Başkent Kurumsal Branch

Ceyhun Atıf Kansu Cad. Başkent Plaza
No: 106 Kat: 12 D: 42-45
Balgat - Çankaya - ANKARA
Tel: (90 312) 474 09 09
Fax: (90 216) 666 18 32

Ankara Cebeci Branch

Demirlibahçe Mah. Talatpaşa Bulvarı
No: 173/B Mamak - ANKARA
Tel: (90 312) 363 30 11
Fax: (90 216) 666 18 64

Ankara Çukurambar Branch

Kızılırmak Mah. Muhsin Yazıcıoğlu Cad.
No: 17/8 Çukurambar
Çankaya - ANKARA
Tel: (90 312) 287 44 02
Fax: (90 216) 666 18 91

Directory

Ankara Etimesgut Branch

Kazım Karabekir Mah. İstasyon Cad.
No: 49/C-D Etimesgut - ANKARA
Tel: (90 312) 245 57 00
Fax: (90 216) 666 18 68

Ankara Etlık Branch

Yunus Emre Cad. No: 5/A-B
06010 Etlık - ANKARA
Tel: (90 312) 325 91 91
Fax: (90 216) 666 17 59

Ankara İvedik Branch

İvedik Organize Sanayi Bölgesi
Melih Gökçek Bulvarı No: 18/3
06378 Yenimahalle - ANKARA
Tel: (90 312) 394 70 05
Fax: (90 216) 666 18 07

Ankara Keçiören Branch

Kızılarpınarı Cd. No: 104/A
Keçiören - ANKARA
Tel: (90 312) 314 14 14
Fax: (90 216) 666 18 28

Ankara Ostım Branch

100. Yıl Bulvarı No: 1
06370 Ostım, Yenimahalle - ANKARA
Tel: (90 312) 385 79 01
Fax: (90 216) 666 17 31

Ankara Pursaklar Branch

Merkez Mah. Yunus Emre Cad. No: 15/A
Pursaklar - ANKARA
Tel: (90 312) 527 00 93
Fax: (90 216) 666 18 73

Ankara Sincan Branch

Ankara Cad. No: 23/2
06930 Sincan - ANKARA
Tel: (90 312) 270 99 88
Fax: (90 216) 666 17 64

Ankara Sıtelер Branch

Karacakaya Cad. No: 73/1
06160 Sıtelер Altındağ - ANKARA
Tel: (90 312) 353 49 50
Fax: (90 216) 666 17 14

Ankara Şaşmaz Branch

Bahçekapı Mah. Sanayi Bulvarı No: 16 C
Şaşmaz, Etimesgut - ANKARA
Tel: (90 312) 278 32 42
Fax: (90 216) 666 18 06

Ankara Turan Güneş Branch

Turan Güneş Bulvarı No: 54/B
06500 Çankaya - ANKARA
Tel: (90 312) 443 07 65
Fax: (90 216) 666 17 90

Ankara Ulus Branch

Anafartalar Cad. No: 59
06250 Ulus Altındağ - ANKARA
Tel: (90 312) 324 65 70
Fax: (90 216) 666 17 89

Ankara Ümitköy Branch

Seyfi Saltoğlu Cad. No: 35/7
06810 Çayyolu, Yenimahalle - ANKARA
Tel: (90 312) 241 60 00
Fax: (90 216) 666 17 87

Antalya Branch

Milli Egemenlik Cad. No: 36/5-6 07100
Muratpaşa - ANTALYA
Tel: (90 242) 247 46 12
Fax: (90 216) 666 17 21

Antalya Alanya Branch

Kadipaşa Mah. Şevket Tokuş Cad. No:
59/C Alanya - ANTALYA
Tel: (90 242) 512 15 40
Fax: (90 216) 666 89 10

Antalya Çallı Branch

Namık Kemal Bulvarı No: 7
Kepez - ANTALYA
Tel: (90 242) 344 45 05
Fax: (90 216) 666 18 15

Antalya Konyaaltı Branch

Arapşuyu Mah. Atatürk Bulvarı
M. Gökay Plaza A Blok No: 23/C-D
Konyaaltı - ANTALYA
Tel: (90 242) 290 99 19
Fax: (90 216) 666 18 49

Antalya Manavgat Branch

Bahçelievler Mah. Demokrasi Bulvarı
No: 40/A Manavgat - ANTALYA
Tel: (90 242) 742 00 40
Fax: (90 216) 666 18 67

Aydın Branch

Hükümet Bulvarı No: 11 09100
Efeler - AYDIN
Tel: (90 256) 213 48 38
Fax: (90 216) 666 17 66

Aydın Nazilli Branch

Altıntaş Mah. Türkocağı Cad. No: 51/A
Nazilli - AYDIN
Tel: (90 256) 315 01 02
Fax: (90 216) 666 18 96

Balıkesir Branch

Anafartalar Cad. No: 15
10100 Altıeylül - BALIKESİR
Tel: (90 266) 243 73 33
Fax: (90 216) 666 17 22

Balıkesir Bandırma Branch

Dere Mah. İsmet İnönü Cad. No: 4
Bandırma - BALIKESİR
Tel: (90 266) 714 43 30
Fax: (90 216) 666 18 88

Batman Branch

Diyarbakır Cad. No: 58
Merkez - BATMAN
Tel: (90 488) 215 26 42
Fax: (90 216) 666 17 72

Bitlis Tatvan Branch

Aydınlar Mah. Cumhuriyet Cad. No: 78-2
Tatvan - BİTLİS
Tel: (90 434) 827 46 41
Fax: (90 216) 666 18 72

Bolu Branch

Büyük Cami Mah. İzzet Baysal Cad.
No: 85/B Merkez - BOLU
Tel: (90 374) 218 12 92
Fax: (90 216) 666 18 23

Burdur Bucak Branch

Yeni Mahalle Süleyman Demirel Bulvarı
No: 21/3-4 Bucak - BURDUR
Tel: (90 248) 325 23 01
Fax: (90 216) 666 18 86

Bursa Branch

Reyhan Mah. Haşim İşcan Cad. No: 6
Osmangazi - BURSA
Tel: (90 224) 220 97 60
Fax: (90 216) 666 17 04

Bursa Demirtaş Branch

Yeni Yalova Yolu Cad. No: 496
Demirtaş - Osmangazi - BURSA
Tel: (90 224) 211 26 11
Fax: (90 216) 666 18 56

Bursa İnegöl Branch

Kemalpaşa Mah. Atatürk Bulvarı No: 12
İnegöl - BURSA
Tel: (90 224) 716 04 90
Fax: (90 216) 666 18 55

Bursa Kestel Branch

Kestel OSB Bursa Cad. No: 75 B Blok 2
nolu işyeri Kestel - BURSA
Tel: (90 224) 372 75 87
Fax: (90 216) 666 18 40

Bursa Nilüfer Branch

Nilüfer Caddesi İzmir Yolu Üzeri Küçük
Sanayi Girişi No: 4 Nilüfer - BURSA
Tel: (90 224) 443 74 00
Fax: (90 216) 666 17 95

Bursa Uludağ Branch

Ankarayolu Cad. No: 73
Yıldırım - BURSA
Tel: (90 224) 272 59 00
Fax: (90 216) 666 17 38

Çanakkale Branch

Çarşı Cad. No: 135
Merkez - ÇANAKKALE
Tel: (90 286) 214 40 82
Fax: (90 216) 666 18 08

Çankırı Branch

Cumhuriyet Mah.
Necip Fazıl Kısakürek Sok. No: 32/C
Merkez - ÇANKIRI
Tel: (90 376) 212 72 51
Fax: (90 216) 666 18 63

Çorum Branch

İnönü Cad. No: 23
Merkez - ÇORUM
Tel: (90 364) 224 19 11
Fax: (90 216) 666 17 63

Denizli Branch

2. Ticari Yol No: 43
20100 Merkezefendi - DENİZLİ
Tel: (90 258) 242 00 25
Fax: (90 216) 666 17 33

Denizli Sanayi Branch

İlbade Mah. Örnek Cad. No: 167/A
Merkezefendi - DENİZLİ
Tel: (90 258) 372 01 25
Fax: (90 216) 666 18 79

Diyarbakır Branch

İnönü Cad. No: 19
21300 Sur - DİYARBAKIR
Tel: (90 412) 224 75 30
Fax: (90 216) 666 17 32

Diyarbakır Kayapınar Branch

Kayapınar Cd. Yeni Sebze Hali Kavşağı
Rema Sitesi A-Blok No: 30
Kayapınar - DİYARBAKIR
Tel: (90 412) 251 31 33
Fax: (90 216) 666 18 16

Düzce Branch

İstanbul Cad. No: 3/A Merkez - DÜZCE
Tel: (90 380) 512 08 51
Fax: (90 216) 666 17 61

Edirne Branch

Sabuni Mah. Çilingirler Cad. No: 17
Merkez - EDİRNE
Tel: (90 284) 212 02 65
Fax: (90 216) 666 89 08

Elazığ Branch

Hürriyet Cad. No: 35/B Merkez - ELAZIĞ
Tel: (90 424) 212 47 24
Fax: (90 216) 666 17 60

Erzurum Branch

Orhan Şerifsoy Cad.
Özlem İş Merkezi A-Blok No: 2
Aziziye - ERZURUM
Tel: (90 442) 213 24 76
Fax: (90 216) 666 17 54

Eskişehir Branch

Cumhuriyet Mah. Sakarya - 1 Cad.
No: 7/C Tepebaşı - ESKİŞEHİR
Tel: (90 222) 231 36 66
Fax: (90 216) 666 17 50

Gaziantep Branch

Suburcu Cad. No: 4
27400 Şahinbey - GAZİANTEP
Tel: (90 342) 230 91 68
Fax: (90 216) 666 17 09

Gaziantep Gatem Branch

Sanayi Mah. Erdoğan Ergönül Cad. No: 41
Şehitkamil - GAZİANTEP
Tel: (90 342) 238 17 33
Fax: (90 216) 666 18 87

Gaziantep Organize Sanayi Branch

2. Organize Sanayi Bölgesi
Celal Doğan Bulvarı No: 71
Şehitkamil - GAZİANTEP
Tel: (90 342) 337 87 87
Fax: (90 216) 666 18 71

Gaziantep Şehitkamil Branch

Prof. Muammer Aksoy Bulvarı No: 19/E
27090 Şehitkamil - GAZİANTEP
Tel: (90 342) 215 36 51
Fax: (90 216) 666 18 19

Giresun Branch

Hacı Miktat Mah. Fatih Cad. No: 28
Merkez - GİRESUN
Tel: (90 454) 213 30 01
Fax: (90 216) 666 18 35

Hatay Antakya Branch

Haraparası Mah. Yavuz Sultan Selim Cad.
No: 27/B-C-D-E Antakya - HATAY
Tel: (90 326) 225 12 26
Fax: (90 216) 666 18 47

Hatay İskenderun Branch

Mareşal Fevzi Çakmak Cad. No: 4
31200 İskenderun - HATAY
Tel: (90 326) 614 68 60
Fax: (90 216) 666 18 00

Isparta Branch

Cumhuriyet Cad. No: 11
Merkez - ISPARTA
Tel: (90 246) 223 47 42
Fax: (90 216) 666 17 74

İçel Mersin Branch

İstiklal Cad No: 33
Akdeniz - MERSİN
Tel: (90 324) 237 85 60
Fax: (90 216) 666 17 70

İçel Pozcu Branch

Güvenevler Mah.
Gazi Mustafa Kemal Bulvarı No: 368/A
Yenişehir - MERSİN
Tel: (90 324) 326 76 76
Fax: (90 216) 666 89 06

İçel Tarsus Branch

Şehitmustafa Mah. Atatürk Bulvarı
No: 45/A Tarsus - MERSİN
Tel: (90 324) 613 00 20
Fax: (90 216) 666 89 07

İzmir Branch

Akdeniz Mah. Fezvipaşa Bulvarı
No: 61/1A Konak - İZMİR
Tel: (90 232) 441 21 61
Fax: (90 216) 666 17 03

Directory

İzmir Bornova Branch

Mustafa Kemal Cad. No: 20/E
35040 Bornova - İZMİR
Tel: (90 232) 342 43 23
Fax: (90 216) 666 17 97

İzmir Çiğli Branch

Anadolu Caddesi No: 780
35640 Çiğli - İZMİR
Tel: (90 232) 386 10 13
Fax: (90 216) 666 18 14

İzmir Gıda Çarşısı Branch

1203/1 Sok. No: 21 Gıda Çarşısı
Yenişehir Konak - İZMİR
Tel: (90 232) 469 14 03
Fax: (90 216) 666 18 53

İzmir Işıkkent Branch

Egemenlik Mah. 6129 Sokak. No: 49
Ayküsan Sanayi Sitesi, Işıkkent
Bornova - İZMİR
Tel: (90 232) 436 47 72
Fax: (90 216) 666 18 77

İzmir Karabağlar Branch

Aşık Veysel Mah. Yeşillik Cad.
No: 437-441A Karabağlar - İZMİR
Tel: (90 232) 237 27 81
Fax: (90 216) 666 17 47

İzmir Kemalpaşa Branch

Sekiz Eylül Mah. İzmir Cad. No: 22/A
Kemalpaşa - İZMİR
Tel: (90 232) 878 31 38
Fax: (90 216) 666 18 57

Kahramanmaraş Branch

Yusuflar Mah.
Hacı Arifoğlu Cad. No: 28/A
Onikişubat - KAHRAMANMARAŞ
Tel: (90 344) 225 49 26
Fax: (90 216) 666 17 17

Karabük Branch

Hürriyet Cad.
Beyaz Saray İşhanı No: 151/A
Merkez - KARABÜK
Tel: (90 370) 415 66 33
Fax: (90 216) 666 18 05

Karaman Branch

İsmetpaşa Cd. No: 22/B
Karaman - KARAMAN
Tel: (90 338) 213 91 00
Fax: (90 216) 666 18 25

Kastamonu Branch

Cumhuriyet Cad. No: 46/B
Merkez - KASTAMONU
Tel: (90 366) 212 88 37
Fax: (90 216) 666 17 73

Kayseri Branch

Vatan Cad. No: 26
38040 Melikgazi - KAYSERİ
Tel: (90 352) 222 67 91
Fax: (90 216) 666 17 07

Kayseri Organize Sanayi Branch

Organize Sanayi Bölgesi
12 Cad. OSB Ticaret Merkezi No: 5/22
38070 Anbar, Melikgazi - KAYSERİ
Tel: (90 352) 321 42 82
Fax: (90 216) 666 18 11

Kayseri Sanayi Branch

Osman Kavuncu Cad. No: 112/A
Kocasinan - KAYSERİ
Tel: (90 352) 336 63 66
Fax: (90 216) 666 17 45

Kayseri Sivas Caddesi Branch

Mimarsinan Mah. Sivas Bulvarı No: 145/B
Kocasinan - KAYSERİ
Tel: (90 352) 235 18 00
Fax: (90 216) 666 18 85

Kocaeli Gebze Branch

Hacı Halil Mah. Körfez Cad. No: 18
Gebze - KOCAELİ
Tel: (90 262) 641 15 82
Fax: (90 216) 666 17 34

Kocaeli Gebze Organize Sanayi Branch

Gebze Güzeller Organize Sanayi Bölgesi
Atatürk Bulvarı No: 2/B Gebze - KOCAELİ
Tel: (90 262) 751 20 28
Fax: (90 216) 666 18 18

Kocaeli İzmit Branch

Alemdar Cad. No: 17 İzmit - KOCAELİ
Tel: (90 262) 323 37 72
Fax: (90 216) 666 17 19

Kocaeli İzmit E5 Branch

Körfez Mah. D-100 Karayolu
(90 Ankara Karayolu) No: 123
İzmit - KOCAELİ
Tel: (90 262) 324 78 06
Fax: (90 216) 666 18 45

Kocaeli Körfez Branch

Kuzey Mah. Cahit Zarifoğlu Cad. No: 65
Körfez - KOCAELİ
Tel: (90 262) 526 62 75
Fax: (90 216) 666 18 59

Konya Branch

Mevlana Cad. No: 5
42030 Karatay - KONYA
Tel: (90 332) 350 19 77
Fax: (90 216) 666 17 06

Konya Akşehir Branch

Selçuk Mah. İnönü Cad. No: 29/A
Akşehir - KONYA
Tel: (90 332) 811 02 47
Fax: (90 216) 666 89 02

Konya Büsan Branch

Kosgeb Caddesi No: 1/F
Büsan Özel Organize Sanayi Bölgesi
42050 Karatay - KONYA
Tel: (90 332) 345 40 40
Fax: (90 216) 666 17 51

Konya Ereğli Branch

Namık Kemal Mah. Atatürk Cad.
No: 19/A Ereğli - KONYA
Tel: (90 332) 712 00 71
Fax: (90 216) 666 18 94

Konya Mevlana Branch

Taşkapı Medrese Cad. No: 2/A-2/B-2/202
Meram - KONYA
Tel: (90 332) 350 00 42
Fax: (90 216) 666 18 02

Konya Organize Sanayi Branch

Konya Org. Sanayi Bölgesi
Kırım Cad. No: 20 Selçuklu - KONYA
Tel: (90 332) 239 21 76
Fax: (90 216) 666 18 34

Konya Sanayi Branch

Musalla Bağları Mah. Ankara Cad.
No: 101 Selçuklu - KONYA
Tel: (90 332) 238 21 25
Fax: (90 216) 666 17 29

Konya Yeni Toptancılar Branch

Fevzi Çakmak Mah. Karakayış Cad.
No: 289-(90 1 İşyeri) Karatay - KONYA
Tel: (90 332) 342 00 72
Fax: (90 216) 666 18 76

Konya Zafer Sanayi Branch

Horozluhan Mah. Selçuklu Cad. No: 2/B
Zafer Sanayi Sitesi Selçuklu - KONYA
Tel: (90 332) 248 84 30
Fax: (90 216) 666 89 01

Kütahya Kütahya Branch

Balıklı Mah. Pekmez Pazarı Cad. No: 12/A
Merkez - KÜTAHYA
Tel: (90 274) 223 75 00
Fax: (90 216) 666 18 41

Kütahya Tavşanlı Branch

Yeni Mahalle Ada Caddesi No: 7
Tavşanlı - KÜTAHYA
Tel: (90 274) 614 77 61
Fax: (90 216) 666 18 65

Malatya Branch

Hamidiye Mah. İnönü Cad. No: 49/A
Battalgazi - MALATYA
Tel: (90 422) 326 04 20
Fax: (90 216) 666 17 16

Manisa Branch

Mustafa Kemal Paşa Cad. No: 14
45020 Şehzadeler - MANİSA
Tel: (90 236) 238 93 00
Fax: (90 216) 666 17 67

Manisa Turgutlu Branch

Turan Mah. Atatürk Bulvarı No: 180/A
Turgutlu - MANİSA
Tel: (90 236) 312 75 00
Fax: (90 216) 666 18 58

Mardin Branch

13 Mart Mah. Vali Ozan Cad.
No: 82/1- 84/A-B-C-D Artuklu - MARDİN
Tel: (90 482) 213 22 50
Fax: (90 216) 666 18 46

Muş Branch

Kültür Mah. Atatürk Bulvarı No: 46/A/70
Merkez - MUŞ
Tel: (90 436) 212 80 10
Fax: (90 216) 666 18 70

Nevşehir Branch

Kapucubaşı Mah. Atatürk Bulvarı No: 105
Merkez - NEVŞEHİR
Tel: (90 384) 212 12 16
Fax: (90 216) 666 18 43

Ordu Branch

Şarkıye Mah. Süleyman Felek Cad. No: 54
Altınordu/ORDU
Tel: (90 452) 214 73 51
Fax: (90 216) 666 17 88

Ordu Fatsa Branch

Mustafa Kemal Paşa Mah. Sakarya Cad.
No: 13/B Fatsa - ORDU
Tel: (90 452) 400 46 46
Fax: (90 216) 666 18 90

Osmaniye Branch

Atatürk Cad. No: 164
Merkez - OSMANİYE
Tel: (90 328) 813 71 71
Fax: (90 216) 666 17 68

Rize Branch

Cumhuriyet Cad. No: 105/H
Merkez - RİZE
Tel: (90 464) 214 27 67
Fax: (90 216) 666 17 77

Sakarya Adapazarı Branch

Atatürk Bulvarı No: 39
Adapazarı - SAKARYA
Tel: (90 264) 277 91 41
Fax: (90 216) 666 17 20

Samsun Branch

Kaptanağa Cad. No: 12
55030 İlkadım - SAMSUN
Tel: (90 362) 435 10 92
Fax: (90 216) 666 17 10

Samsun Sanayi Branch

Şabanoğlu Mah. Atatürk Bulvarı
No: 229/2 Tekkeköy - SAMSUN
Tel: (90 362) 266 62 52
Fax: (90 216) 666 18 62

Siirt Branch

Bahçelievler Mah. Mizbah Çalapçıkay Cad.
No: 12C Merkez - SİİRT
Tel: (90 484) 223 41 40
Fax: (90 216) 666 18 80

Sivas Branch

Sirer Cad. No: 22/A Merkez - SİVAS
Tel: (90 346) 224 00 90
Fax: (90 216) 666 17 52

Şanlıurfa Branch

Kanberiyeh Mah. Kadri Eroğan Cad. No: 10
Haliliye - ŞANLIURFA
Tel: (90 414) 313 01 58
Fax: (90 216) 666 17 46

Şanlıurfa Emniyet Caddesi Branch

Yeşildirek Mah. Yunus Emre Cad.
No: 63/A Haliliye - ŞANLIURFA
Tel: (90 414) 318 01 80
Fax: (90 216) 666 89 04

Tekirdağ Branch

Yavuz Mah. Hükümet Cad. No: 133
Süleymanpaşa - TEKİRDAĞ
Tel: (90 282) 260 16 88
Fax: (90 216) 666 18 81

Tekirdağ Çerkezköy Branch

Gazi Mustafa Kemal Paşa Mah.
Atatürk Cad. No: 6-8B
Çerkezköy - TEKİRDAĞ
Tel: (90 282) 725 00 22
Fax: (90 216) 666 18 60

Tekirdağ Çorlu Branch

Salih Omurtak Cad. No: 34/C
59850 Çorlu - TEKİRDAĞ
Tel: (90 282) 673 66 10
Fax: (90 216) 666 17 82

Tokat Branch

Gaziosmanpaşa Bulvarı No: 167
Merkez - TOKAT
Tel: (90 356) 214 69 66
Fax: (90 216) 666 17 78

Trabzon Branch

Kahramanmaraş Cad. No: 35/B
Ortahisar - TRABZON
Tel: (90 462) 321 66 06
Fax: (90 216) 666 17 55

Trabzon Akçaabat Branch

Orta Mahalle İnönü Cad. No: 145
Akçaabat - TRABZON
Tel: (90 462) 228 80 01
Fax: (90 216) 666 89 03

Trabzon Değirmendere Branch

Sanayi Mah. Devlet Karayolu Cad. No: 89
Değirmendere Ortahisar - TRABZON
Tel: (90 462) 325 00 23
Fax: (90 216) 666 18 48

Uşak Branch

İsliçe Mah. İsmetpaşa Cad. No: 45/B
Merkez - UŞAK
Tel: (90 276) 223 30 02
Fax: (90 216) 666 89 09

Van Branch

Cumhuriyet Cad. No: 124
65100 İpekyolu - VAN
Tel: (90 432) 212 17 12
Fax: (90 216) 666 17 65

Yalova Branch

Yalı Cad. No: 19/A Merkez - YALOVA
Tel: (90 226) 812 23 80
Fax: (90 216) 666 17 69

Directory

Yozgat Branch

Medrese Mah. Şeyhzade Cad. No: 22/A
Merkez - YOZGAT
Tel: (90 354) 217 50 30
Fax: (90 216) 666 89 05

Zonguldak Karadeniz Ereğli Branch

Müftü Mah. Devrim Bulvarı No: 9/A
Ereğli - ZONGULDAK
Tel: (90 372) 322 84 14
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International Branch

Erbil Branch

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