AKBANK T.A.Ş.

PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS AND RELATED DISCLOSURES AT 31 MARCH 2015 TOGETHER WITH LIMITED REVIEW REPORT

(Convenience translation of publicly announced consolidated financial statements, related disclosures and audit report originally issued in Turkish, See Note. I.b of Section three)

INTERIM REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

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

To the Board of Directors of Akbank T.A.Ş.;

Introduction

We have reviewed the consolidated balance sheet of Akbank T.A.Ş. ("the Bank") and its subsidiaries (together will be referred as "the Group") at 31 March 2015 and the related consolidated income statement, consolidated statement of income and expense items under shareholders' equity, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the consolidated financial statements for the three-month-period then ended. The Bank Management is responsible for the preparation and fair presentation of interim financial statements in accordance with the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by Banking Regulation and Supervision Authority, (together referred as BRSA Accounting and Reporting Legislation) and Turkish Accounting Standard 34 "Interim Financial Reporting" except for the matters regulated by BRSA Legislation. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

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

Basis of Qualified Conclusion

Subsequent to the reversal of TL 70.000 thousands during the year 2014, the accompanying consolidated financial statements as at 31 March 2015 include a general reserve amounting to TL 200.000 thousands which is fully provided in 2013 by the Bank management for the possible results of the circumstances which may arise from any changes in the economy and market conditions.

Qualified Conclusion

Based on our review, except for the effect of the matter referred in the preceding paragraph on the consolidated financial statements, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not give a true and fair view of the financial position of Akbank T.A.Ş. and its subsidiaries at 31 March 2015 and of the results of its operations and its cash flows for the three-month-period then ended in all aspects in accordance with the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by Banking Regulation and Supervision Authority, (together referred as BRSA Accounting and Reporting Legislation) and Turkish Accounting Standard 34 "Interim Financial Reporting" except for the matters regulated by BRSA Legislation.

Additional paragraph for convenience translation to English:

As explained in detail in Note I.b. of Section Three, the effects of differences between accounting principles and standards set out by regulations in conformity with articles 37 of the Banking Act No. 5411, accounting principles generally accepted in countries in which the accompanying consolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in the accompanying consolidated financial statements. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

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

Damla Harman
SMMM, Partner

İstanbul, 24 April 2015

CONVENIENCE TRANSLATION
OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS, RELATED DISCLOSURES
ORIGINALLY ISSUED IN TURKISH,
SEE NOTE I.b IN SECTION THREE

THE CONSOLIDATED FINANCIAL REPORT OF AKBANK T.A.Ş. AS OF 31 MARCH 2015

Address : Sabancı Center 34330, 4. Levent / İstanbul
Telephone : (0 212) 385 55 55
Fax : (0 212) 319 52 52
Website : www.akbank.com
E-mail : http://www.akbank.com/bize-ulasin/gorus-onerileriniz-icin.aspx

The consolidated financial report includes the following sections in accordance with the "Communiqué on the Financial Statements and Related Explanation and Notes that will be Publicly Announced" as sanctioned by the Banking Regulation and Supervision Agency.

- **Section One** - GENERAL INFORMATION ABOUT THE GROUP
- **Section Two** - CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP
- **Section Three** - EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- **Section Four** - INFORMATION RELATED TO FINANCIAL POSITION OF THE GROUP
- **Section Five** - EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
- **Section Six** - OTHER EXPLANATIONS
- **Section Seven** - LIMITED REVIEW REPORT

Investments in associates, joint ventures and subsidiaries whose financial statements have been consolidated in this reporting package are as follows:

	Subsidiaries	Investments in Associates	Joint Ventures
1.	Ak Finansal Kiralama A.Ş.	-	-
2.	Ak Yatırım Menkul Değerler A.Ş.	-	-
3.	Ak Portföy Yönetimi A.Ş.	-	-
4.	Akbank AG	-	-
5.	Akbank (Dubai) Limited	-	-

Ak Receivables Corporation and A.R.T.S. Ltd., 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 Entities".

The accompanying reviewed consolidated financial statements and notes to these financial statements which are expressed, unless otherwise stated, in thousands of Turkish Lira (TL), have been prepared based on the accounting books of the Bank in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, relating appendices and interpretations on these, and are independently reviewed.

24 April 2015

Suzan SABANCI DİNÇER	Hayri ÇULHACI	Ş.Yaman TÖRÜNER	S. Hakan BİNBAŞGİL	K. Atıl ÖZUS	Türker TUNALI
Chairman of the Board of Directors	Head of the Audit Committee	Member of the Audit Committee	CEO	Executive Vice President	Senior Vice President

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

Name-Surname / Title : Türker TUNALI / Senior Vice President
Phone No : (0 212) 385 55 55
Fax No : (0 212) 325 12 31

SECTION ONE

General Information about the Group

I.	Parent Bank's foundation date, start-up status, history regarding the changes in this status	1
II.	Explanation about the Parent Bank's capital structure and shareholders of the Parent Bank who are in charge of the management and/or auditing of the Parent Bank directly or indirectly, changes in these matters (if any) and the group the Parent Bank belongs to	1
III.	Explanation on the board of directors, members of the audit committee, president and executive vice presidents, if available, and the shares of the Parent Bank they possess and their areas of responsibility	1
IV.	Information on shareholder's having control shares	2
V.	Explanations on the Parent Bank's service types and fields of operation	2
VI.	A Short Explanation on the differences between the Communique on Consolidated Financial Statement Reporting and the consolidation procedures required by Turkish Accounting Standards and about institutions that are subject to full consolidation, proportional consolidation, by way of deduction from capital or those that are subject to none	3
VII.	Existing or potential, actual or legal obstacles to immediate transfer of capital between Parent Bank and its subsidiaries and repayment of debts	3

SECTION TWO

Consolidated Financial Statements of the Group

I.	Balance sheet	4
II.	Income statement	6
III.	Off-Balance Sheet Commitments	7
IV.	Income and expenses accounted under shareholders' equity	8
V.	Statement of changes in shareholders' equity	9
VI.	Statement of cash flows	10

SECTION THREE

Accounting Policies

I.	Explanations on basis of presentation	11
II.	Explanations on strategy of using financial instruments and explanations on foreign currency transactions	12
III.	Explanations on investments in associates and subsidiaries	12
IV.	Explanations on forward transactions and derivative instruments	13
V.	Explanations on interest income and expense	14
VI.	Explanations on fee and commission income and expenses	14
VII.	Explanations on financial assets	14
VIII.	Explanations on impairment of financial assets	15
IX.	Explanations on offsetting financial assets	15
X.	Explanations on sales and repurchase agreements and securities lending transactions	16
XI.	Explanations on property and equipment held for sale purpose and related to discontinued operations	16
XII.	Explanations on goodwill and other intangible assets	16
XIII.	Explanations on property and equipment	16
XIV.	Explanations on leasing transactions	17
XV.	Explanations on provisions and contingent liabilities	17
XVI.	Explanations on contingent assets	17
XVII.	Explanations on obligations related to employee rights	17
XVIII.	Explanations on taxation	19
XIX.	Explanations on borrowings	20
XX.	Explanations on issuance of share certificates	20
XXI.	Explanations on avalized drafts and acceptances	20
XXII.	Explanations on government grants	20
XXIII.	Explanations on segment reporting	20
XXIV.	Profit reserves and profit appropriation	20
XXV.	Earnings per share	21
XXVI.	Related parties	21
XXVII.	Cash and cash equivalent assets	21
XXVIII.	Reclassifications	21

SECTION FOUR

Information Related to Financial Position of the Group

I.	Explanations on capital adequacy ratio	22
II.	Explanations on credit risk	26
III.	Explanations on market risk	26
IV.	Explanations on currency risk	27
V.	Explanations on interest rate risk	30
VI.	Explanations on equity securities position risk derived from banking books	33
VII.	Explanations on liquidity risk	33
VIII.	Explanations on securitization positions	34
IX.	Explanations on credit risk mitigation techniques	34
X.	Explanations on risk management target and policies	35
XI.	Explanations on the activities carried out on behalf and account of other persons	36
XII.	Explanations on hedge transactions	36
XIII.	Explanations on business segments	38

SECTION FIVE

Information and Disclosures Related to Consolidated Financial Statements

I.	Explanations and notes related to consolidated assets	40
II.	Explanations and notes related to consolidated liabilities	55
III.	Explanations and notes related to consolidated income statement	61
IV.	Explanations and notes related to consolidated off-balance sheet accounts	66
V.	Explanations and notes related to consolidated statement of cash flows	67
VI.	Explanations and notes related to Group's risk group	67
VII.	Explanations and notes related to subsequent events	69

SECTION SIX

Other Explanations

I.	Other explanations	70

SECTION SEVEN

Explanations on Auditor's Report

I.	Explanations on auditor's report	70
II.	Explanations and notes prepared by independent auditor	70

SECTION ONE
GENERAL INFORMATION ABOUT THE BANK

I. BANK'S FOUNDATION DATE, START-UP STATUS, HISTORY REGARDING THE CHANGES IN THIS STATUS:

Akbank T.A.Ş. ("the Bank" or "Akbank") was established on 30 January 1948 as a private commercial bank, in accordance with the decision of the Council of Ministers, No.3/6710 and is authorized to perform all economic, financial and commercial activities which are allowed by the laws of the Turkish Republic ("T.C."). The status of the Bank has not changed since its foundation.

II. EXPLANATION ABOUT THE BANK'S CAPITAL STRUCTURE, SHAREHOLDERS OF THE BANK WHO ARE IN CHARGE OF THE MANAGEMENT AND/OR AUDITING OF THE BANK DIRECTLY OR INDIRECTLY, CHANGES IN THESE MATTERS (IF ANY) AND THE GROUP THE BANK BELONGS TO:

The Bank's shares have been quoted on the Borsa Istanbul (''BIST'') since 1990. In 1998, 4,03% of the outstanding share capital of the Bank was offered and sold in an international offering outside of Turkey in the form of Ordinary Shares and American Depository Receipts ("ADRs"). As of 31 March 2015, approximately 51% of the shares are publicly traded, including the ADRs (31 December 2014: 41%).

The major shareholder of the Bank, directly or indirectly, is Sabancı Group.

III. EXPLANATION ON THE BOARD OF DIRECTORS, MEMBERS OF THE AUDIT COMMITTEE, PRESIDENT AND EXECUTIVE VICE PRESIDENTS, IF AVAILABLE, SHARES OF THE PARENT BANK THEY POSSESS AND THEIR AREAS OF RESPONSIBILITY:

Title	Name	Responsibility	Education
Chairman:	Suzan SABANCI DİNÇER	Chairman and Executive Board Member	Graduate
Honorary Chairman, Board member, Consultant:	Erol SABANCI	Honorary Chairman, Board Member and Consultant	Undergraduate
Board of Directors:	Hayri ÇULHACI	Vice Chairman and Executive Board Member	Graduate
	Cem MENGİ	Executive Board Member	Undergraduate
	Ş. Yaman TÖRÜNER	Board Member	Undergraduate
	A. Aykut DEMİRAY	Board Member	Undergraduate
	İ. Aydın GÜNTER	Board Member	Undergraduate
	Emre DERMAN	Board Member	Graduate
	Can PAKER	Board Member	Graduate
	S.Hakan BİNBAŞGİL	Borad Member and CEO	Graduate
President and CEO:	S. Hakan BİNBAŞGİL	CEO	Graduate
Head of Internal Audit:	Eyüp ENGİN	Head of Internal Audit	Undergraduate

Executive Vice Presidents:	A. Fuat AYLA	Credit Allocation	Undergraduate
	Hülya KEFELİ	International Banking	Undergraduate
	K. Atıl ÖZUS	Financial Coordination	Undergraduate
	O. Mehmet SİNDEL	Corporate Communication	Undergraduate
	Kerim ROTA	Treasury	Graduate
	C. Kaan GÜR	Commercial Banking	Undergraduate
	A. Hakan YÜKSEL	Corporate Banking	Undergraduate
	O. Saltık GALATALI	Private Banking	Graduate
	Turgut GÜNEY	Information Technologies	Graduate
	Orkun OĞUZ	Direct Banking	Graduate
	Bülent OĞUZ	SME Banking	Graduate
	Özlen SANIBELLİ	Operation	Graduate
	H.Burcu CİVELEK YÜCE	Human Resources and Strategy	Graduate
	Ege GÜLTEKİN	Credit Monitoring and Follow-up	Graduate
	A.Özer İSFENDİYAROĞLU	Consumer Banking and Payment Systems	Graduate
Internal Audit Committee:	Hayri ÇULHACI	Head of the Audit Committee	Graduate
	Ş. Yaman TÖRÜNER	Member of the Audit Committee	Undergraduate

The shares of the above individuals are insignificant in the Bank.

As of 13 February 2015, Ege Gültekin has been assigned as Executive Vice President responsible from the newly established Credit Monitoring and Follow up Unit.

As of 2 March 2015, Arif Özer İsfendiyaroğlu has been assigned as Executive Vice President responsible from the newly established Retail Banking and Payment Systems Unit.

During The Ordinary General Assembly Meeting of the Bank dated 26 March 2015, Emre Derman and Can Paker have been appointed as a Board Member in lieu of James Charles Cowles and M. Kaan Terzioğlu in the election of new Board of Directors

IV. INFORMATION ON SHAREHOLDERS HAVING CONTROL SHARES:

Name/Commercial Title	Share Amounts (Nominal)	Share Percentages	Paid-in Capital (Nominal)	Unpaid Portion
Hacı Ömer Sabancı Holding A.Ş.	1.630.021	40,75%	1.630.021	-

V. EXPLANATION ON THE PARENT BANK'S SERVICE TYPES AND FIELDS OF OPERATION:

The Bank's core business activities include retail banking, commercial banking, SME banking, corporate banking, private banking, foreign exchange, money markets, securities transactions (treasury transactions) and international banking services. In addition to regular banking operations, the Bank also provides insurance intermediary services as an agency of Aksigorta A.Ş and AvivaSA Emeklilik ve Hayat A.Ş. As of 31 March 2015, the Bank has 974 branches dispersed throughout the country and 1 branch operating abroad (31 December 2014: 990 branches and 1 branch operating abroad). As of 31 March 2015, the Bank employed 14.941 people (31 December 2014: 16.305). Decrease in the Bank's personnel is caused by the transfer of private security guards to an outsource firm.

The Parent Bank and its subsidiaries, Ak Yatırım Menkul Değerler A.Ş., AK Portföy Yönetimi A.Ş., Akbank AG, Ak Finansal Kiralama A.Ş., Akbank (Dubai) Limited and together with Ak Receivables Corporation and A.R.T.S. Ltd., which are not subsidiaries of the Bank, but over which the Bank has 100% controlling power due to the reason that these companies are "Structured Entities", have been included in the scope of consolidation. The Parent Bank together with its consolidated subsidiaries are referred to as the "Group" in these consolidated financial statements and notes to consolidated financial statements.

As at 31 March 2015, the Group employed 15.191 people (31 December 2014: 16.543).

VI. A SHORT EXPLANATION ON THE DIFFERENCES BETWEEN THE COMMUNIQUE ON CONSOLIDATED FINANCIAL STATEMENT REPORTING AND THE CONSOLIDATION PROCEDURES REQUIRED BY TURKISH ACCOUNTING STANDARDS AND ABOUT INSTITUTIONS THAT ARE SUBJECT TO FULL CONSOLIDATION, PROPORTIONAL CONSOLIDATION, BY WAY OF DEDUCTION FROM CAPITAL OR THOSE THAT ARE SUBJECT TO NONE:

The Bank sees no difference between the Communiqué on Consolidated Financial Reporting and the consolidation procedures required by Turkish Accounting Standards. Information in regards to consolidated subsidiaries and consolidation methods are given in Section 3 Note III.

VII. EXISTING OR POTENTIAL, ACTUAL OR LEGAL OBSTACLES TO IMMEDIATE TRANSFER OF CAPITAL BETWEEN PARENT BANK AND ITS SUBSIDIARIES AND REPAYMENT OF DEBTS:

None.

AKBANK T.A.Ş.

I. CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2015 (STATEMENT OF FINANCIAL POSITION)

(Amounts are expressed in thousands of Turkish Lira (TL)).

	ASSETS	Note (Section Five)	CURRENT PERIOD (31/03/2015) TL	FC	Total	PRIOR PERIOD (31/12/2014) TL	FC	Total
I.	**CASH AND BALANCES WITH CENTRAL BANK**	**(I-a)**	**2.200.396**	**21.916.772**	**24.117.168**	**3.518.600**	**16.921.457**	**20.440.057**
II.	**FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT or LOSS (Net)**	**(I-b)**	**1.163.553**	**1.070.958**	**2.234.511**	**599.900**	**865.803**	**1.465.703**
2.1	Trading Financial Assets		1.163.553	1.070.958	2.234.511	599.900	865.803	1.465.703
2.1.1	Government Debt Securities		7.558	2.594	10.152	8.525	2.491	11.016
2.1.2	Equity Securities		-	-	-	68	-	68
2.1.3	Trading Derivative Financial Assets		1.083.320	1.068.364	2.151.684	547.427	863.312	1.410.739
2.1.4	Other Marketable Securities		72.675	-	72.675	43.880	-	43.880
2.2	Financial Assets at Fair Value through Profit or Loss		-	-	-	-	-	-
2.2.1	Government Debt Securities		-	-	-	-	-	-
2.2.2	Equity Securities		-	-	-	-	-	-
2.2.3	Loans		-	-	-	-	-	-
2.2.4	Other Marketable Securities		-	-	-	-	-	-
III.	**BANKS**	**(I-c)**	**1.020.835**	**5.610.216**	**6.631.051**	**611.373**	**4.600.744**	**5.212.117**
IV.	**MONEY MARKETS**		**4.851.428**	**-**	**4.851.428**	**700.215**	**-**	**700.215**
4.1	Interbank Money Market Placements		-	-	-	-	-	-
4.2	Istanbul Stock Exchange Money Market Placements		-	-	-	-	-	-
4.3	Receivables from Reverse Repurchase Agreements		4.851.428	-	4.851.428	700.215	-	700.215
V.	**AVAILABLE-FOR-SALE FINANCIAL ASSETS (Net)**	**(I-d)**	**17.202.443**	**19.614.847**	**36.817.290**	**21.390.273**	**16.213.559**	**37.603.832**
5.1	Equity Securities		12.326	161	12.487	12.326	161	12.487
5.2	Government Debt Securities		17.106.810	13.297.720	30.404.530	21.283.380	11.154.528	32.437.908
5.3	Other Marketable Securities		83.307	6.316.966	6.400.273	94.567	5.058.870	5.153.437
VI.	**LOANS and RECEIVABLES**	**(I-e)**	**86.519.725**	**54.733.145**	**141.252.870**	**85.861.033**	**50.270.367**	**136.131.400**
6.1	Loans and Receivables		86.368.178	54.733.145	141.101.323	85.709.707	50.270.367	135.980.074
6.1.1	Loans to Bank's Risk Group	**(VI)**	1.342.365	977.964	2.320.329	1.511.963	952.585	2.464.548
6.1.2	Government Debt Securities		-	-	-	-	-	-
6.1.3	Other		85.025.813	53.755.181	138.780.994	84.197.744	49.317.782	133.515.526
6.2	Loans under Follow-up		2.409.375	-	2.409.375	2.330.155	-	2.330.155
6.3	Specific Provisions (-)		2.257.828	-	2.257.828	2.178.829	-	2.178.829
VII.	**FACTORING RECEIVABLES**		**-**	**-**	**-**	**-**	**-**	**-**
VIII.	**HELD-TO-MATURITY SECURITIES (Net)**	**(I-f)**	**5.358.606**	**5.309.650**	**10.668.256**	**5.790.655**	**5.009.456**	**10.800.111**
8.1	Government Debt Securities		5.358.606	5.309.650	10.668.256	5.790.655	5.009.456	10.800.111
8.2	Other Marketable Securities		-	-	-	-	-	-
IX.	**INVESTMENTS IN ASSOCIATES (Net)**	**(I-g)**	**3.923**	**-**	**3.923**	**3.923**	**-**	**3.923**
9.1	Associates Consolidated Based on Equity Method		-	-	-	-	-	-
9.2	Associates Unconsolidated		3.923	-	3.923	3.923	-	3.923
9.2.1	Financial Investments in Associates		-	-	-	-	-	-
9.2.2	Non-Financial Investments in Associates		3.923	-	3.923	3.923	-	3.923
X.	**SUBSIDIARIES (Net)**	**(I-h)**	**-**	**-**	**-**	**-**	**-**	**-**
10.1	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
10.2	Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
XI.	**JOINT VENTURES (Net)**		**-**	**-**	**-**	**-**	**-**	**-**
11.1	Joint Ventures Consolidated Based on Equity Method		-	-	-	-	-	-
11.2	Unconsolidated Joint Ventures		-	-	-	-	-	-
11.2.1	Financial Joint Ventures		-	-	-	-	-	-
11.2.2	Non-Financial Joint Ventures		-	-	-	-	-	-
XII.	**FINANCIAL LEASE RECEIVABLES (Net)**	**(I-i)**	**935.649**	**2.886.669**	**3.822.318**	**910.569**	**2.784.737**	**3.695.306**
12.1	Financial Lease Receivables		1.205.496	3.341.035	4.546.531	1.182.008	3.237.330	4.419.338
12.2	Operating Lease Receivables		-	-	-	-	-	-
12.3	Other		-	-	-	-	-	-
12.4	Unearned Income (-)		269.847	454.366	724.213	271.439	452.593	724.032
XIII.	**HEDGING DERIVATIVE FINANCIAL ASSETS**	**(I-j)**	**552.206**	**531**	**552.737**	**284.135**	**406**	**284.541**
13.1	Fair Value Hedge		552.206	531	552.737	284.135	406	284.541
13.2	Cash Flow Hedge		-	-	-	-	-	-
13.3	Foreign Net Investment Hedge		-	-	-	-	-	-
XIV.	**PROPERTY AND EQUIPMENT (Net)**		**834.110**	**2.584**	**836.694**	**860.758**	**2.596**	**863.354**
XV.	**INTANGIBLE ASSETS (Net)**		**238.761**	**405**	**239.166**	**228.548**	**456**	**229.004**
15.1	Goodwill		-	-	-	-	-	-
15.2	Other		238.761	405	239.166	228.548	456	229.004
XVI.	**INVESTMENT PROPERTY (Net)**	**(I-k)**	**-**	**-**	**-**	**-**	**-**	**-**
XVII.	**TAX ASSET**		**1.962**	**10.763**	**12.725**	**11.497**	**9.548**	**21.045**
17.1	Current Tax Asset		-	-	-	-	-	-
17.2	Deferred Tax Asset	**(I-l)**	1.962	10.763	12.725	11.497	9.548	21.045
XVIII.	**PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (Net)**	**(I-m)**	**159.820**	**-**	**159.820**	**158.652**	**-**	**158.652**
18.1	Held for Sale Purpose		159.820	-	159.820	158.652	-	158.652
18.2	Related to Discontinued Operations		-	-	-	-	-	-
XIX.	**OTHER ASSETS**	**(I-n)**	**1.030.335**	**513.918**	**1.544.253**	**993.288**	**94.050**	**1.087.338**
	TOTAL ASSETS		**122.073.752**	**111.670.458**	**233.744.210**	**121.923.419**	**96.773.179**	**218.696.598**

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

AKBANK T.A.Ş.

I. CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2015 (STATEMENT OF FINANCIAL POSITION)

(Amounts are expressed in thousands of Turkish Lira (TL)).

	LIABILITIES	Note (Section Five)	CURRENT PERIOD (31/03/2015) TL	FC	Total	PRIOR PERIOD (31/12/2014) TL	FC	Total
I.	**DEPOSITS**	**(II-a)**	**63.246.968**	**66.292.917**	**129.539.885**	**65.253.709**	**57.040.367**	**122.294.076**
1.1	Deposits of Bank's Risk Group	**(VII)**	2.384.843	1.680.033	4.064.876	2.093.788	1.358.897	3.452.685
1.2	Other		60.862.125	64.612.884	125.475.009	63.159.921	55.681.470	118.841.391
II.	**TRADING DERIVATIVE FINANCIAL LIABILITIES**	**(II-b)**	**336.321**	**1.802.985**	**2.139.306**	**222.348**	**984.865**	**1.207.213**
III.	**FUNDS BORROWED**	**(II-c)**	**418.838**	**22.554.744**	**22.973.582**	**454.961**	**20.814.400**	**21.269.361**
IV.	**MONEY MARKETS**		**5.460.844**	**23.836.522**	**29.297.366**	**4.872.461**	**23.978.899**	**28.851.360**
4.1	Funds from Interbank Money Market		82.914	-	82.914	441.722	-	441.722
4.2	Funds from Istanbul Stock Exchange Money Market		-	-	-	-	-	-
4.3	Funds Provided Under Repurchase Agreements		5.377.930	23.836.522	29.214.452	4.430.739	23.978.899	28.409.638
V.	**SECURITIES ISSUED (Net)**	**(II-d)**	**3.213.031**	**11.240.761**	**14.453.792**	**3.172.404**	**7.368.020**	**10.540.424**
5.1	Bills		1.511.210	1.177.573	2.688.783	1.485.149	769.015	2.254.164
5.2	Asset Backed Securities		-	-	-	-	-	-
5.3	Bonds		1.701.821	10.063.188	11.765.009	1.687.255	6.599.005	8.286.260
VI.	**FUNDS**		**-**	**-**	**-**	**-**	**-**	**-**
6.1	Borrower Funds		-	-	-	-	-	-
6.2	Other		-	-	-	-	-	-
VII.	**MISCELLANEOUS PAYABLES**		**3.318.777**	**845.372**	**4.164.149**	**3.027.706**	**471.106**	**3.498.812**
VIII.	**OTHER LIABILITIES**	**(II-e)**	**1.451.410**	**278.436**	**1.729.846**	**1.327.744**	**200.986**	**1.528.730**
IX.	**FACTORING PAYABLES**		**-**	**-**	**-**	**-**	**-**	**-**
X.	**FINANCIAL LEASE PAYABLES (Net)**	**(II-f)**	**-**	**-**	**-**	**-**	**-**	**-**
10.1	Financial Lease Payables		-	-	-	-	-	-
10.2	Operating Lease Payables		-	-	-	-	-	-
10.3	Other		-	-	-	-	-	-
10.4	Deferred Financial Lease Expenses (-)		-	-	-	-	-	-
XI.	**HEDGING DERIVATIVE FINANCIAL LIABILITIES**	**(II-g)**	**-**	**186.011**	**186.011**	**-**	**105.952**	**105.952**
11.1	Fair Value Hedge		-	183.980	183.980	-	105.952	105.952
11.2	Cash Flow Hedge		-	2.031	2.031	-	-	-
11.3	Foreign Net Investment Hedge		-	-	-	-	-	-
XII.	**PROVISIONS**	**(II-h)**	**2.167.988**	**608.812**	**2.776.800**	**2.108.801**	**544.825**	**2.653.626**
12.1	General Loan Loss Provisions		1.634.228	587.547	2.221.775	1.588.276	515.988	2.104.264
12.2	Restructuring Provisions		-	-	-	-	-	-
12.3	Reserve for Employee Benefits		130.383	104	130.487	127.450	187	127.637
12.4	Insurance Technical Provisions (Net)		-	-	-	-	-	-
12.5	Other Provisions		403.377	21.161	424.538	393.075	28.650	421.725
XIII.	**TAX LIABILITY**	**(II-i)**	**395.344**	**76.125**	**471.469**	**528.243**	**78.757**	**607.000**
13.1	Current Tax Liability		317.915	28.828	346.743	522.289	31.129	553.418
13.2	Deferred Tax Liability		77.429	47.297	124.726	5.954	47.628	53.582
XIV.	**LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS**		**-**	**-**	**-**	**-**	**-**	-
14.1	Held for Sale Purpose		-	-	-	-	-	-
14.2	Related to Discontinued Operations		-	-	-	-	-	**-**
XV.	**SUBORDINATED LOANS**		**-**	**-**	**-**	**-**	**-**	**-**
XVI.	**SHAREHOLDERS' EQUITY**	**(II-j)**	**26.273.592**	**(261.588)**	**26.012.004**	**26.257.874**	**(117.830)**	**26.140.044**
16.1	Paid-in capital		4.000.000	-	4.000.000	4.000.000	-	4.000.000
16.2	Capital Reserves		2.572.107	(261.588)	2.310.519	2.772.404	(117.830)	2.654.574
16.2.1	Share Premium		1.700.000	-	1.700.000	1.700.000	-	1.700.000
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3	Marketable Securities Valuation Differences	**(II-k)**	(381.306)	(231.181)	(612.487)	(181.747)	(88.432)	(270.179)
16.2.4	Property and Equipment Revaluation Differences		47.106	-	47.106	47.106	-	47.106
16.2.5	Intangible Assets Revaluation Differences		-	-	-	-	-	-
16.2.6	Investment Properties Revaluation Differences		-	-	-	-	-	-
16.2.7	Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures		3.895	-	3.895	3.895	-	3.895
16.2.8	Hedging Funds (Effective portion)		(197.577)	(30.407)	(227.984)	(202.742)	(29.398)	(232.140)
16.2.9	Value Increase of Assets Held for Sale		-	-	-	-	-	-
16.2.10	Other Capital Reserves		1.399.989	-	1.399.989	1.405.892	-	1.405.892
16.3	Profit Reserves		18.513.374	-	18.513.374	15.845.847	-	15.845.847
16.3.1	Legal Reserves		1.336.311	-	1.336.311	1.295.468	-	1.295.468
16.3.2	Status Reserves		-	-	-	-	-	-
16.3.3	Extraordinary Reserves		16.772.396	-	16.772.396	14.150.654	-	14.150.654
16.3.4	Other Profit Reserves		404.667	-	404.667	399.725	-	399.725
16.4	Income or (Loss)		1.188.008	-	1.188.008	3.639.523	-	3.639.523
16.4.1	Prior Periods' Income or (Loss)		402.833	-	402.833	260.884	-	260.884
16.4.2	Current Year Income or (Loss)		785.175	-	785.175	3.378.639	-	3.378.639
16.5	Minority Interest		103	-	103	100	-	100
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**106.283.113**	**127.461.097**	**233.744.210**	**107.226.251**	**111.470.347**	**218.696.598**

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

AKBANK T.A.Ş.
II. CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2015
(Amounts are expressed in thousands of Turkish Lira (TL)).

	INCOME AND EXPENSE ITEMS	Note (Section Five)	CURRENT PERIOD (01/01-31/03/2015)	PRIOR PERIOD (01/01-31/03/2014)
I.	**INTEREST INCOME**	**(III-a)**	**3.742.141**	**3.510.907**
1.1	Interest on Loans	**(III-a-1)**	2.862.491	2.459.169
1.2	Interest on Reserve Requirements		-	-
1.3	Interest on Banks	**(III-a-2)**	14.545	8.466
1.4	Interest on Money Market Transactions		55.503	10.311
1.5	Interest on Marketable Securities Portfolio	**(III-a-3)**	731.202	967.932
1.5.1	Trading Financial Assets		1.749	2.014
1.5.2	Financial Assets at Fair Value Through Profit or Loss		-	-
1.5.3	Available-for-sale Financial Assets		552.210	787.918
1.5.4	Held- to- maturity Investments		177.243	178.000
1.6	Financial Lease Income		70.596	56.306
1.7	Other Interest Income		7.804	8.723
II.	**INTEREST EXPENSE**	**(III-b)**	**1.872.544**	**1.774.324**
2.1	Interest on Deposits	**(III-b-4)**	1.407.121	1.260.098
2.2	Interest on Funds Borrowed	**(III-b-1)**	91.288	97.506
2.3	Interest Expense on Money Market Transactions		194.212	270.036
2.4	Interest on Securities Issued	**(III-b-3)**	168.487	140.735
2.5	Other Interest Expenses		11.436	5.949
III.	**NET INTEREST INCOME (I - II)**		**1.869.597**	**1.736.583**
IV.	**NET FEES AND COMMISSIONS INCOME**		**538.828**	**524.470**
4.1	Fees and Commissions Received		640.649	605.752
4.1.1	Non-cash Loans		40.686	38.298
4.1.2	Other		599.963	567.454
4.2	Fees and Commissions Paid		101.821	81.282
4.2.1	Non-cash Loans		955	646
4.2.2	Other		100.866	80.636
V.	**DIVIDEND INCOME**		**1.755**	**1.231**
VI.	**TRADING INCOME/(LOSS) (Net)**	**(III-c)**	**83.330**	**(230.701)**
6.1	Trading Gains / (Losses) on Securities		166.828	(27.176)
6.2	Gains / (Losses) on Derivative Financial Transactions		145.784	(735.576)
6.3	Foreign Exchange Gains / (Losses)		(229.282)	532.051
VII.	**OTHER OPERATING INCOME**	**(III-d)**	**271.931**	**195.300**
VIII.	**TOTAL OPERATING INCOME (III+IV+V+VI+VII)**		**2.765.441**	**2.226.883**
IX.	**PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)**	**(III-e)**	**674.728**	**492.885**
X.	**OTHER OPERATING EXPENSES (-)**	**(III-f)**	**1.072.929**	**884.688**
XI.	**NET OPERATING INCOME/(LOSS) (VIII-IX-X)**		**1.017.784**	**849.310**
XII.	**EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER**			
	INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES		**-**	**-**
XIII.	**CONSOLIDATED BASED ON EQUITY METHOD**		**-**	**-**
XIV.	**INCOME/(LOSS) ON NET MONETARY POSITION**		**-**	**-**
XV.	**PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XI+...+XIV)**		**1.017.784**	**849.310**
XVI.	**TAX PROVISION FOR CONTINUED OPERATIONS (±)**	**(III-h)**	**232.606**	**188.350**
16.1	Current Tax Provision		171.665	336.332
16.2	Deferred Tax Provision		60.941	(147.982)
XVII.	**CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XV±XVI)**		**785.178**	**660.960**
XVIII.	**INCOME FROM DISCONTINUED OPERATIONS**		**-**	**-**
18.1	Income from Non-current Assets Held for Sale		-	-
18.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures		-	-
18.3	Income from Other Discontinued Operations		-	-
XIX.	**EXPENSES FOR DISCONTINUED OPERATIONS (-)**		**-**	**-**
19.1	Expenses for Non-current Assets Held for Sale		-	-
19.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-
19.3	Expenses for Other Discontinued Operations		-	-
XX.	**PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XVIII-XIX)**		**-**	**-**
XXI.	**TAX PROVISION FOR DISCONTINUED OPERATIONS (±)**		**-**	**-**
21.1	Current Tax Provision		**-**	**-**
21.2	Deferred Tax Provision		-	-
XXII.	**CURRENT YEAR PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)**		**-**	**-**
XXIII.	**NET INCOME/(LOSS) (XVII+XXII)**	**(III-i)**	**785.178**	**660.960**
23.1	**Income/(Loss) from the Group**		**785.175**	**660.959**
23.2	Income/(Loss) from Minority Interest	**(III-g)**	3	1
	Earning/(Loss) per share (in TL full)		0,00196	0,00165

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

AKBANK T.A.Ş.

III. CONSOLIDATED OFF-BALANCE SHEET COMMITMENTS AT 31 MARCH 2015

(Amounts are expressed in thousands of Turkish Lira (TL)).

		Note (Section Five)	CURRENT PERIOD (31/03/2015) TL	FC	Total	PRIOR PERIOD (31/12/2014) TL	FC	Total
A. OFF-BALANCE SHEET COMMITMENTS (I+II+III)			**98.670.642**	**189.128.367**	**287.799.009**	**86.440.978**	**167.542.323**	**253.983.301**
I.	**GUARANTEES AND WARRANTIES**	**(IV-2, 3)**	**14.651.218**	**18.157.960**	**32.809.178**	**14.838.169**	**17.405.294**	**32.243.463**
1.1	Letters of Guarantee		13.191.562	9.900.138	23.091.700	13.277.182	9.085.634	22.362.816
1.1.1	Guarantees Subject to State Tender Law		314.400	1.629.537	1.943.937	303.407	1.575.448	1.878.855
1.1.2	Guarantees Given for Foreign Trade Operations		-	4.059.176	4.059.176	-	3.467.645	3.467.645
1.1.3	Other Letters of Guarantee		12.877.162	4.211.425	17.088.587	12.973.775	4.042.541	17.016.316
1.2	Bank Acceptances		-	1.557.916	1.557.916	-	1.130.533	1.130.533
1.2.1	Import Letter of Acceptance		-	1.557.916	1.557.916	-	1.130.533	1.130.533
1.2.2	Other Bank Acceptances		-	-	-	-	-	-
1.3	Letters of Credit		-	5.210.645	5.210.645	-	5.463.720	5.463.720
1.3.1	Documentary Letters of Credit		-	4.651.644	4.651.644	-	4.921.555	4.921.555
1.3.2	Other Letters of Credit		-	559.001	559.001	-	542.165	542.165
1.4	Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5	Endorsements		-	-	-	-	-	-
1.5.1	Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2	Other Endorsements		-	-	-	-	-	-
1.6	Purchase Guarantees for Securities Issued		-	-	-	-	-	-
1.7	Factoring Guarantees		-	17.105	17.105	-	22.745	22.745
1.8	Other Guarantees		64.813	1.455.792	1.520.605	76.813	1.686.271	1.763.084
1.9	Other Collaterals		1.394.843	16.364	1.411.207	1.484.174	16.391	1.500.565
II.	**COMMITMENTS**	**(IV-1)**	**41.935.159**	**7.789.817**	**49.724.976**	**38.752.269**	**9.062.927**	**47.815.196**
2.1	Irrevocable Commitments		41.501.484	7.789.817	49.291.301	38.365.810	9.062.927	47.428.737
2.1.1	Asset Purchase Commitments		5.127.048	5.951.660	11.078.708	2.523.406	7.203.835	9.727.241
2.1.2	Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3	Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4	Loan Granting Commitments		5.533.417	1.704.323	7.237.740	5.397.158	1.793.569	7.190.727
2.1.5	Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6	Commitments for Reserve Requirements		-	-	-	-	-	-
2.1.7	Commitments for Cheque Payments		5.741.991	-	5.741.991	5.409.062	-	5.409.062
2.1.8	Tax and Fund Liabilities from Export Commitments		2.237	-	2.237	2.196	-	2.196
2.1.9	Commitments for Credit Card Limits		20.979.762	-	20.979.762	21.109.490	-	21.109.490
2.1.10	Commitments for Credit Cards and Banking Services Promotions		136.540	-	136.540	126.962	-	126.962
2.1.11	Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12	Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.13	Other Irrevocable Commitments		3.980.489	133.834	4.114.323	3.797.536	65.523	3.863.059
2.2	Revocable Commitments		433.675	-	433.675	386.459	-	386.459
2.2.1	Revocable Loan Granting Commitments		433.675	-	433.675	386.459	-	386.459
2.2.2	Other Revocable Commitments		-	-	-	-	-	-
III.	**DERIVATIVE FINANCIAL INSTRUMENTS**		**42.084.265**	**163.180.590**	**205.264.855**	**32.850.540**	**141.074.102**	**173.924.642**
3.1	Hedging Derivative Financial Instruments		1.598.325	10.769.814	12.368.139	871.688	8.767.178	9.638.866
3.1.1	Fair Value Hedges		1.598.325	10.696.049	12.294.374	871.688	8.767.178	9.638.866
3.1.2	Cash Flow Hedges		-	73.765	73.765	-	-	-
3.1.3	Foreign Net Investment Hedges		-	-	-	-	-	-
3.2	Trading Derivative Financial Instruments		40.485.940	152.410.776	192.896.716	31.978.852	132.306.924	164.285.776
3.2.1	Forward Foreign Currency Buy/Sell Transactions		5.257.568	7.919.813	13.177.381	4.072.104	5.019.986	9.092.090
3.2.1.1	Forward Foreign Currency Transactions-Buy		2.571.934	3.938.914	6.510.848	1.889.739	2.611.651	4.501.390
3.2.1.2	Forward Foreign Currency Transactions-Sell		2.685.634	3.980.899	6.666.533	2.182.365	2.408.335	4.590.700
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rates		21.757.369	82.260.483	104.017.852	19.980.217	74.833.436	94.813.653
3.2.2.1	Foreign Currency Swap-Buy		6.066.048	24.746.319	30.812.367	4.575.643	24.769.928	29.345.571
3.2.2.2	Foreign Currency Swap-Sell		13.372.155	14.503.944	27.876.099	13.085.408	11.984.784	25.070.192
3.2.2.3	Interest Rate Swap-Buy		1.159.583	21.505.110	22.664.693	1.159.583	19.039.362	20.198.945
3.2.2.4	Interest Rate Swap-Sell		1.159.583	21.505.110	22.664.693	1.159.583	19.039.362	20.198.945
3.2.3	Foreign Currency, Interest Rate and Securities Options		13.247.728	57.021.689	70.269.417	7.776.789	46.175.887	53.952.676
3.2.3.1	Foreign Currency Options-Buy		6.417.926	10.179.539	16.597.465	3.802.404	5.939.815	9.742.219
3.2.3.2	Foreign Currency Options-Sell		6.829.802	9.816.512	16.646.314	3.974.385	5.754.002	9.728.387
3.2.3.3	Interest Rate Options-Buy		-	18.512.819	18.512.819	-	17.241.035	17.241.035
3.2.3.4	Interest Rate Options-Sell		-	18.512.819	18.512.819	-	17.241.035	17.241.035
3.2.3.5	Securities Options-Buy		-	-	-	-	-	-
3.2.3.6	Securities Options-Sell		-	-	-	-	-	-
3.2.4	Foreign Currency Futures		-	-	-	-	-	-
3.2.4.1	Foreign Currency Futures-Buy		-	-	-	-	-	-
3.2.4.2	Foreign Currency Futures-Sell		-	-	-	-	-	-
3.2.5	Interest Rate Futures		-	-	-	-	-	-
3.2.5.1	Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2	Interest Rate Futures-Sell		-	-	-	-	-	-
3.2.6	Other		223.275	5.208.791	5.432.066	149.742	6.277.615	6.427.357
B. CUSTODY AND PLEDGES RECEIVED (IV+V+VI)			**563.595.030**	**146.150.409**	**709.745.439**	**556.134.233**	**134.930.774**	**691.065.007**
IV.	**ITEMS HELD IN CUSTODY**		**32.009.929**	**12.208.105**	**44.218.034**	**50.211.717**	**10.755.475**	**60.967.192**
4.1	Customer Fund and Portfolio Balances		2.981.732	-	2.981.732	2.883.149	-	2.883.149
4.2	Investment Securities Held in Custody		13.786.276	1.064.430	14.850.706	14.041.992	957.671	14.999.663
4.3	Cheques Received for Collection		11.728.810	700.752	12.429.562	29.969.396	690.016	30.659.412
4.4	Commercial Notes Received for Collection		3.024.640	1.151.837	4.176.477	2.828.122	1.084.489	3.912.611
4.5	Other Assets Received for Collection		-	-	-	-	-	-
4.6	Assets Received for Public Offering		-	-	-	-	-	-
4.7	Other Items Under Custody		488.471	9.291.086	9.779.557	489.058	8.023.299	8.512.357
4.8	Custodians		-	-	-	-	-	-
V.	**PLEDGES RECEIVED**		**174.069.086**	**47.029.248**	**221.098.334**	**158.052.034**	**45.054.596**	**203.106.630**
5.1	Marketable Securities		77.700.755	134.618	77.835.373	59.432.194	128.592	59.560.786
5.2	Guarantee Notes		738.730	490.883	1.229.613	744.854	423.272	1.168.126
5.3	Commodity		74.945	32.029	106.974	68.907	28.634	97.541
5.4	Warranty		1.277	722	1.999	1.277	668	1.945
5.5	Immovables		67.921.668	31.010.044	98.931.712	63.940.850	30.269.306	94.210.156
5.6	Other Pledged Items		27.625.184	15.328.254	42.953.438	33.858.772	14.188.464	48.047.236
5.7	Pledged Items-Depository		6.527	32.698	39.225	5.180	15.660	20.840
VI.	**ACCEPTED BILL, GUARANTEES AND WARRANTEES**		**357.516.015**	**86.913.056**	**444.429.071**	**347.870.482**	**79.120.703**	**426.991.185**
	TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)		**662.265.672**	**335.278.776**	**997.544.448**	**642.575.211**	**302.473.097**	**945.048.308**

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

AKBANK T.A.Ş.

IV. STATEMENT OF INCOME AND EXPENSES ACCOUNTED UNDER CONSOLIDATED SHAREHOLDERS' EQUITY

AT 31 MARCH 2015

(Amounts are expressed in thousands of Turkish Lira (TL)).

	INCOME AND EXPENSES ACCOUNTED UNDER SHAREHOLDERS' EQUITY	CURRENT PERIOD (31/03/2015)	PRIOR PERIOD (31/03/2014)
I.	**ADDITIONS TO MARKETABLE SECURITIES VALUATION DIFFERENCES FROM AVAILABLE- FOR- SALE FINANCIAL ASSETS**	**(427.885)**	**249.095**
II.	**INTANGIBLE ASSETS REVALUATION DIFFERENCES**	**-**	**-**
III.	**TRANSLATION DIFFERENCES FROM FOREIGN CURRENCY TRANSACTIONS**	**-**	**-**
IV.	**FOREIGN EXCHANGE DIFFERENCES FROM FOREIGN CURRENCY TRANSACTIONS**	**(5.466)**	**11.929**
V.	**PROFIT/LOSS FROM CASH FLOW HEDGE DERIVATIVE FINANCIAL ASSETS (Effective Portion)**	**861**	**3.848**
VI.	**PROFIT/LOSS FROM FOREIGN NET INVESTMENT HEDGE DERIVATIVE FINANCIAL ASSETS (Effective Portion) (*)**	**4.334**	**(7.810)**
VII.	**EFFECTS OF CHANGES IN ACCOUNTING POLICY AND CORRECTIONS**	**-**	**-**
VIII.	**OTHER INCOME/EXPENSE ACCOUNTED UNDER SHAREHOLDERS' EQUITY AS PER TAS**	**-**	**-**
IX.	**TAX RELATED TO VALUATION DIFFERENCES**	**84.538**	**(49.027)**
X.	**NET INCOME/EXPENSE DIRECTLY ACCOUNTED UNDER SHAREHOLDERS' EQUITY (I+II+...+IX)**	**(343.618)**	**208.035**
XI.	**CURRENT PERIOD INCOME / LOSS**	**785.178**	**660.960**
11.1	Net Change in Fair Value of Marketable Securities (Transfer to Profit/Loss)	162.879	(30.985)
11.2	Part of Cash Flow Hedge Derivative Financial Assets Reclassified and Presented on the Income Statement	(2.313)	(3.078)
11.3	Part of Foreign Net Investment Hedge Derivative Financial Assets Reclassified and Presented on the Income Statement	-	-
11.4	Other	624.612	695.023
XII.	**TOTAL INCOME / LOSS ACCOUNTED FOR THE PERIOD (X±XI)**	**441.560**	**868.995**

(*) Figure represents the effective part of the foreign exchange differences of the financial liabilities hedging the net investment risk of foreign investments as explained in Note II of Section Three.

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

AKBANK T.A.Ş.

V. CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 31 MARCH 2015

(Amounts are expressed in thousands of Turkish Lira (TL)).

		Note (Section Five)	Paid-in Capital	Adjustment to Share Capital(*)	Share Premiums	Share Cancellation Profits	Legal Reserves	Status Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Income (Loss)	Prior Period Net Income (Loss)	Marketable Securities Value Increase Fund	Revaluation Fund	Bonus Shares from Invest. in Ass., Subs. and J.V.	Hedging Transactions	Val. Chan. in Prop. and Eq. HFS Purp./ Disc. Opr.	Total Equity Except from Minority Interest	Minority Interest	Total Shareholders' Equity
	PRIOR PERIOD (31/03/2014)																			
I.	Beginning Balance		4.000.000	1.405.892	1.700.000	-	1.259.069	-	11.631.754	442.620	3.077.177	209.221	(1.368.346)	47.106	2.729	(272.328)	-	22.134.894	85	22.134.979
II.	Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effects of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted Beginning Balance (I+II)	**(II-J)**	4.000.000	1.405.892	1.700.000	-	1.259.069	-	11.631.754	442.620	3.077.177	209.221	(1.368.346)	47.106	2.729	(272.328)	-	22.134.894	85	22.134.979
	Changes in the period																			
IV.	Increase/Decrease due to Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Marketable Securities Valuation Differences		-	-	-	-	-	-	-	-	-	-	199.276	-	-	-	-	199.276	-	199.276
VI.	Hedging Transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	(3.170)	-	(3.170)	-	(3.170)
6.1	Cash Flow Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	3.078	-	3.078	-	3.078
6.2	Foreign Net Investment Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	(6.248)	-	(6.248)	-	(6.248)
VII.	Property and Equipment Revaluation Differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Intangible Assets Revaluation Differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures		-	-	-	-	-	-	-	-	-	-	-	-	1.000	-	-	1.000	-	1.000
X.	Translation Differences		-	-	-	-	-	-	-	11.929	-	-	-	-	-	-	-	11.929	-	11.929
XI.	Changes due to the Disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Changes due to the Reclassification of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Effects of Changes in Equity of Investments in Associates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Capital Increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8	8
14.1	Cash Increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8	8
14.2	Internal Resources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Share Issuance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Share Cancellation Profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Paid-in Capital Inflation Adjustment Difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII.	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX.	Current Year Income or (Loss)		-	-	-	-	-	-	-	-	660.959	-	-	-	-	-	-	660.959	1	660.960
XX.	Profit distribution		-	-	-	-	31.352	-	2.484.089	2.732	(3.077.177)	91.521	-	-	-	-	-	(467.483)	-	(467.483)
20.1	Dividends paid		-	-	-	-	-	-	-	-	(467.483)	-	-	-	-	-	-	(467.483)	-	(467.483)
20.2	Transfers to Reserves		-	-	-	-	31.352	-	2.484.089	2.732	(2.609.694)	91.521	-	-	-	-	-	-	-	-
20.3	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Ending Balance (III+IV+V+.....+XVIII+XIX+XX)		**4.000.000**	**1.405.892**	**1.700.000**	**-**	**1.290.421**	**-**	**14.115.843**	**457.281**	**660.959**	**300.742**	**(1.169.070)**	**47.106**	**3.729**	**(275.498)**	**-**	**22.537.405**	**94**	**22.537.499**
	CURRENT PERIOD (31/03/2015)																			
I.	Prior Period End Balance		4.000.000	1.405.892	1.700.000	-	1.295.468	-	14.150.654	399.725	3.378.639	260.884	(270.179)	47.106	3.895	(232.140)	-	26.139.944	100	26.140.044
	Changes in the period																			
II.	Increase/Decrease due to Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Marketable Securities Valuation Differences	**(II-k)**	-	-	-	-	-	-	-	-	-	-	(342.308)	-	-	-	-	(342.308)	-	(342.308)
IV.	Hedging Transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	4.156	-	4.156	-	4.156
4.1	Cash Flow Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	689	-	689	-	689
4.2	Foreign Net Investment Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	3.467	-	3.467	-	3.467
V.	Property and Equipment Revaluation Differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Intangible Assets Revaluation Differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Translation Differences		-	-	-	-	-	-	-	(5.466)	-	-	-	-	-	-	-	(5.466)	-	(5.466)
IX.	Changes due to the Disposal of Assets (**)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Changes due to the Reclassification of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Effects of Changes in Equity of Investments in Associates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Capital Increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1	Cash Increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2	Internal Resources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Share Issuance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Share Cancellation Profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Paid-in Capital Inflation Adjustment Difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Other (***)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Current Year Income or (Loss)		-	-	-	-	-	-	-	-	785.175	-	-	-	-	-	-	785.175	3	785.178
XVIII.	Profit distribution		-	-	-	-	40.843	-	2.621.742	4.505	(3.378.639)	141.949	-	-	-	-	-	(569.600)	-	(569.600)
18.1	Dividends paid		-	-	-	-	-	-	-	-	(569.600)	-	-	-	-	-	-	(569.600)	-	(569.600)
18.2	Transfers to Reserves		-	-	-	-	40.843	-	2.621.742	4.505	(2.809.039)	141.949	-	-	-	-	-	-	-	-
18.3	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Ending Balance (I+II+III+...+XVI+XVII+XVIII)		**4.000.000**	**1.405.892**	**1.700.000**	**-**	**1.336.311**	**-**	**16.772.396**	**398.764**	**785.175**	**402.833**	**(612.487)**	**47.106**	**3.895**	**(227.984)**	**-**	**26.011.901**	**103**	**26.012.004**

(*) The amounts for the "Paid-in Capital Inflation Adjustment Difference" and "Actuarial Loss/Gain" which is in the "Other Reserves" are presented under "Other Capital Reserves" in the financial statements.

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

AKBANK T.A.Ş.

VI. CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2015

(Amounts are expressed in thousands of Turkish Lira (TL)).

		Note (Section Five)	CURRENT PERIOD (31/03/2015)	PRIOR PERIOD (31/03/2014)
A.	**CASH FLOWS FROM BANKING OPERATIONS**			
1.1	Operating Profit before changes in operating assets and liabilities		953.858	1.268.497
1.1.1	Interest received		3.676.923	3.392.842
1.1.2	Interest paid		(1.823.382)	(1.710.434)
1.1.3	Dividend received		1.755	1.231
1.1.4	Fees and commissions received		607.475	577.091
1.1.5	Other income		974.405	(669.989)
1.1.6	Collections from previously written-off loans and other receivables		176.753	131.843
1.1.7	Payments to personnel and service suppliers		(955.910)	(784.701)
1.1.8	Taxes paid		(392.986)	(70.242)
1.1.9	Other		(1.311.175)	400.856
1.2	Changes in operating assets and liabilities		(801.579)	(259.311)
1.2.1	Net decrease in trading securities		(27.917)	70.174
1.2.2	Net (increase) / decrease in fair value through profit/(loss) financial assets		-	-
1.2.3	Net increase / (decrease) in due from banks and other financial institutions		(562.269)	197.770
1.2.4	Net (increase) / decrease in loans		(5.103.072)	(876.739)
1.2.5	Net (increase) / decrease in other assets		(4.338.866)	(2.349.353)
1.2.6	Net increase / (decrease) in bank deposits		1.663.968	(2.172.509)
1.2.7	Net increase / (decrease) in other deposits		6.347.293	5.026.278
1.2.8	Net increase / (decrease) in funds borrowed		1.335.613	(242.405)
1.2.9	Net increase / (decrease) in payables		-	-
1.2.10	Net increase / (decrease) in other liabilities		(116.329)	87.473
I.	Net cash provided from banking operations		152.279	1.009.186
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**			
II.	Net cash provided from investing activities		132.523	(1.386.506)
2.1	Cash paid for acquisition of investments, associates and subsidiaries		-	-
2.2	Cash obtained from disposal of investments, associates and subsidiaries		-	-
2.3	Purchases of property and equipment		(45.489)	(44.087)
2.4	Disposals of property and equipment		3.587	5.605
2.5	Cash paid for purchase of investments available-for-sale		(11.802.530)	(13.608.243)
2.6	Cash obtained from sale of investments available-for-sale		11.527.378	10.498.409
2.7	Cash paid for purchase of investment securities		(189)	(71.618)
2.8	Cash obtained from sale of investment securities		433.408	1.770.144
2.9	Other		16.358	63.284
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**			
III.	Net cash provided from financing activities		3.675.996	787.176
3.1	Cash obtained from funds borrowed and securities issued		6.271.254	2.227.685
3.2	Cash used for repayment of funds borrowed and securities issued		(2.349.078)	(1.193.729)
3.3	Issued equity instruments		-	-
3.4	Dividends paid		(246.180)	(246.780)
3.5	Payments for finance leases		-	-
3.6	Other		-	-
IV.	Effect of change in foreign exchange rate on cash and cash equivalents		285.977	47.233
V.	Net increase in cash and cash equivalents (I+II+III+IV)		4.246.775	457.089
VI.	Cash and cash equivalents at beginning of the period	**(V)**	5.345.529	4.933.284
VII.	Cash and cash equivalents at end of the period	**(V)**	9.592.304	5.390.373

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

SECTION THREE
ACCOUNTING POLICIES

I. EXPLANATIONS ON BASIS OF PRESENTATION:

a. The preparation of the consolidated financial statements and related notes and explanations in accordance with the Turkish Accounting Standards and Regulation on the Principles and Procedures numbered 5411 Regarding Banks' Accounting Application and Keeping Documents:

The consolidated financial statements are prepared within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Act numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006 and 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 made by BRSA, "Turkish Accounting Standards" ("TAS") and "Turkish Financial Reporting Standards" ("TFRS") and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority ("POA").The format and content of the publicly announced consolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements", published in Official Gazette no. 28337, dated 28 June 2012, and amendments to this Communiqué. The Bank maintains its books in Turkish Lira in accordance with the Banking Act, Turkish Commercial Code and Turkish Tax Legislation.

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

The preparation of consolidated financial statements in conformity with TAS requires the use of certain critical accounting estimates by the Bank management to exercise its judgment on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates, which include the fair value calculations of financial instruments and impairments of financial assets are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the income statement. Assumptions and estimates that are used in the preparation of the accompanying financial statements are explained in the following related disclosures.

The amendments of TAS and TFRS which have entered into force as of 1 January 2015 have no material impact on the Group's accounting policies, financial position and performance. The amendments of TAS and TFRS, except TFRS 9 Financial Instruments, which have been published as of reporting date but have not been effective yet, will have no significant impact on the accounting policies, financial condition and performance of the Group. The Group assesses the impact of TFRS 9 Financial Instruments standard.

b. Explanation for convenience translation into English:

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

c. Accounting policies and valuation principles applied in the presentation of consolidated financial statements:

The accounting policies and valuation principles applied in the preparation of consolidated 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 XXVIII below.

d. Items Subject to different accounting policies in the preparation of consolidated financial statements:

There are no items subject to different accounting policies in the preparation of these consolidated financial statements.

II. EXPLANATIONS ON STRATEGY OF USING FINANCIAL INSTRUMENTS AND EXPLANATIONS IN FOREIGN CURRENCY TRANSACTIONS:

The Group's core business activities include retail banking, commercial banking, SME banking, corporate banking, private banking, foreign exchange, money markets, securities transactions (Treasury transactions) and international banking services. The Group performs financial leasing transactions through Ak Finansal Kiralama A.Ş. By nature the Group's activities are principally related to the use of financial instruments. As the main funding source, the Group accepts deposits from customers for various periods and invests these funds in high quality assets with high interest margins. Other than deposits, the Group's most important funding sources are equity, marketable securities issued, money market borrowings and mostly borrowings from foreign financial institutions. The Group follows an asset-liability management strategy that mitigates risk and increases earnings by balancing the funds borrowed and the investments in various financial assets. The main objective of asset-liability management is to limit the Group's exposure to liquidity risk, interest rate risk, currency risk and credit risk while increasing profitability and strengthening the Group's equity. The Asset-Liabilities Committee ("ALCO") manages the assets and liabilities within the trading limits on the level of exposure placed by the Executive Market Risk Committee ("EMRC").

Foreign currency denominated monetary assets and liabilities are translated with the exchange rates prevailing at the balance sheet date. Gains and losses arising from such transactions are recognized in the income statement under the account of "Net foreign exchange income/expense". Assets and liabilities of foreign subsidiaries are translated into Turkish lira using the foreign exchange rates prevailing at the balance sheet date, income and expenses of foreign subsidiaries are translated into Turkish Lira at the average exchange rates and all resulting exchange differences are accounted in the shareholders' equity under "Other profit reserves".

As of 31 March 2015, foreign currency denominated balances are translated into TL using the exchange rates of TL 2,6134, TL 2,8075 and TL 2,1714 for USD, EURO and Yen respectively.

III. EXPLANATIONS ON INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES:

Consolidated financial statements are prepared in accordance with the "Turkish Financial Reporting Standard for Consolidated Financial Statements" ("TFRS 10") and "Communiqué on Preparation of Consolidated Financial Statements of Banks" published in the Official Gazette no.26340 dated 8 November 2006.

Consolidation principles for subsidiaries:

Subsidiaries are the entities controlled directly or indirectly by the Bank.

Subsidiaries are consolidated using the full consolidation method. Financial statements of related subsidiaries are consolidated from the date when the control is transferred to the Bank.

Control is defined as the power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the Bank's returns.

In the full consolidation method, 100% of subsidiaries' assets, liabilities, income, expense and off-balance sheet items are combined with the Parent Bank's assets, liabilities, income, expense and off-balance sheet items. The carrying amount of the Group's investment in each subsidiary and the Group's portion of the cost value of the capital of each subsidiary are eliminated. Intragroup balances and intragroup transactions and resulting unrealized profits and losses are eliminated. Minority interests in the net income of consolidated subsidiaries are identified and adjusted against the income of the Group in order to arrive at the net income attributable to the Group and presented separately in the Group's income. Minority interests are presented in the consolidated balance sheet, in the shareholders' equity.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Parent Bank and its subsidiaries, Ak Yatırım Menkul Değerler A.Ş., Ak Portföy Yönetimi A.Ş., Akbank AG, Ak Finansal Kiralama A.Ş., Akbank (Dubai) Limited and together with Ak Receivables Corporation and A.R.T.S. Ltd., which are not subsidiaries

of the Bank, but the Bank has 100% control power due to the reason that these companies are "Structured Entities", have been included in the scope of consolidation. The Parent Bank together with its consolidated subsidiaries are referred to as the "Group" in these consolidated financial statements.

Ak Yatırım Menkul Değerler A.Ş. was established on 11 December 1996 to trade in capital markets in accordance with Capital Market Law. This company is delivering intermediary services in capital markets, discretionary portfolio management, derivative transactions, repurchase and reverse repurchase agreements with authorizations given by the Capital Markets Board for each transaction.

Ak Finansal Kiralama A.Ş. was established in 1988 for leasing operations and all kinds of agreements and transactions related to these operations.

Ak Portföy Yonetimi A.Ş was established on 28 June 2000 in order to manage A and B type mutual funds of Akbank T.A.Ş., B Type variable fund of Ak Yatırım Menkul Değerler A.Ş. and pension funds of AvivaSa Emeklilik and Hayat A.Ş. and Groupama. Portfolios of retail customers are also managed.

Based on restructuring of Bank's foreign subsidiaries, Akbank NV and Akbank AG have merged in Akbank AG with the discontinuation of activities of Akbank N.V effective from 15 June 2012. Akbank AG operates in Germany, providing corporate and retail banking services.

Akbank (Dubai) Limited was established in December 2009 in Dubai International Finance Center (DIFC) to serve delivering intermediary services on acquisition and mergers, consultancy about financial instruments, intermediary services on loan and investment instruments.

Ak Receivables Corporation and A.R.T.S Ltd. are "Structured Entities" established in July 1998 and November 1999, respectively, in connection with raising long-term financing.

IV. EXPLANATIONS ON FORWARD TRANSACTIONS AND DERIVATIVE INSTRUMENTS:

The major derivative instruments utilized by the Bank are currency and interest rate swaps, cross currency swaps, currency options and currency forwards.

The Bank classifies its derivative instruments as "Held-for-hedging" or "Held-for-trading" in accordance with "Turkish Accounting Standard for Financial Instruments: Recognition and Measurement" ("TAS 39"). In accordance with TAS 39, although certain derivative transactions provide effective economic hedges under the Bank's risk management position, in accordance with TAS 39 they are treated as derivatives "Held-for-trading."

Payables and receivables arising from the derivative instruments are followed in the off-balance sheet accounts at their contractual values.

Derivative instruments are remeasured at fair value after initial recognition. In accordance with the classification of the derivative instrument, if the fair value of a derivative financial instrument is positive, it is recorded to the account "Trading derivative financial assets" or "Hedging derivative financial assets"; if the fair value difference is negative, it is recorded to "Trading derivative financial liabilities" or "Hedging derivative financial liabilities". Differences in the fair value of trading derivative instruments are accounted as income/loss from derivative financial transactions under "trading income/loss" item in the income statement. The basis on accounting of derivative instruments for hedging purposes are explained Note XII of Section Four. The fair values of the derivative financial instruments are calculated using quoted market prices or by using discounted cash flow models.

Embedded derivatives are separated from the host contract and accounted for as a derivative under TAS 39 if, and only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative and the hybrid instrument is not measured at fair value with changes in fair value recognized in profit or loss. When the host contract and embedded derivative are closely related, embedded derivatives are not separated from the host contract and are accounted according to the standard applied to the host contract.

V. EXPLANATIONS ON INTEREST INCOME AND EXPENSE:

Interest income and expenses are recognized in the income by using the "Effective interest method". The Group ceases accruing interest income on non-performing loans and reverses any interest income accrued from such loans. No income is accounted until the collection is made according to the related regulation.

VI. EXPLANATIONS ON FEE AND COMMISSION INCOME AND EXPENSES:

Fees and commission income/expenses are primarily recognized on an accrual basis or "Effective interest method" according to the nature of the fee and commission, except for certain commission income and fees for various banking services which are recorded as income at the time of collection. Contract based fees or fees received for services such as the purchase and sale of assets on behalf of a third party or legal person are recognized as income at the time of collection.

VII. EXPLANATIONS ON FINANCIAL ASSETS:

The Group categorizes its financial assets as "Fair value through profit/loss", "Available for sale", "Loans and receivables" or "Held-to-maturity". Sale and purchase transactions of the financial assets mentioned above are recognized and derecognized at the "Settlement dates". The appropriate classification of financial assets of the Bank is determined at the time of purchase by the Group management, taking into consideration the purpose of the investment.

a. Financial assets at the fair value through profit or loss:

This category has two subcategories: "Trading financial assets" and "Financial assets designated at fair value through profit/loss at initial recognition".

Trading financial assets are financial assets which are either acquired for generating a profit from short-term fluctuations in prices or are financial assets included in a portfolio aimed at short-term profit making.

All regular way purchases and sales of trading financial assets are recognized at the settlement date, which is the date that the asset is delivered to/from the Bank. Trading financial assets are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the income statement. Interest earned while holding trading financial assets is accounted as interest income and dividends received are included separately in dividend income.

Derivative financial assets are classified as trading financial assets unless they are used for hedging purposes. The accounting of derivative financial assets is explained in Note IV of Section Three.

The Group has no financial assets designated as financial assets at fair value through profit or loss.

b. Financial assets available-for-sale:

Financial assets available-for-sale consist of financial assets other than "Loans and receivables", "Held-to-maturity", "Financial assets at fair value through profit or loss" and non-derivative financial assets. Financial assets available-for-sale are recorded by adding transaction cost to acquisition cost reflecting the fair value of the financial asset.

After the recognition, financial assets available-for-sale are remeasured at fair value. Interest income arising from available-for-sale calculated with "Effective interest method" and dividend income from equity securities are reflected to income statement. "Unrealized gains and losses" arising from the difference between the amortized cost and the fair value of securities classified as available-for-sale are recognized in the account of "Marketable securities valuation differences" under shareholders' equity, unless these assets are impaired, collected, sold, or disposed of. When these securities are collected or disposed of, the related fair value differences accumulated in the shareholders' equity are transferred to the income statement.

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

c. Loans and Receivables:

Loans and receivables are non-derivative financial assets that are not classified as financial assets at fair value through profit or loss or financial assets available-for-sale, are unlisted in an active market and whose payments are fixed or can be determined. Loans and receivables are carried initially by adding acquisition cost which reflect fair value to transaction costs and subsequently recognized at the discounted value calculated using the "Effective interest method". The expenses incurred for the assets received as collateral are not considered as transaction costs and are recognized in the expense accounts.

If the collectability of any receivable is identified as limited or doubtful by the management through assessments and estimates, the Group provides general and specific provisions for these loans and receivables in accordance with the "Communiqué Related to Principles and Procedures on Determining the Qualifications of Banks' Loans and Other Receivables and the Provision for These Loans and Other Receivables" and with the scope of IAS, published in the Official Gazette dated 1 November 2006, no. 26333. If a receivable is collected which is provisioned in the same year, it is deducted from the "Special Provisions for Loans and Other Receivables". Provision expenses are accounted under "Provision for Loan Losses and Other Receivables" in the income statement and deducted from the net income of the period. If a receivable is collected which is provisioned in the same year, it is deducted from the "Provision for Loan Losses and Other Receivables". If there is a subsequent collection from a receivable which has already been provisioned in previous years, the recovery amount is classified under "Other Operating Income". Uncollectible receivables are written-off after all the legal procedures are finalized.

d. Held-to-maturity financial assets:

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to held-to-maturity other than those that the entity upon initial recognition designates as at fair value through profit or loss, those that the entity designates as available-for-sale; and those that meet the definition of loans and receivables. Held-to-maturity financial assets are initially recognized at acquisition cost including the transaction costs which reflects the fair value of those instruments and subsequently recognized at amortized cost by using effective interest rate method. Interest income obtained from held-to-maturity financial assets is accounted in income statement.

There are no financial assets previously classified as held-to-maturity but which cannot be subject to this classification for two years due to the contradiction of classification principles.

The Bank has Consumer Price Index (''CPI'') linked government bonds under available-for-sale and held-to maturity portfolios with semi-annual fixed real coupon rates and a maturity of 5 to 10 years. These marketable securities are valued and accounted by using effective interest rate method by considering the real coupon rates and reference inflation index at the issue date together with the index calculated by considering the estimated inflation rate. As disclosed in 'Inflation Indexed Bonds Manual' published by Turkish Treasury, reference index used for the real payments is determined based on the inflation rates of two months before. The estimated inflation rate used is updated during the year when necessary.

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS:

It is assessed whether there is objective evidence for a financial asset or group of financial assets is impaired at each balance sheet date. Provision for impairment is provided when there is an objective evidence of impairment.

Impairment for held-to-maturity financial assets carried at amortized cost is calculated as the difference between the present value of the expected future cash flows discounted based on the "Effective interest method" and its carrying value. In case an impairment occurs, the impairment amount is deducted from the carrying value of the asset and the impairment loss is recognized in profit and loss. Regarding available-for-sale financial assets, when there is objective evidence that the asset is impaired the cumulative loss that had been recognized in other comprehensive income shall be reclassified from equity to profit or loss as a reclassification adjustment even though the financial asset has not been derecognized. An explanation about the impairment of loans and receivables is given in Note VII-c of Section Three.

IX. EXPLANATIONS ON OFFSETTING FINANCIAL ASSETS:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Group has a legally enforceable right to offset the recognized amounts and there is an intention to collect/pay the related financial assets and liabilities on a net basis, or to realize the asset and settle the liability simultaneously.

X. EXPLANATIONS ON SALES AND REPURCHASE AGREEMENTS AND SECURITIES LENDING TRANSACTIONS:

Securities subject to repurchase agreements ("Repos") are classified as "Financial assets at fair value difference through profit or loss", "Available-for-sale securities" and "Held-to-maturity securities" in the balance sheet according to the investment purposes and measured according to the portfolio of the Group to which they belong. Funds obtained under repurchase agreements are accounted under "Funds provided under repurchase agreements" in liability accounts and differences between the sale and repurchase prices determined by these repurchase agreements are accrued evenly over the life of the repurchase agreement using the "Effective interest (internal return) method".

Funds given against securities purchased under agreements to resell ("Reverse repos") are accounted under "Receivables from reverse repurchase agreements" in the balance sheet. The difference between the purchase and resell price determined by these repurchase agreements is accrued evenly over the life of repurchase agreements using the "Effective interest method".

The Group has no securities lending transactions.

XI. EXPLANATIONS ON PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS:

Property and equipment held-for-sale consist of tangible assets that were acquired due to non-performing receivables, and are accounted in the financial statements in accordance with the "Communiqué Regarding the Principles and Procedures for the Disposals of Immovables and Commodities Acquired due to Receivables and for Trading of Precious Metal" published in the Official Gazette dated 1 November 2006, no.26333.

The Group has no discontinued operations.

XII. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS:

The Group has no goodwill

Intangible assets are measured at cost on initial recognition and any directly attributable costs of setting the asset to work for its intended use are included in the initial measurement. Subsequently, intangible assets are carried at historical costs after the deduction of accumulated depreciation and the provision for value decreases.

Intangibles are amortized over three to five years (their estimated useful lives) using the straight-line method. The useful life of the asset is determined by assessing the expected useful time of the asset, technical, technological and other kinds of wear and tear and all required maintenance expenses necessary to utilize the economic benefit from the asset.

XIII. EXPLANATIONS ON PROPERTY AND EQUIPMENT:

Property and equipment is measured at its cost when initially recognized and any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement. Subsequently, property and equipment is carried at cost less accumulated depreciation and provision for value decrease.

Depreciation is calculated over the cost of property and equipment using the straight-line method over estimated useful lives. The estimated useful lives are stated below:

Buildings	50 years
Machinery, furniture, fixtures and vehicles	5 years

The depreciation charge for items remaining in the property and equipment for less than an accounting period at the balance sheet date is calculated in proportion to the period the item will remain in property and equipment.

Where the carrying amount of an asset is greater than its estimated "Net realizable value amount", it is written down to its "Net realizable value amount" and the impairment loss is charged to the income statement.

Gains and losses on the disposal of property and equipment are determined by deducting the net book value of the property and equipment from its sales revenue.

Expenditures for the repair and renewal of property and equipment are recognized as expense. The capital expenditures incurred in order to increase the capacity of the tangible asset or to increase the future benefit of the asset are capitalized on the cost of

the tangible asset. Capital expenditures include the cost components that increase the useful life, or the capacity of the asset, increase the quality of the product or decrease its costs.

XIV. EXPLANATIONS ON LEASING TRANSACTIONS:

Assets acquired under finance lease agreements are capitalized at the inception of the lease at the "Lower of the fair value of the leased asset or the present value of the lease installments that are going to be paid for the leased asset". Leased assets are included in the property and equipment and depreciation is charged on a straight-line basis over the useful life of the asset. If there is any impairment in value of the leased asset, an impairment loss is recognized. Liabilities arising from the leasing transactions are included in "Finance lease payables" in the balance sheet. Interest and foreign exchange expenses regarding lease transactions are charged to the income statement.

The Group performs financial leasing operations as a "Lessor" through Ak Finansal Kiralama A.Ş. which is a consolidated subsidiary. The asset subject to the financial leasing is presented in the balance sheet as receivable equal to the net leasing amount. Interest income is recognized over the term of the lease using the net investment method which reflects a constant periodic rate of return and the unearned portion is followed under unearned interest income account.

The Group provides specific provisions for financial lease receivables in accordance with the "Communiqué Regarding the Principles and Procedures for the Provisions Provided for Receivables by Financial Leasing, Factoring and Finance Companies" published in Official Gazette no. 26588, dated 20 July 2007. The Group provides general provisions for non-impaired financial lease receivables.

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

XV. EXPLANATIONS ON PROVISIONS AND CONTINGENT LIABILITIES:

Provisions and contingent liabilities are accounted in accordance with the "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets" ("TAS 37").

Provisions are recognized when the Group 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 periodicity principle. When the amount of the obligation cannot be reliably estimated or there is no possibility of an outflow of resources from the Group, it is considered that a "Contingent" liability exists and it is disclosed in the related notes to the financial statements.

XVI. EXPLANATIONS ON CONTINGENT ASSETS:

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise in the Group, the asset and the related income are recognized in the financial statements in which the change occurs.

XVII. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS:

a. Employment termination benefits and vacation rights:

Obligations related to employment termination and vacation rights are accounted for in accordance with "Turkish Accounting Standard for Employee Rights" ("TAS 19") and are classified under the "Reserve for Employee Rights" account in the balance sheet.
Under the Turkish Labor Law, the Bank and its subsidiaries operating in Turkey are required to pay a specific amount to the employees who have retired or whose employment is terminated other than the reasons specified in the Turkish Labor Law. According to the related regulation, the Bank is obliged to pay termination benefits for employees who retire, quit for their military service obligations, who have been dismissed as defined in the related regulation or who have completed at least one year of service. The reserve for employment termination benefits represents the present value of the estimated total reserve for

the future probable obligation of the Group arising from this liability. In accordance with TAS 19, actuarial gains and losses are recognized in equity.

b. Retirement rights:

The Bank's personnel are members of the "Akbank T.A.Ş. Personnel Pension Fund Foundation" ("Pension Fund") established in accordance with the Social Security Law numbered 506, article No.20. The financial statements of the Pension Fund have been audited as of year ends by an independent actuary in accordance with the 38th article of the Insurance Supervisory Law and the "Actuarial Regulation" based on the same article.

Temporary 23rd article paragraph ("the paragraph") 1 of the Banking Law No 5411 published in the Official Gazette no 25983 dated 1 November 2005 envisaged that Banks would transfer their pension funds to the Social Security Institution ("SSI") within three years following the publication date of the Banking Law, and regulated the principles of this transfer. The first paragraph of the related article was rescinded as from the 31 March 2007, the publication date of the decision of the Constitutional Court dated 22 March 2007. The reasoned decree regarding the rescission of the mentioned paragraph was published in the Official Gazette numbered 26731, dated 15 December 2007.

Following the publication of the reasoned decree of the Constitutional Court, Turkish Grand National Assembly commenced to work on a new law regarding the transfer of the members of funds to the Social Security Institution; the related articles of the Social Security Law ("New Law") numbered 5754 regarding the transfer of the funds, were ratified by the TGNA General Meeting on 17 April 2008 and came into effect following the publication in the Official Gazette numbered 26870, dated 8 May 2008.

The main opposition party had appealed to the Constitutional Court for the cancellation of some of the articles of the New Law including transfer of the Funds to the SSI on 19 June 2008. The Constitution Court has dismissed the appeal with the decision taken in the meeting dated 30 March 2011. The reasoned decision has been published in the Official Gazette numbered 28156 dated 28 December 2011.

The New Law was requiring that present value of post-employment benefits at the transfer date shall be calculated by a commission consisting of the representatives of SSI, Ministry of Finance, Undersecretariat of Treasury, Undersecretariat of State Planning Organization, BRSA, SDIF and banks and funds, by using a technical discount rate of 9,8 percent taking into consideration the transferrable contributions and payments of the funds including any monthly payment differences paid by the funds above the limits within the framework of SSI regulations. Accordingly the transfer required by the New Law was to be completed until 8 May 2011. According to the decision of the Council of Ministers published on the Official Gazette dated 9 April 2011 no. 27900, the time frame for related transfer has been extended for two years. Within the postponement right granted to the Council of Ministers through the change in the first clause of the 20th provisional article of the ''Social Insurance and General Health Insurance Law no. 5510'' published on the Official Gazette no. 28227 dated 8 March 2012, the transfer process has been postponed for one more year with the decision of the Council of Ministers published on the Official Gazette no. 28987 dated 30 April 2014. The Council of Ministers has been lastly authorized to determine the transfer date in accordance with the last amendment in the first paragraph of the 20th provisional article of Law No.5510 implemented by the Law No. 6645 on Amendment of the Occupational Health and Safety Law and Other Laws and Decree Laws published in the Official Gazette dated 23 April 2015 and numbered 29335.

According to the New Law, following the transfer of the members of the fund to the SSI, the funds and institutions will continue to provide the non-transferrable social benefits and payments which are included in the articles of association of the fund.

With respect to that, according to the technical balance sheet report as at 31 December 2014 prepared considering the related articles of the New Law regarding the transferrable benefit obligations for the non-transferrable social benefits and payments which are included in the articles of association, the Fund has no technical or actual deficit which requires a provision. Since the Bank has no legal right to hold the present value of any economic benefits available in the form of refunds from Pension Fund or reductions in future contributions to Pension Fund, no asset is recognized in the Bank's financial statements.

Additionally, the Bank management is of the opinion that the possible obligation amount to arise during and after the transfer to be made within the framework described above will be at a reasonable level that can be met by the Fund's assets and will not bring any additional burden for the Bank.

The consolidated affiliates do not have the above mentioned retirement benefit plans for their employees. The retirement related benefits of the employees of the consolidated affiliates are subject to the Social Security Institution and other defined contribution plans.

XVIII. EXPLANATIONS ON TAXATION:

a. Current tax:

Turkish Tax Legislation does not permit a parent bank and its subsidiaries to file a consolidated tax return. Therefore, a provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

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

Dividends paid to non-resident corporations, which have a place of business in Turkey or are resident corporations, are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 15%. An increase in capital via issuing bonus shares is not considered as profit distribution and thus does not incur withholding tax.

Corporations are required to pay advance corporate tax quarterly at a rate of 20% on their corporate income. Advance tax is declared by the 14th day and paid by the 17th day of the second month following each calendar quarter end. Advance tax paid by corporations which is for the current period is credited against the annual corporation tax calculated on their annual corporate income in the following year. Despite the offset, if there is temporary prepaid tax remaining, this balance can be refunded or used to offset any other financial liabilities to the government.

A 75% portion of the capital gains derived from the sale of equity investments and immovable properties held for at least two years is tax exempt, if such gains are added to paid-in capital or held in a special fund account under liability for five years.

Under the Turkish Corporate Tax Law, losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns until the 25th day of the following fourth month after the closing of the accounting year to which they relate. Tax returns are open for five years from the beginning of the year following the date of filing during which time period the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.
Current tax, related to items recognized directly in equity is also credited or charged directly to equity.

Information on taxation in foreign associates are given below:

Akbank AG (Germany)

German-resident corporations (i.e. corporations with legal or business centers located in Germany) are subject to corporate taxation in Germany over their total income. Regardless of any profit distribution corporate tax is levied at 15% over total income. Effective corporate tax rate is 15,825% since an additional solidarity tax of 5,5% is applied over the calculated corporate tax. In addition to that, trade income tax at an approximate rate of 16% is levied by the local city governance. Accordingly, the total tax burden including all types of tax (corporate tax, solidarity tax and trade income tax) is approximately 32%.

Akbank (Dubai) Limited (United Arab Emirates)

Akbank Dubai, operating in Dubai International Finance Center, is not subject to taxes according to the legislations of this country.

b. Deferred tax:

The Group calculates and accounts for deferred income taxes for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with "Turkish Accounting Standard for Income Taxes" ("TAS 12") and the related decrees of the BRSA concerning income taxes. In the deferred tax calculation, the enacted tax rate, in accordance with the tax legislation, is used as of the balance sheet date.

Deferred tax liabilities are recognized for all resulting 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. Deferred tax asset is not provided over provisions for possible risks and general loan loss provisions according to the circular of BRSA numbered BRSA.DZM.2/13/1-a-3 and dated 8 December 2004.

According to TAS 12, deferred taxes and liabilities resulting from different subsidiaries subject to consolidation are not presented as net; rather they are presented separately as assets and liabilities in the financial statements.

Deferred tax, related to items recognized directly in equity is also credited or charged directly to equity.

XIX. EXPLANATIONS ON BORROWINGS:

Debt instruments with different characteristics such as syndicated and securitized borrowings and post-financing obtained from foreign financial institutions, marketable securities issued in domestic and foreign markets and money market borrowings are major funding source of the Group. Mentioned borrowings are carried initially at acquisition cost and subsequently recognized at the discounted value calculated using the "Effective interest method".

XX. EXPLANATIONS ON ISSUANCE OF SHARE CERTIFICATES:

There is no security issuance as of 31 March 2015.

XXI. EXPLANATIONS ON AVALIZED DRAFTS AND ACCEPTANCES:

Avalized drafts and acceptances shown as liabilities against assets are included in the off-balance sheet commitments.

XXII. EXPLANATIONS ON GOVERNMENT GRANTS:

As of 31 March 2015 and 31 December 2014, there is no government grant for the Group.

XXIII. EXPLANATIONS ON SEGMENT REPORTING:

An operating segment is a component of an entity:

a. that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),

b. whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and

c. for which discrete financial information is available.

Reporting according to the operational segment is presented in Note XIII of Section Four.

XXIV. PROFIT RESERVES AND PROFIT APPROPRIATION:

Retained earnings as per the statutory financial statements other than legal reserves are available for distribution, subject to the legal reserve requirement referred to below.

Under the Turkish Commercial Code, legal reserves consist of first legal reserve and second legal reserve. First legal reserve, appropriated at the rate of 5%, until the total reserve is equal to 20% of issued and fully paid-in share capital. Second legal reserve, appropriated at the rate of at least 10% of distributions in excess of 5% of issued and fully paid-in share capital, but Holding companies are not subject to such transaction. According to the Turkish Commercial Code, legal reserves can only be used to compensate accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital.

The Ordinary General Assembly Meeting of the Bank was held on 26 March 2015. In the Ordinary General Assembly, it was decided to distribute a TL 569.600 cash dividend over the TL 3.159.678 net income from 2014 operations to the Bank's shareholders. It was also resolved in the General Assembly to transfer TL 4.505 to special funds account under other capital reserves, to allocate TL 36.960 as legal and TL 2.548.613 as extraordinary reserves.

XXV. EARNINGS PER SHARE:

Earnings per share disclosed in the income statement are calculated by dividing net profit for the year the weighted average number of shares outstanding during the period concerned.

	Current Period 31 March 2015	Prior Period 31 March 2014
Net Profit for the Year	785.175	660.959
Average Number of Issued Common Shares (Thousand)	400.000.000	400.000.000
Earnings Per Share (Amounts presented as full TL)	**0,00196**	**0,00165**

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("Bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect for the year in which they were issued and for each earlier period.

No bonus shares issued in 2015 (2014: (-)).

XXVI. RELATED PARTIES:

Parties defined in article 49 of the Banking Law No.5411, Bank's senior management, and Board Members are deemed as related parties. Transactions regarding related parties are presented in Note VI of Section Five.

XXVII. CASH AND CASH EQUIVALENT ASSETS:

For the purposes of the cash flow statement, cash includes cash effectives, cash in transit, purchased cheques and demand deposits including balances with the Central Bank; and cash equivalents include interbank money market placements, time deposits at banks with original maturity periods of less than three months and investments on marketable securities other than common stocks.

XXVIII. RECLASSIFICATIONS:

In order to be consistent with the presentation of financial statements dated 31 March 2015, there are certain reclassifications made on statement of income and expenses accounted under shareholders' equity of 31 December 2014.

SECTION FOUR
INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP

I. EXPLANATIONS ON CAPITAL ADEQUACY RATIO:

a. The Group's and Bank's capital adequacy ratio, calculated in accordance with the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" which became effective as of 1 July 2012, are respectively 14,03% (31 December 2014: 14,89%) and 14,31% (31 December 2014: 15,16%). This ratio is well above the minimum ratio required by the legislation.

b. Capital adequacy ratio has been calculated in accordance with the "Regulation on Measurement and Assessment of Capital Adequacy of Banks", "Credit Risk Mitigation Techniques" and "Calculation of Risk-Weighted Amounts for Securitizations" Communiqués that have been published in Official Gazette no. 28337 on 28 June 2012 and became effective as of 1 July 2012 and "Regulation on Equity of Banks" that has been published in Official Gazette no. 26333 on November 1, 2006.

Capital adequacy ratio is calculated based on total capital requirements needed for credit risk, market risk and operational risk. Credit risk is calculated by holding risk-weighted assets and non-cash loans subject to risk-weights in the relevant legislation and taking risk mitigation techniques into account; the standard method is used to calculate market risk and the basic indicator approach is used to calculate operational risk.

The following tables show the details of risk-weighted assets which constitute the basis for calculating the Bank's capital adequacy ratio and Bank's equity calculation.

c. Information related to consolidated capital adequacy ratio:

	Consolidated									
	Risk Weights									
	0%	10%	20%	50%	75%	100%	150%	200%	250%	1250%
Weighted Credit Risk	**-**	**-**	**2.045.411**	**25.988.580**	**23.496.895**	**98.319.120**	**5.141.594**	**26.328.610**	**1.406.023**	**-**
Risk classifications:										
Conditional and unconditional receivables from central governments and Central Banks	45.028.102	-	178.151	19.049.942	-	3.368	-	-	-	-
Conditional and unconditional receivables from regional or local governments	-	-	-	44	-	-	-	-	-	-
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	-	-	-	-	-	26.762	-	-	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	-	-	9.980.534	17.138.173	-	453.457	-	-	-	-
Conditional and unconditional receivables from corporates	-	-	-	-	-	89.584.434	16.442	-	-	-
Conditional and unconditional receivables from retail portfolios	-	-	-	-	31.329.193	3.038.259	-	-	-	-
Conditional and unconditional receivables secured by mortgages	-	-	-	15.789.001	-	2.400.316	-	-	-	-
Past due receivables	-	-	-	-	-	166.065	5.944	-	-	-
Receivables defined under high risk category by BRSA	-	-	-	-	-	-	3.405.343	13.164.305	562.409	-
Securities collateralized by mortgages	-	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-	283.949	-	-	-	-
Other receivables	1.467.385	-	68.368	-	-	2.362.510	-	-	-	-

	The Parent Bank's									
	Risk Weights									
	0%	10%	20%	50%	75%	100%	150%	200%	250%	1250%
Weighted Credit Risk	**-**	**-**	**1.925.325**	**26.517.236**	**23.382.497**	**87.096.686**	**5.118.221**	**26.328.610**	**1.406.023**	**-**
Risk classifications:										
Conditional and unconditional receivables from central governments and Central Banks	44.827.012	-	178.151	19.049.942	-	3.368	-	-	-	-
Conditional and unconditional receivables from regional or local governments	-	-	-	44	-	-	-	-	-	-
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	-	-	-	-	-	26.762	-	-	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	776.685	-	9.380.107	18.195.485	-	145.065	-	-	-	-
Conditional and unconditional receivables from corporates	-	-	-	-	-	78.138.329	6.804	-	-	-
Conditional and unconditional receivables from retail portfolios	-	-	-	-	31.176.662	3.038.259	-	-	-	-
Conditional and unconditional receivables secured by mortgages	-	-	-	15.789.001	-	2.400.316	-	-	-	-
Past due receivables	-	-	-	-	-	151.547	-	-	-	-
Receivables defined under high risk category by BRSA	-	-	-	-	-	-	3.405.343	13.164.305	562.409	-
Securities collateralized by mortgages	-	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-	283.949	-	-	-	-
Other receivables	1.753.701	-	68.368	-	-	2.909.091	-	-	-	-

d. Summary information related to capital adequacy ratio:

	The Parent Bank's		Consolidated	
	Current Period 31 March 2015	Prior Period 31 December 2014	Current Period 31 March 2015	Prior Period 31 December 2014
Capital Requirement for Credit Risk (Value at credit risk*0,08) (CRCR)	13.741.968	13.196.610	14.618.099	14.002.698
Capital Requirement for Market Risk (CRMR)	259.730	150.850	287.111	158.643
Capital Requirement for Operational Risk (CROR)	1.143.676	973.611	1.192.459	1.014.044
Total Capital	27.096.709	27.132.960	28.223.191	28.236.377
Total Equity/[(CRCR+CRMR+CROR)*12,5]*100	14,31	15,16	14,03	14,89
Additional Tier I Capital/[(KRSY+PRSY+ORSY)*12,5]*100)	13,19	14,04	12,94	13,79
Common Equity/[(KRSY+PRSY+ORSY)*12,5]*100)	13,26	14,13	13,00	13,88

e. Information about consolidated total capital items:

	Current Period 31 March 2015	Prior Period 31 December 2014
COMMON EQUITY		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	5.405.892	5.405.892
Share premium	1.700.000	1.700.000
Share cancellation profits	-	-
Reserves	18.513.374	15.845.847
Gains recognized in equity as per TAS	47.106	47.106
Profit	1.188.008	3.639.523
Current Period Profit	785.175	3.378.639
Prior Period Profit	402.833	260.884
Provisions for Possible Risks	200.000	200.000
Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures that are not recognized in Profit	3.895	3.895
Minorities' Share	103	100
Common Equity Before Deductions	**27.058.378**	**26.842.363**
Deductions from Common Equity		
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS (-)	764.616	419.871
Leasehold improvements (-)	47.160	53.057
Goodwill or other intangible assets and deferred tax liability related to these items (-)	86.985	41.395
Net deferred tax asset/liability (-)	-	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law (-)	-	-
Direct and indirect investments of the Bank in its own Common Equity (-)	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity (-).	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity (-)	-	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks (-)	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital (-)	-	-
Excess amount arising from mortgage servicing rights (-)	-	-
Excess amount arising from deferred tax assets based on temporary differences (-)	-	-
Other items to be defined by the BRSA (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
Total Deductions From Common Equity	**898.761**	**514.323**
Total Common Equity	**26.159.617**	**26.328.040**
ADDITIONAL TIER I CAPITAL		
Capital amount and related premiums corresponding to preference shares that are not included in common equity	-	-
Debt instruments and premiums deemed suitable by the BRSA (issued/obtained after 1.1.2014)	-	-
Debt instruments and premiums deemed suitable by the BRSA (issued before 1.1.2014)	-	-
Third parties' share in the Tier II Capital	-	-
Additional Tier I Capital before Deductions	-	-
Deductions from Additional Tier I Capital	-	-
Direct and indirect investments of the Bank in its own Additional Tier I Capital (-)	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital and Tier II Capital items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Other items to be defined by the BRSA (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II is not available (-)	-	-
Total Deductions From Additional Tier I Capital	-	-
Total Additional Tier I Capital	-	-
Deductions from Tier I Capital		
Portion of goodwill and other intangible assets and the related deferred tax liabilities which not deducted from the Common Equity as per the 1st clause of Provisional Article 2 of the Regulation on the Equity of Banks (-)	130.478	165.578
Portion of net deferred tax assets/liabilities which is not deducted from the common equity pursuant to Paragraph 1 Provisional Article 2 of the Regulation on the Equity of Banks (-)	-	-
Total Tier I Capital	**26.029.139**	**26.162.462**

	Current Period 31 March 2015	Prior Period 31 December 2014
TIER II CAPITAL		
Debt instruments and premiums deemed suitable by the BRSA (issued/obtained after 1.1.2014)	-	-
Debt instruments and premiums deemed suitable by the BRSA (issued/obtained before 1.1.2014)	-	-
Sources pledged to the Bank by shareholders to be used in capital increases of the Bank	-	-
General Loan Loss Provisions	2.221.775	2.104.264
Third parties' share in the Tier II Capital	-	-
Tier II Capital Before Deductions	**2.221.775**	**2.104.264**
Deductions From Tier II Capital		
Direct and indirect investments of the Bank in its own Tier II Capital (-)	-	-
Portion of the total of net long positions of investments made in Common Equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I and Tier II Capital items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	-	-
Total Tier II Capital	**2.221.775**	**2.104.264**
CAPITAL BEFORE DEDUCTIONS	**28.250.914**	**28.266.726**
Deductions from Capital		
Loans granted contrary to the 50th and 51th Article of the Law (-)	-	-
Net book value of amounts exceeding the limit mentioned in the 1st Paragraph of Article 57 of the Law and assets acquired against overdue receivables which could not be disposed of even though five years have passed since their acquisition date (-)	216	218
Loans granted to banks and financial institutions, including those established abroad, and to eligible shareholders of the Bank and investments made in the borrowing instruments issued by them (-)	-	-
Loans granted to banks and financial institutions, including those established abroad, and to eligible shareholders of the Bank and investments made in the borrowing instruments issued by them (-)	-	26
Other items to be defined by the BRSA (-)	27.507	30.105
Portion of the total of net long positions of investments made in Common Equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank not to be deducted from the Common Equity, Additional Tier I Capital, Tier II Capital as per the 1st clause of the Provisional Article 2 of the Regulation on the Equity of Banks (-)	-	-
Portion of the total of net long positions of direct or indirect investments made in Additional Tier I and Tier II Capital items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank not to be deducted from the Additional Tier I Capital and Tier II Capital as per the 1st clause of the Provisional Article 2 of the Regulation on the Equity of Banks (-)	-	-
Portion of the total of net long positions of investments made in Common Equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital, deferred tax assets based on temporary differences and mortgage servicing rights not deducted from Common Equity as per the 1st and 2nd Paragraph of the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks (-)	-	-
TOTAL CAPITAL	**28.223.191**	**28.236.377**
Amounts below the Excess Limits as per the Deduction Principles		
Amounts arising from the net long positions of investments made in Total Capital items of banks and financial institutions where the Bank owns 10% or less of the issued common share capital	-	-
Amounts arising from the net long positions of investments made in Tier I Capital items of banks and financial institutions where the Bank owns 10% or more of the issued common share capital	-	-
Amounts arising from mortgage servicing rights	-	-
Amounts arising from deferred tax assets based on temporary differences	275.103	202.838

f. Information about items that are subject to the temporary application regarding the total capital calculation:

Temporary 2nd article, 1st clause of "Regulation on Equity of Banks" is applied for deductions from Tier 1 Capital.

	Bank		Consolidation	
Current Period 31 March 2015	**Current Period The Considered Amount in Equity Calculation**	**Total Amount**	**Current Year The Considered Amount in Equity Calculation**	**Total Amount**
Minorities' share in the Common Equity	-	-	103	103
Third parties' share in the Additional Tier I capital	-	-	-	-
Third parties' share in the Tier II Capital	-	-	-	-
Debt instruments and premiums deemed suitable by BRSA (issued before 1.1.2014)	-	-	-	-

g. Information about debt instruments that will be included in total capital calculation: None.

II. EXPLANATIONS ON CREDIT RISK :

Credit risk is the risk that the counterparties may be unable to meet the terms of their agreements. This risk is monitored by reference to credit risk ratings and managed by limiting the aggregate risk to any individual counterparty, group of companies and industry. Credit risks are determined for each individual customer, enterprise, business group and risk groups separately. While determining credit risk, criteria such as the customers' financial strength, commercial capacities, sectors, geographic areas and capital structure are evaluated. Analyses of the financial position of the customers are based on the statements of account and other information in accordance with the related legislation. Previously determined credit limits are constantly revised according to changing conditions. The type and amount of collateral and guarantees to be obtained are specified on a customer basis during the determination of credit limits.

During loan extensions, limits determined on a customer and product basis are essentially followed up; information on risk and limits is closely monitored.

For daily Treasury operations limit allocation and follow-up is performed by the treasury.

Credit worthiness of loan and other receivable debtors are watched regularly and in line with related regulations. In case of an increase in credit debtor's risk level credit limits are re-determined or additional guarantee is taken. For new credit accounts, account follow-up documents are taken in accordance with the related regulation.

III. EXPLANATIONS ON MARKET RISK:

The risk principles, policies and risk limits related to the management of market risk are approved by the Board of Directors and reviewed on a regular basis. The Bank's Senior Management performs day to day management of the market risk in accordance with the limits assigned by the Board of Directors. The Bank is exposed to market risk as a result of fluctuations in foreign exchange rates, interest rates, and market prices of stocks. Exchange rate risk and interest rate risk are evaluated as the two most important components of market risk. The Bank engages in derivative transactions for hedge purposes when found necessary.

Market risk is calculated by two different methods, namely the "inherent model" and the "standard method". According to inherent model market risk is measured by Value at Risk ("VaR") approach which takes into account different risk factors. VaR calculations use variance-covariance, historical simulation and Monte Carlo simulation methods. The software used can perform calculations with an advanced yield curve and volatility models. The VaR model is based on the assumptions of 99% confidence interval and a 10-day holding period. VaR analyses are performed on a daily basis and reported to the Senior Management. VaR analyses are also used as risk and limit management instrument for trading transactions. The limits are reviewed periodically according to market conditions and the application of specified limits is subject to authority restrictions and therefore the control effectiveness is increased. VaR analyses are supported with scenario analyses and stress tests, and take into consideration the effects of low-probability events which have significant impact and the effects of market fluctuations. Retrospective tests of the model outputs are performed regularly. The standard method is used for the legal reporting.

The following table indicates the details of the market risk calculation as of 31 March 2015, in accordance with the Market Risk Calculation principles pursuant to the Part 2 of the Second Section of the "Regulation on Measurement and Assessment of Capital Adequacy of Banks" published in the Official Gazette no. 28337 on 28 June 2012.

Information on Market Risk:

	Balance
(I) Capital requirement for general market risk – Standard Method	64.873
(II) Capital requirement for specific risk – Standard Method	23.676
(III) Capital requirement for specific risk in securitization positions- Standard Method	-
(IV) Capital requirement for currency risk – Standard Method	63.341
(V) Capital requirement for stocks – Standard Method	-
(VI) Capital requirement for clearing risk – Standard Method	-
(VII) Total capital requirement for market risk from options – Standard Method	932
(VIII) Capital requirement for counterparty credit risk - Standard Method	134.289
(IX) Total capital requirement for market risk for banks applying Risk Measurement Model	-
(X) Total capital requirement for market risk (I+II+III+IV+V+VI+VII+VIII)	287.111
(XI) Amount subject to market risk (12,5 x IX) or (12,5 x X)	3.588.890

IV. EXPLANATIONS ON CURRENCY RISK:

The difference between the Group's foreign currency denominated and foreign currency indexed assets and liabilities is defined as the "Net Foreign Currency Position" and is the basis of currency risk. Foreign currency denominated assets and liabilities, together with purchase and sale commitments, give rise to foreign exchange exposure. The Bank keeps the foreign exchange exposure amount within the limits set by the EMRC. The Board, taking into account the recommendations by the EMRC, sets a limit for the size of a foreign exchange exposure, which is closely monitored by ALCO. Those limits are individually determined and followed for both the net overall foreign currency position and for the foreign exchange exposure. Derivative financial instruments like forward foreign exchange contracts and currency swaps are used as tools for foreign exchange exposure management.

The Parent Bank's foreign exchange bid rates as of the date of the financial statements and for the last five days prior to that date are presented below:

	USD	EURO	Yen
Balance Sheet Evaluation Rate	TL 2,6134	TL 2,8075	TL 2,1714
1.Day bid rate	TL 2,6102	TL 2,8309	TL 2,1757
2.Day bid rate	TL 2,6107	TL 2,8292	TL 2,1826
3.Day bid rate	TL 2,5962	TL 2,8589	TL 2,1823
4.Day bid rate	TL 2,5555	TL 2,8036	TL 2,1327
5.Day bid rate	TL 2,5505	TL 2,7995	TL 2,1299

The simple arithmetic average of the Parent Bank's foreign exchange bid rates for the last thirty days preceding the balance sheet date for major foreign currencies are presented in the table below:

USD : TL 2,5569
EURO : TL 2,8030
Yen : TL 2,1253

As of 31 December 2014;

	USD	EURO	Yen
Balance Sheet Evaluation Rate	TL 2,3269	TL 2,8272	TL 1,9424

Information related to Group's Currency Risk: (Thousands of TL)

The table below summarizes the Group's exposure to foreign currency exchange rate risk, categorized by currency. Foreign currencies indexed assets, classified as Turkish Lira assets according to the Uniform Chart of Accounts are considered as foreign currency assets for the calculation of Net Foreign Currency Position. In accordance with the "Communiqué on Calculation of Foreign Currency Net Position/Capital Standard Ratio by banks in stand-alone and consolidated basis"; trading derivative financial assets and liabilities, deferred tax assets and liabilities, prepaid expenses, general loan loss provision, hedging derivative financial assets and liabilities and shareholders' equity are excluded in the currency risk calculation. Therefore, there are differences between the amounts of foreign currency denominated assets and liabilities demonstrated on the table below and the amounts on the balance sheet. The Bank's real position, both in financial and economic terms, is presented in the table below:

Current Period – 31 March 2015	**EURO**	**USD**	**Other FC(*)**	**Total**
Assets				
Cash Equivalents and Central Bank(***)	3.451.694	14.720.594	3.744.484	**21.916.772**
Banks	1.330.926	4.216.441	62.849	**5.610.216**
Financial Assets at Fair Value through Profit or Loss (Net)	175	2.419	-	**2.594**
Interbank Money Market Placements	-	-	-	**-**
Available-for-sale Financial Assets (Net)	2.903.099	16.711.748	-	**19.614.847**
Loans	18.940.963	40.206.161	72.877	**59.220.001**
Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	**-**
Held-to-maturity Investments (Net)	2.282.282	3.027.368	-	**5.309.650**
Hedging Derivative Financial Assets	-	-	-	**-**
Tangible Assets (Net)	781	1.803	-	**2.584**
Intangible Assets (Net)	399	6	-	**405**
Other Assets	1.598.629	1.761.878	726	**3.361.233**
Total Assets	**30.508.948**	**80.648.418**	**3.880.936**	**115.038.302**
Liabilities				
Bank Deposits	1.775.900	11.327.795	1.207.876	**14.311.571**
Foreign Currency Deposits (***)	19.865.120	30.074.080	2.042.146	**51.981.346**
Funds from Interbank Money Market	2.072.119	21.764.403	-	**23.836.522**
Borrowings	7.310.961	15.243.512	271	**22.554.744**
Marketable Securities Issued (Net)	28.115	11.141.069	71.577	**11.240.761**
Miscellaneous Payables	283.367	406.192	155.813	**845.372**
Hedging Derivative Financial Liabilities	-	-	-	**-**
Other Liabilities	192.118	130.978	5.433	**328.529**
Total Liabilities	**31.527.700**	**90.088.029**	**3.483.116**	**125.098.845**
Net on Balance Sheet Position	**(1.018.752)**	**(9.439.611)**	**397.820**	**(10.060.543)**
Net off-Balance Sheet Position (**)	**1.321.631**	**9.973.047**	**(422.643)**	**10.872.035**
Financial Derivative Assets	10.404.357	31.965.097	2.908.208	**45.277.662**
Financial Derivative Liabilities	9.082.726	21.992.050	3.330.851	**34.405.627**
Non-cash Loans	5.351.725	12.488.839	317.396	**18.157.960**
Prior Period - 31 December 2014				
Total Assets	**27.855.306**	**68.374.354**	**3.515.494**	**99.745.154**
Total Liabilities	**30.674.978**	**75.704.751**	**3.554.015**	**109.933.744**
Net on-Balance Sheet Position	**(2.819.672)**	**(7.330.397)**	**(38.521)**	**(10.188.590)**
Net off-Balance Sheet Position (**)	**3.335.263**	**7.757.838**	**20.381**	**11.113.482**
Financial Derivative Assets	8.076.949	26.870.326	4.363.506	**39.310.781**
Financial Derivative Liabilities	4.741.686	19.112.488	4.343.125	**28.197.299**
Non-cash Loans	5.432.766	11.667.069	305.459	**17.405.294**

(*) Of the "Other FC" total assets amounting to TL 3.880.936 (31 December 2014: TL 3.515.494), TL 75.176 is in British Pounds (31 December 2014: TL 83.803), and TL 35.945 is in Swiss Francs (31 December 2014: TL 43.564), 13.152 is in Japanese Yen (31 December 2014: TL 9.865). Of the total liabilities amounting to TL 3.483.116 (31 December 2014: TL 3.554.015) TL 1.493.718 is in British Pounds (31 December 2014: TL 1.316.334) and TL 738.166 is in Swiss Francs (31 December 2014: TL 604.974), TL 58.274 is in Japanese Yen (31 December 2014: TL 62.502).

(**) Presents the net balance of receivables and payables from derivative transactions. Foreign Exchange spot dealings shown under "Asset purchase commitments" in the financial statements are included in the net off-balance sheet position.

(***)Of the Cash Equivalents and Central Bank TL 3.702.688 (31 December 2014: TL 3.308.533) and of the foreign currency deposits TL 808.154 (31 December 2014: TL 1.225.353) are precious metal deposit account in demand.

V. EXPLANATIONS ON INTEREST RATE RISK:

"Interest Rate Risk" can be defined as the impact of interest rate changes on interest-sensitive asset and liability items of both on and off-balance sheets of the Group. The EMRC sets limits for the interest rate sensitivity of on and off-balance sheet items and the sensitivity is closely monitored and reported weekly. In the case of high market fluctuations, daily transaction based reporting and analyses are made.

The Group manages the interest rate risk on a portfolio basis and tries to minimize the risk effect on the profitability, financial exposure and cash flows by applying different strategies. Basic methods such as using fixed or floating interest rates for different portfolios and maturities, setting the fixed margin in floating rates, or varying the rates for the short- or long-term positions are applied actively.

a. Interest rate sensitivity of assets, liabilities and off-balance sheet items based on repricing dates:

Current Period – 31 March 2015	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash Equivalents and Central Bank	1.222.615	-	-	-	-	22.894.553	**24.117.168**
Banks	2.349.997	141.643	12.717	-	-	4.126.694	**6.631.051**
Financial Assets at Fair Value Through Profit or Loss (Net)	395.788	617.871	779.446	268.774	172.632	-	**2.234.511**
Interbank Money Market Placements	4.851.428	-	-	-	-	-	**4.851.428**
Available-for-sale Financial Assets (Net)	4.379.200	4.527.848	6.654.557	11.370.342	9.588.988	296.355	**36.817.290**
Loans	35.334.659	27.767.271	37.333.640	35.077.544	5.588.209	151.547	**141.252.870**
Held-to-maturity Investments (Net)	909.384	501.043	2.506.030	5.896.470	855.329	-	**10.668.256**
Other Assets	1.380.091	641.624	1.105.449	1.626.579	214.297	2.203.596	**7.171.636**
Total Assets	**50.823.162**	**34.197.300**	**48.391.839**	**54.239.709**	**16.419.455**	**29.672.745**	**233.744.210**
Liabilities							
Bank Deposits	9.178.506	5.305.731	416.625	-	-	488.251	**15.389.113**
Other Deposits	68.633.481	10.908.116	10.666.405	4.667.900	264.989	19.009.881	**114.150.772**
Funds from Interbank Money Market	8.780.140	6.342.165	3.516.862	7.157.132	3.501.067	-	**29.297.366**
Miscellaneous Payables	133.964	158.983	326.973	34.714	81.228	3.428.287	**4.164.149**
Marketable Securities Issued (Net)	601.371	985.935	4.516.086	5.713.523	2.636.877	-	**14.453.792**
Borrowings	2.356.787	14.396.520	3.766.578	1.109.164	1.344.533	-	**22.973.582**
Other Liabilities (*)	321.981	508.258	1.156.440	436.121	183.209	30.709.427	**33.315.436**
Total Liabilities	**90.006.230**	**38.605.708**	**24.365.969**	**19.118.554**	**8.011.903**	**53.635.846**	**233.744.210**
Balance Sheet Long Position	-	-	24.025.870	35.121.155	8.407.552	-	**67.554.577**
Balance Sheet Short Position	(39.183.068)	(4.408.408)	-	-	-	(23.963.101)	**(67.554.577)**
Off-balance Sheet Long Position	1.010.059	3.528.580	-	-	-	-	**4.538.639**
Off-balance Sheet Short Position	-	-	(1.031.765)	(3.074.100)	(43.056)	-	**(4.148.921)**
Total Position	**(38.173.009)**	**(879.828)**	**22.994.105**	**32.047.055**	**8.364.496**	**(23.963.101)**	**389.718**

(*) Shareholders' equity is presented under "Other liabilities" item in "Non-interest bearing".

Prior Period - 31 December 2014	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash Equivalents and Central Bank	2.580.424	-	-	-	-	17.859.633	**20.440.057**
Banks	1.941.201	13.114	14.667	-	-	3.243.135	**5.212.117**
Financial Assets at Fair Value Through Profit or Loss (Net)	337.319	407.438	346.688	205.480	168.710	68	**1.465.703**
Interbank Money Market Placements	700.215	-	-	-	-	-	**700.215**
Available-for-sale Financial Assets (Net)	6.259.041	3.764.713	9.905.492	9.508.929	7.863.261	302.396	**37.603.832**
Loans	32.660.125	29.519.434	33.094.770	35.090.339	5.615.406	151.326	**136.131.400**
Held-to-maturity Investments (Net)	2.409.039	501.192	1.421.534	5.615.108	853.238	-	**10.800.111**
Other Assets	1.153.009	668.659	537.832	1.533.449	198.488	2.251.726	**6.343.163**
Total Assets	**48.040.373**	**34.874.550**	**45.320.983**	**51.953.305**	**14.699.103**	**23.808.284**	**218.696.598**
Liabilities	8.541.972	3.801.412	738.731	-	-	501.286	**13.583.401**
Bank Deposits	65.247.015	12.017.068	8.863.370	4.129.092	260.244	18.193.886	**108.710.675**
Other Deposits	9.823.044	6.843.282	4.399.211	4.445.487	3.338.218	2.118	**28.851.360**
Funds from Interbank Money Market	26.519	-	-	-	-	3.472.293	**3.498.812**
Miscellaneous Payables	711.396	1.646.185	3.183.244	3.793.497	1.206.102	-	**10.540.424**
Marketable Securities Issued (Net)	1.931.385	13.139.831	4.143.807	849.993	1.204.345	-	**21.269.361**
Borrowings	201.653	333.572	585.146	314.508	163.571	30.644.115	**32.242.565**
Other Liabilities (*)	**86.482.984**	**37.781.350**	**21.913.509**	**13.532.577**	**6.172.480**	**52.813.698**	**218.696.598**
Total Liabilities							
Balance Sheet Long Position	-	-	23.407.474	38.420.728	8.526.623	-	**70.354.825**
Balance Sheet Short Position	(38.442.611)	(2.906.800)	-	-	-	(29.005.414)	**(70.354.825)**
Off-balance Sheet Long Position	900.638	739.907	830.021	-	178.603	-	**2.649.169**
Off-balance Sheet Short Position	-	-	-	(2.280.619)	-	-	**(2.280.619)**
Total Position	**(37.541.973)**	**(2.166.893)**	**24.237.495**	**36.140.109**	**8.705.226**	**(29.005.414)**	**368.550**

(*) Shareholders' equity is presented under "Other liabilities" item in "Non-interest bearing".

b. Effective average interest rates for monetary financial instruments (%):

Average interest rates in the above tables are the weighted average rates of the related balance sheet items.

Current Period – 31 March 2015	EURO	USD	Yen	TL
Assets				
Cash Equivalents and Central Bank	-	-	-	0,99
Banks	0,34	0,44	-	10,76
Financial Assets at Fair Value Through Profit or Loss (Net)	3,55	4,21	-	11,72
Interbank Money Market Placements	-	-	-	10,75
Available-for-sale Financial Assets (Net)	3,58	3,68	-	9,89
Loans	3,99	4,25	3,71	11,92
Held-to-maturity Investments (Net)	3,69	3,83	-	11,20
Liabilities				
Bank Deposits	0,92	1,16	-	8,34
Other Deposits	1,14	1,74	0,08	7,75
Funds from Interbank Money Market	0,70	1,24	-	7,67
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued (Net)	4,00	4,56	-	8,73
Borrowings	1,12	1,66	-	8,00

Prior Period – 31 December 2014	**EURO**	**USD**	**Yen**	**TL**
Assets				
Cash Equivalents and Central Bank	-	-	-	1,51
Banks	0,09	0,44	-	10,46
Financial Assets at Fair Value Through Profit or Loss (Net)	3,55	4,13	-	11,60
Interbank Money Market Placements	-	-	-	11,24
Available-for-sale Financial Assets (Net)	3,68	3,67	-	10,02
Loans	4,11	4,34	3,69	12,01
Held-to-maturity Investments (Net)	3,69	3,83	-	11,22
Liabilities				
Bank Deposits	0,77	1,19	-	9,89
Other Deposits	1,26	1,72	0,22	7,90
Funds from Interbank Money Market	0,75	1,18	-	8,32
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued (Net)	4,00	4,66	-	8,28
Borrowings	1,17	1,68	-	8,05

c. Interest rate risk related to banking book:

Interest rate risk for all banking transactions outside the trading portfolio are followed under interest rate risk related to the banking book. Interest rate risk related to the trading portfolio is followed under market risk.

ALCO performs daily management of interest rate risk in accordance with the risk limits set by the Executive Risk Committee in relation to interest rate sensitivities of the banking book. ALCO meetings are held on a weekly basis.

In addition to interest rate sensitivities measured and reported weekly, daily and transaction-based analyses are also performed when significant fluctuations occur in markets.

Repricing term mismatch and duration mismatch analyses, net economic value change analyses under different interest rate stress scenarios and income simulations are used for interest rate risk management. Repricing risk, yield curve risk, basis risk and optionality risk are considered under interest rate risk scope.

The interest rate risk arising from banking book is calculated and reported on a monthly basis according to "Regulation on Measurement and Evaluation of Interest Rate Risk in Banking Accounts with Standard Shock Method" published in the Official Gazette no 28034 on 23 August 2011.

The Group's calculation of the interest rate risk derived from banking books is presented below:.

Currency	Applied Shock (+/- x basis points)	Gains / Losses	Gains / Shareholders' Equity - Losses/ Shareholders' Equity
TL	-400	2.917.538	10,34%
TL	500	(3.063.251)	(10,85%)
USD	-200	391.621	1,40%
USD	200	(508.321)	(1,81%)
EURO	-200	59.992	0,20%
EURO	200	(355.976)	(1,26%)
Total (for negative shocks)		**3.369.151**	**11,94%**
Total (for positive shocks)		**(3.927.548)**	**(13,92%)**

VI. EXPLANATIONS ON EQUITY SECURITIES POSITION RISK DERIVED FROM BANKING BOOKS:

The Bank doesn't have any subsidiaries and affiliates that are traded on the "BIST".

VII. EXPLANATIONS ON LIQUIDITY RISK:

The Group manages liquidity risk through broad deposit base, strong capital structure and diversified foreign borrowing facilities. The Bank maintains additional resources to provide liquidity when necessary through allocated limits in Central Bank of Turkey, BIST Money Market, ISE Settlement and Custody Bank Money Market and other banks, and through liquid marketable securities portfolio. The Bank acts conservative on foreign currency liquidity management and in order to meet liquidity needs completely, maintains adequate reserves.

Short-term funding needs are provided by using deposits. The Bank's broad deposit base and high ratio of core deposit enable long-term funding. Long-term placements can be provided by means of long-term foreign funds.

Liquidity coverage ratios are calculated weekly and monthly starting from 1 January 2015 as per "Regulation on Liquidity Coverage Ratio Calculation" published in the Official Gazette no. 28948, dated 21 March 2014. Liquidity coverage ratios should be at least 40% for foreign currency denominated assets and liabilities and 60% for total assets and liabilities for 2015. Liquidity coverage ratios for the first quarter of 2015 are as follows:

Current Period - 31 March 2015	FC	FC+TL
Average (%)	196,9	123,0

Breakdown of assets and liabilities according to their outstanding maturities:

Current Period – 31 March 2015	Demand	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Unallocated (*)	Total
Assets								
Cash Equivalents and Central Bank	22.894.553	1.222.615	-	-	-	-	-	**24.117.168**
Banks	4.126.694	2.349.997	141.643	12.717	-	-	-	**6.631.051**
Financial Assets at Fair Value Through Profit or Loss (Net)	-	246.309	235.304	603.592	473.812	675.494	-	**2.234.511**
Interbank Money Market Placements	-	4.851.428	-	-	-	-	-	**4.851.428**
Available-for-sale Financial Assets (Net)	296.355	2.367.338	37.234	1.049.191	12.983.854	20.083.318	-	**36.817.290**
Loans	-	19.562.146	21.734.693	30.241.378	49.998.752	19.564.354	151.547	**141.252.870**
Held-to-maturity Investments (Net)	-	437.733	-	-	5.896.469	4.334.054	-	**10.668.256**
Other Assets	222.381	719.776	191.135	979.476	2.665.946	868.138	1.524.784	**7.171.636**
Total Assets	**27.539.983**	**31.757.342**	**22.340.009**	**32.886.354**	**72.018.833**	**45.525.358**	**1.676.331**	**233.744.210**
Liabilities								
Bank Deposits	488.251	9.178.506	5.305.731	416.625	-	-	-	**15.389.113**
Other Deposits	19.860.458	67.770.275	10.908.117	10.666.405	4.680.528	264.989	-	**114.150.772**
Borrowings	-	459.300	1.202.460	14.583.812	4.779.234	1.948.776	-	**22.973.582**
Funds from Interbank Money Market	-	8.780.140	6.342.165	3.516.862	7.157.132	3.501.067	-	**29.297.366**
Marketable Securities Issued (Net)	-	601.371	1.005.239	4.317.898	5.892.407	2.636.877	-	**14.453.792**
Miscellaneous Payables	150.048	3.390.890	79.983	254.300	59.852	229.076	-	**4.164.149**
Other Liabilities (**)	128.838	1.757.924	502.208	1.110.588	3.155.150	648.724	26.012.004	**33.315.436**
Total Liabilities	**20.627.595**	**91.938.406**	**25.345.903**	**34.866.490**	**25.724.303**	**9.229.509**	**26.012.004**	**233.744.210**
Net Liquidity Excess/ (Gap)	**6.912.388**	**(60.181.064)**	**(3.005.894)**	**(1.980.136)**	**46.294.530**	**36.295.849**	**(24.335.673)**	**-**
Prior Period - 31 December 2014								
Total Assets	**21.588.430**	**24.794.332**	**24.491.926**	**35.290.812**	**65.801.213**	**45.081.646**	**1.648.239**	**218.696.598**
Total Liabilities	**19.906.323**	**87.197.001**	**30.836.885**	**27.853.246**	**19.542.342**	**7.220.757**	**26.140.044**	**218.696.598**
Net Liquidity Excess/ (Gap)	**1.682.107**	**(62.402.669)**	**(6.344.959)**	**7.437.566**	**46.258.871**	**37.860.889**	**(24.491.805)**	**-**

(*) Assets that are necessary for banking activities and that cannot be liquidated in the short-term, such as fixed and intangible assets, investments, subsidiaries, stationery, pre-paid expenses and loans under follow-up, are shown in this column.
(**) Shareholders' Equity is presented under "Other Liabilities" item in the "Unallocated" column.

VIII. EXPLANATIONS ON SECURITIZATION POSITIONS:

None.

IX. EXPLANATIONS ON CREDIT RISK MITIGATION TECHNIQUES:

The Bank applies the Comprehensive Financial Collateral Techniques explained in "Credit Risk Mitigation Techniques Communiqué" published in Official Gazette no. 28337 on June 28, 2012. In application of the method, volatility adjusted values of financial guarantees and credits are calculated with the standard volatility adjustment approach and adjusted amounts are deducted from credit risk.

The Bank does not utilize balance sheet and off-balance sheet netting, guarantees and credit derivatives in credit risk mitigation, but financial collaterals fulfilling relevant requirements are taken into account. Basic financial covenants considered in the calculation of Bank's capital adequacy are foreign currency and TL deposit pledges.

Risk classifications:	Amount(*)	Financial Guarantees	Other/Physical Guarantees	Guarantees and Credit Derivatives
Conditional and unconditional receivables from central governments and Central Banks	69.448.941	5.114.517	-	-
Conditional and unconditional receivables from regional or local governments	220	-	-	-
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	63.240	25.818	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	65.087.709	26.451.712	-	-
Conditional and unconditional receivables from corporates	112.731.805	6.453.469	-	-
Conditional and unconditional receivables from retail portfolios	58.934.848	232.461	-	-
Conditional and unconditional receivables secured by mortgages	18.590.586	1.813	-	-
Past due receivables	172.009	-	-	-
Receivables defined under high risk category by BRSA	17.132.057	-	-	-
Securities collateralized by mortgages	-	-	-	-
Securitization positions	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-
Investments similar to collective investment funds	284.949	1.000	-	-
Other receivables	3.898.263	-	-	-
Total	**346.344.627**	**38.280.790**	**-**	**-**

(*) Represents the total risk amount after credit mitigation techniques are applied.

X. EXPLANATIONS ON RISK MANAGEMENT TARGET AND POLICIES:

Effective risk management constitutes one of the most important competitive strength of the Bank. Risk management system is assessed as a critical process which includes all units starting at the Board of Directors level. General strategies regarding Bank's risk management are given below:

- Effective management of risks within the Bank's risk profile based on materiality; implementing a centralized risk framework that includes all major risk areas .
- Managing existing and potential risks from the beginning through forward looking risk strategies, policies and procedures, models and parameters,
- Applying a risk-focused management approach in the strategic decision making process,
- Complying with all national risk management requirements, where the Bank operates.

The Bank's Board of Directors has the ultimate responsibility for setting up and monitoring the efficiency of such a risk management system. The Board of Directors fulfills its monitoring responsibility through the Auditing Committee, the Executive Risk Committee, the Credit Committee and other related intermediary committees and by means of regular risk, control and audit reporting system.

The Board of Directors approves and regularly reviews Bank's main risk approach, risk principles and policies which are initially discussed and decided by the Executive Risk Committee. The Board of Directors also determines Bank's risk appetite by risk limits taking market conditions and Bank's risk taking capacity into consideration. Risk limits are made up of regulatory and internal limits on the basis of risk types.

Bank's Senior Management is responsible to the Bank's Board of Directors that daily activities are executed within the risk management procedures and risk limits determined by the Board of Directors and that risk management system operates in effective and efficient manner. The Internal Audit, the Internal Control and the Risk Management Departments which directly report to the Board of Directors operate in coordination with the business units of the Bank. In this scope, it is also Senior Management's responsibility to take necessary measures in order to resolve identified weaknesses, deficiencies and errors stated in the reports of internal and external audits, internal control and risk management.

Locally and internationally accepted risk models and parameters are used in the identification, measurement and monitoring of risks within the scope of risk management. The Bank strives continuously for development and improvement of internal methods and models. Forward looking risk reports prepared through regular and close monitoring of the market developments are made available for the Senior Management and the Board of Directors. In order to analyze the potential risks that the Bank may be exposed in extreme cases, various scenario analyses are performed and contingency plans are prepared. The Bank's internal capital adequacy assessment process ("ICAAP") has been established and the ICAAP has been performed parallel to the annual budget process on an annual basis. Moreover, various risk mitigation techniques are utilized to limit and provide protection against risks the Bank is exposed. The effectiveness and efficiency of the risk mitigation techniques are regularly monitored.

XI. EXPLANATIONS ON THE ACTIVITIES CARRIED OUT ON BEHALF AND ACCOUNT OF OTHER PERSONS:

The Bank carries out trading, custody, management and consulting services on behalf of customers and on their account. Details of these transactions are provided in the off-balance sheet table. The Bank has no trust transactions.

XII. EXPLANATIONS ON HEDGE TRANSACTIONS:

The Bank hedges its TL and foreign denominated fixed rate financial assets with cross currency swaps and interest swaps. Within the scope of fair value hedge, fair value changes of hedging instrument and hedged item are accounted in the income statement. As long as the hedge relationship is effective, fair value change of the hedged item is disclosed together with its related asset or liability in the balance sheet for TL denominated fixed rate mortgage loans. Fair value changes which have already been booked in equity, have been reclassified from equity to income statement for TL and FC denominated fixed rate available-for-sale financial assets.

Prospective tests are performed regularly at the inception of the hedge relationship and both prospective and retrospective tests are performed at each reporting period-end regularly by using "Dollar off-set method". In this method, changes in the fair value of the hedged item and changes in the fair value of the hedging instruments between the designation date and each reporting period-end are compared and effectiveness ratio is calculated. In the determination of the fair values of hedging instruments and hedged item, market yield curves are used. Hedge accounting principles are applied by assessing the calculated effectiveness ratio within the scope of TAS 39.

When the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked;

- The hedging gains and losses that were previously recognized under equity are transferred to profit or loss when the cash flows of the hedged item are realized,
- Adjustments made to the carrying amount of the hedged item are transferred to profit and loss with straight line method for portfolio hedges or with effective interest rate method for micro hedges.

In case the hedged item is derecognized, hedge accounting is discontinued and within context of fair value hedge accounting, adjustments made to the value of the hedged item are accounted in income statement

In accordance with TAS 39, the replacement or rollover of a hedging instrument into another hedging instrument is not an expiration or termination if such replacement or rollover is part of the entity's documented hedging strategy.

The Group also applies fair value hedge to hedge the foreign currency risk arising from investments abroad. Effective portion of the fair value change of the hedging instrument is accounted under "Hedging funds" under equity. Ineffective portion is accounted under income statement.

As at 31 March 2015, contractual amounts of derivative financial instruments designated as hedging instruments and the net fair values carried in the balance sheet of the Bank are summarized in the following table:

	Current Period 31 March 2015			Prior Period 31 December 2014		
	Notional Amount	**Assets**	**Liabilities**	**Notional Amount**	**Assets**	**Liabilities**
Interest Rate and Cross Currency Swaps						
-TL	1.598.325	552.206	-	871.688	284.135	-
-FC	10.696.049	-	183.980	8.754.550	-	105.952
Total	**12.294.374**	**552.206**	**183.980**	**9.626.238**	**284.135**	**105.952**

1. Explanation on hedge accounting net investment hedges:

The Group has been using hedge against fair value strategy to hedge against foreign currency risk born of EURO 220 million which represents share premiums and paid-in-capital of Akbank AG, one of its subsidiaries. EUR0 220 million of syndication loans used by the Group have been classified as "hedge instruments."

2. Explanations on Fair Value Hedges

Hedging Instrument	**Hedged Item**	**Risk Exposure**	**Fair Value Difference of Hedging Instrument**	**Fair Value Difference of Hedged Items(*)**	**Ineffective Portion (**)**
Interest Rate Swap	Fixed interest rate FC available-for-sale financial assets	Interest rate risk	(202.319)	200.738	(1.581)
Cross-currency swap	Fixed interest rate TL Mortgage Loans, FC borrowings	Interest rate and currency risk	234.735	(233.104)	1.631
Cross-currency swap	Fixed interest rate TL available-for-sale financial assets, FC borrowings	Interest rate and currency risk	201.298	(198.156)	3.142

(*) Includes fair value differences arising from changes in foreign exchange rates for hedges against interest rate and foreign currency risks.
(**) Represents the cumulative amounts booked since the beginning of hedge accounting under "Gains / (Losses) on Derivative Financial Transactions" and "Gains/ (Losses) on Foreign Exchange Transactions".

As of 31 March 2015 fair value hedge transactions have been proven to be effective

When the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked are given below:

- As of 31 March 2015, related to fair value hedge transactions, the remaining net amount after amortization of the fair value change of the hedged items since the beginning of hedge accounting is TL 7.390.

3. Explanation on Cash Flow Hedge:
The Parent Bank's are no derivative transactions used in cash flow hedges as of 31 March 2015.

In addition, when the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked with the information related discontinuous transactions are given below:

- As of 31 March 2015, related to cash flow hedge transactions, the remaining before tax amount in equity after amortization of the fair value change of the hedging instruments, since the beginning of hedge accounting is TL (100.167).

XIII. EXPLANATIONS ON BUSINESS SEGMENTS:

The Group operates in five main business segments including retail banking, commercial banking and SME banking, corporate banking treasury activities, private banking and international banking. These segments have been determined considering customer segments and branch network providing services to customers in accordance with the Bank's organizational structure.

The profitability system generating segment information provides profitability information on the basis of account, customer, customer relationship manager, branch, segment and product. This information is made available to the branch and Head Office personnel through a web-based management reporting system.

In scope of retail banking, the Group offers a variety of retail services such as deposit accounts, consumer loans, commercial installment loans, credit cards, insurance products and asset management services. The retail banking products and services also include bank cards, investment funds trading, automatic payment services, foreign currency trading, safe deposit box rentals, cheques, money transfers, investment banking, telephone and internet banking.

Corporate banking, commercial banking and SME banking provide financial solutions and banking services to large, medium and small size corporate and commercial customers. The products and services offered to corporate and commercial customers include TL and foreign currency denominated working capital loans, financing for investments, foreign trade financing, derivative instruments for hedging purposes of foreign currency and interest risk, letters of credit, foreign currency trading, corporate finance services and deposit and cash management services. In addition, the Group provides timely and permanent solutions for corporate customers' working capital management, delivers cash management services tailored based on customers' requests that include collection and payment services and liquidity and information management. Project finance loans are provided within the context of investment banking activities.

The Treasury Unit conducts TL and FC spot and forward transactions, treasury bonds, government bonds, Eurobond and private sector bond transactions and also derivative trading activities within determined limits. These transactions are performed according to the Bank's requirements. Furthermore, Treasury Unit also carries out marketing and pricing activities of treasury products for customers and branch network.

Private banking serves the members of the upper-income groups who have expectations for upper-class service quality both in banking and investment transactions.

International Banking activities are managed by International Banking Unit. The Group provides services for foreign trade financing, foreign currency and TL clearances, and money transfers through agent financial institutions. The international banking unit serves in fundamental areas such as providing long-term funding opportunities, creating funding facility at lower prices that fully reflect country risk, diversifying funding resources and creating a base of international investors for that purpose.

Other activities including leasing services provided by Ak Finansal Kiralama A.Ş., Ak Yatırım Menkul Değerler A.Ş., Ak Portföy Yönetimi A.Ş are the consolidated subsidiaries of the Bank.

Information on business segments as of 31 March 2015 and 31 December 2014 are presented on the following tables. Explanations on business segments are prepared on the basis of data obtained from Bank Management Reporting System.

	Retail Banking	Corporate Banking, Commercial Banking and SME Banking	Treasury	Private Banking	International Banking	Other and Unallocated	Bank's Total Activities
Current Period – 31 March 2015							
Operating Income	981.336	1.243.441	343.114	67.163	85.570	43.062	2.763.686
Profit from Operating Activities	1.458	648.373	238.562	38.223	52.348	37.065	1.016.029
Income from Subsidiaries	-	-	-	-	-	1.755	1.755
Profit before Tax	1.458	648.373	238.562	38.223	52.348	38.820	1.017.784
Corporate Tax	-	-	-	-	-	(232.606)	(232.606)
Minority Shares	-	-	-	-	-	(3)	(3)
Net Profit for the Period	1.458	648.373	238.562	38.223	52.348	(193.789)	785.175
Segment Assets	48.898.981	103.413.461	61.669.918	1.496.901	9.705.088	4.106.096	229.290.445
Investments in Associates	-	-	-	-	-	-	3.923
Undistributed Assets	-	-	-	-	-	-	4.449.842
Total Assets	-	-	-	-	-	-	233.744.210
Segment Liabilities	65.769.339	42.397.713	60.966.390	20.973.984	9.250.236	2.298.527	201.656.189
Undistributed Liabilities	-	-	-	-	-	-	6.076.017
Shareholders' Equity	-	-	-	-	-	-	26.012.004
Total Liabilities	-	-	-	-	-	-	233.744.210
Other Segment Items							
Capital Investment	16.589	-	880	33	-	24.422	41.924
Amortization	(50.339)	(4.803)	(924)	(752)	(145)	(207)	(57.170)
Non-cash Other Income-Expense	(220.065)	(122.416)	(104.797)	(904)	(4)	(228.025)	(676.211)
Restructuring Costs	-	-	-	-	-	-	-

	Retail Banking	Corporate Banking, Commercial Banking and SME Banking	Treasury	Private Banking	International Banking	Other and Unallocated	Bank's Total Activities
Prior Period – 31 December 2014(*)							
Operating Income	942.518	978.647	149.167	70.651	55.839	28.830	2.225.652
Profit from Operating Activities	153.059	574.254	60.848	49.705	37.759	(27.546)	848.079
Income from Subsidiaries	-	-	-	-	-	1.231	1.231
Profit before Tax	153.059	574.254	60.848	49.705	37.759	(26.315)	849.310
Corporate Tax	-	-	-	-	-	(188.350)	(188.350)
Minority Shares	-	-	-	-	-	(1)	(1)
Net Profit for the Period	153.059	574.254	60.848	49.705	37.759	(214.666)	660.959
Segment Assets	49.442.812	97.198.934	56.121.019	1.214.103	6.616.721	3.884.161	214.477.750
Investments in Associates.	-	-	-	-	-	-	3.923
Undistributed Assets	-	-	-	-	-	-	4.214.925
Total Assets	-	-	-	-	-	-	218.696.598
Segment Liabilities	62.727.893	41.008.789	55.610.242	15.846.146	8.921.091	2.401.197	186.515.358
Undistributed Liabilities	-	-	-	-	-	-	6.041.196
Shareholders' Equity	-	-	-	-	-	-	26.140.044
Total Liabilities	-	-	-	-	-	-	218.696.598
Other Segment Items							
Capital Investment	16.426	-	941	37	-	25.527	42.931
Amortization	(43.108)	(3.391)	(686)	(661)	(125)	(216)	(48.187)
Non-cash Other Income-Expense	(162.754)	(270.547)	(53.151)	(798)	(5)	(7.385)	(494.640)
Restructuring Costs	-	-	-	-	-	-	-

(*)31 March 2014 amounts are used for income statement accounts.

SECTION FIVE
INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS

a. Information related to cash equivalents and the account of the Central Bank of the Republic of Turkey (the "CBRT"):

1. Information on cash equivalents and the account of the CBRT:

	Current Period 31 March 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
Cash/Foreign Currency	908.645	492.231	932.647	533.635
The CBRT	1.290.333	21.291.087	2.585.518	16.334.281
Other(*)	1.418	133.454	435	53.541
Total	**2.200.396**	**21.916.772**	**3.518.600**	**16.921.457**

(*) As of 31 March 2015, precious metal account amounts to TL 66.504 (31 December 2014: TL 41.449).

2. Information related to the account of the CBRT:

	Current Period 31 March 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
Demand Unrestricted Account	67.718	-	5.094	-
Time Unrestricted Account	-	-	-	-
Time Restricted Account	-	-	-	89.258
Reserve Requirement	1.222.615	21.291.087	2.580.424	16.245.023
Total	**1.290.333**	**21.291.087**	**2.585.518**	**16.334.281**

3. Explanation on reserve requirements:

In accordance with the "Communiqué Regarding the Reserve Requirements no. 2013/15", the Bank is required to maintain reserves in CBRT for TL and foreign currency liabilities. The reserve requirements can be maintained as TL, USD and standard gold. Starting from November 2014, interest is paid on reserve requirements held in TL. There is no interest payment on reserve requirements held in FC.

The reserve rates for TL liabilities vary between 5% and 11,5% for TL deposits and other liabilities according to their maturities as of 31 March 2015 (31 December 2014: 5% and 11,5% for all TL liabilities). The reserve rates for foreign currency liabilities vary between 6% and 20% for deposit and other foreign currency liabilities according to their maturities as of 31 March 2015 (31 December 2014: 6% and 13% for all foreign currency liabilities)

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

1. As of 31 March 2015, financial assets at fair value through profit or loss given as collateral/blocked amount to TL 4.924 (31 December 2014: TL 5.820); and those subject to repo transactions amount to TL (-). (31 December 2014: TL (-)).

2. Table of positive differences table related to trading derivative financial assets:

	Current Period 31 March 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
Forward Transactions	134.709	-	70.893	-
Swap Transactions	946.756	704.522	441.546	628.278
Futures Transactions	-	-	33.748	2.174
Options	1.855	363.842	1.240	232.860
Other	-	-	-	-
Total	**1.083.320**	**1.068.364**	**547.427**	**863.312**

c. Information on banks account:

	Current Period 31 March 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
Banks	1.020.835	5.610.216	611.373	4.600.744
Domestic	1.020.604	277.358	611.373	617.595
Foreign	231	5.332.858	-	3.983.149
Head Quarters and Branches Abroad	-	-	-	-
Total	**1.020.835**	**5.610.216**	**611.373**	**4.600.744**

d. Information on available-for-sale financial assets:

1. As of 31 March 2015, available-for-sale financial assets subject to repurchase agreements amount to TL 24.801.381 (31 December 2014: TL 24.823.669); and those given as collateral/blocked amount to TL 3.488.634 (31 December 2014: TL 3.691.128).

2. Information on available-for-sale financial assets:

	Current Period 31 March 2015	Prior Period 31 December 2014
Debt Securities	37.138.553	37.821.917
Quoted to Stock Exchange	36.912.602	37.585.353
Not Quoted to Stock Exchange	225.951	236.564
Share Certificates	12.487	12.487
Quoted to Stock Exchange	-	-
Not Quoted to Stock Exchange	12.487	12.487
Impairment Provision (-)	333.750	230.572
Total	**36.817.290**	**37.603.832**

e. Information related to loans:

1. Information on all types of loans and advances given to shareholders and employees of the Bank:

	Current Period 31 March 2015		Prior Period 31 December 2014	
	Cash	Non-cash	Cash	Non-cash
Direct Loans Granted to Shareholders	-	161	-	141
Corporate Shareholders	-	161	-	141
Real Person Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	2.320.329	2.002.851	2.464.548	1.986.344
Loans Granted to Employees	103.021	-	105.144	-
Total	**2.423.350**	**2.003.012**	**2.569.692**	**1.986.485**

2. Information on the first and second group loans and other receivables including loans that have been restructured or rescheduled:

	Standard Loans and Other Receivables			Loans and Other Receivables under Close Monitoring		
	Loans and Other Receivables (Total)	Loans and Receivables with Revised Contract Terms		Loans and Other Receivables (Total)	Loans and Receivables with Revised Contract Terms	
		Extension of Repayment Plan	Other Changes		Extension of Repayment Plan	Other Changes
Non-specialized Loans	136.320.126	1.111.400	-	4.781.197	1.909.430	-
Business Loans	22.398.526	554.673	-	1.173.420	426.160	-
Export Loans	6.443.705	47.396	-	64.387	867	-
Import Loans	-	-	-	-	-	-
Loans Granted to Financial Sector	4.851.673	-	-	-	-	-
Consumer Loans	28.122.853	48.422	-	1.804.222	780.622	-
Credit Cards	11.555.952	307.058	-	906.942	616.471	-
Other	62.947.417	153.851	-	832.226	85.310	-
Specialized Loans	-	-	-	-	-	-
Other Receivables	-	-	-	-	-	-
Total	**136.320.126**	**1.111.400**	**-**	**4.781.197**	**1.909.430**	**-**

Number of extensions	Standard loans and other receivables	Loans and other receivables under close monitoring
Extended by 1 or 2 times	1.084.168	1.760.948
Extended by 3,4 or 5 times	23.764	145.807
Extended by more than 5 times	3.468	2.675
Total	**1.111.400**	**1.909.430**

Extension periods	Standard loans and other receivables	Loans and other receivables under close monitoring
0 - 6 Months	67.051	458.798
6 - 12 Months	64.400	203.182
1 - 2 Years	213.003	473.408
2 - 5 Years	331.916	696.494
5 Years and over	435.030	77.548
Total	**1.111.400**	**1.909.430**

3. Information on consumer loans, personal credit cards, personnel loans and personnel credit cards:

Current Period– 31.03.2015	Short-term	Medium and Long-term	Total
Consumer Loans-TL	**220.055**	**28.853.575**	**29.073.630**
Mortgage Loans	5.962	12.979.692	12.985.654
Automotive Loans	5.742	724.058	729.800
Consumer Loans	208.351	15.149.825	15.358.176
Other	-	-	-
Consumer Loans- Indexed to FC	**-**	**23.544**	**23.544**
Mortgage Loans	-	22.178	22.178
Automotive Loans	-	-	-
Consumer Loans	-	1.366	1.366
Other	-	-	-
Consumer Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards-TL	**10.003.134**	**1.049.795**	**11.052.929**
With Installment	3.982.291	1.049.795	5.032.086
Without Installment	6.020.843	-	6.020.843
Consumer Credit Cards-FC	**16.255**	-	**16.255**
With Installment	4.672	-	4.672
Without Installment	11.583	-	11.583
Personnel Loans-TL	**1.981**	**60.234**	**62.215**
Mortgage Loans	-	959	959
Automotive Loans	-	201	201
Consumer Loans	1.981	59.074	61.055
Other	-	-	-
Personnel Loans- Indexed to FC	**-**	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	**-**	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	**40.313**	**248**	**40.561**
With Installment	14.995	248	15.243
Without Installment	25.318	-	25.318
Personnel Credit Cards-FC	**245**	-	**245**
With Installment	77	-	77
Without Installment	168	-	168
Credit Deposit Account-TL (Real Person)	**767.686**	-	**767.686**
Credit Deposit Account-FC (Real Person)	**-**	-	-
Total Consumer Loans	**11.049.669**	**29.987.396**	**41.037.065**

Prior Period – 31.12.2014	Short-term	Medium and Long-term	Total
Consumer Loans-TL	**293.002**	**29.924.787**	**30.217.789**
Mortgage Loans	7.896	13.022.493	13.030.389
Automotive Loans	7.706	802.180	809.886
Consumer Loans	274.094	15.355.989	15.630.083
Other	3.306	744.125	747.431
Consumer Loans- Indexed to FC	**-**	**26.115**	**26.115**
Mortgage Loans	-	24.949	24.949
Automotive Loans	-	-	-
Consumer Loans	-	49	49
Other	-	1.117	1.117
Consumer Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards-TL	**10.297.754**	**1.229.280**	**11.527.034**
With Installment	4.223.691	1.229.280	5.452.971
Without Installment	6.074.063	-	6.074.063
Consumer Credit Cards-FC	**14.942**	-	**14.942**
With Installment	4.709	-	4.709
Without Installment	10.233	-	10.233
Personnel Loans-TL	**2.899**	**60.097**	**62.996**
Mortgage Loans	-	1.135	1.135
Automotive Loans	-	138	138
Consumer Loans	2.899	58.824	61.723
Other	-	-	-
Personnel Loans- Indexed to FC	**-**	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	**-**	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	**41.544**	**396**	**41.940**
With Installment	15.653	396	16.049
Without Installment	25.891	-	25.891
Personnel Credit Cards-FC	**208**	-	**208**
With Installment	68	-	68
Without Installment	140	-	140
Credit Deposit Account-TL (Real Person)	**692.139**	-	**692.139**
Credit Deposit Account-FC (Real Person)	**-**	-	-
Total Consumer Loans	**11.342.488**	**31.240.675**	**42.583.163**

4. Information on commercial installment loans and corporate credit cards:

Current Period – 31.03.2015	Short-term	Medium and Long-term	Total
Commercial Installment Loans-TL	**1.131.297**	**5.068.368**	**6.199.665**
Mortgage Loans	6.508	55.436	61.944
Automotive Loans	49.351	41.879	91.230
Consumer Loans	1.075.438	4.971.053	6.046.491
Other	-	-	-
FC Indexed Commercial Installment Loans	**37.526**	**79.864**	**117.390**
Mortgage Loans	209	7.148	7.357
Automotive Loans	1.366	9.601	10.967
Consumer Loans	35.951	63.115	99.066
Other	-	-	-
Commercial Installment Loans-FC	**1.105**	**140.006**	**141.111**
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	1.105	140.006	141.111
Other	-	-	-
Corporate Credit Cards-TL	**1.347.590**	**2.839**	**1.350.429**
With Installment	575.222	2.839	578.061
Without Installment	772.368	-	772.368
Corporate Credit Cards-FC	**2.475**	**-**	**2.475**
With Installment	22	-	22
Without Installment	2.453	-	2.453
Credit Deposit Account-TL (Legal Person)	**731.291**	**-**	**731.291**
Credit Deposit Account-FC (Legal person)	**-**	**-**	**-**
Total	**3.251.284**	**5.291.077**	**8.542.361**

Prior Period – 31.12.2014	Short-term	Medium and Long-term	Total
Commercial Installment Loans-TL	**1.322.602**	**4.922.919**	**6.245.521**
Mortgage Loans	6.147	69.966	76.113
Automotive Loans	54.581	64.026	118.607
Consumer Loans	1.226.137	4.648.491	5.874.628
Other	35.737	140.436	176.173
FC Indexed Commercial Installment Loans	**38.984**	**84.719**	**123.703**
Mortgage Loans	275	8.400	8.675
Automotive Loans	840	13.304	14.144
Consumer Loans	78	28.864	28.942
Other	37.791	34.151	71.942
Commercial Installment Loans-FC	**1.913**	**134.557**	**136.470**
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	1.913	134.557	136.470
Corporate Credit Cards-TL	**1.313.204**	**4.443**	**1.317.647**
With Installment	589.999	4.443	594.442
Without Installment	723.205	-	723.205
Corporate Credit Cards-FC	**1.808**	**-**	**1.808**
With Installment	18	-	18
Without Installment	1.790	-	1.790
Credit Deposit Account-TL (Legal Person)	**628.848**	**-**	**628.848**
Credit Deposit Account-FC (Legal person)	**-**	**-**	**-**
Total	**3.307.359**	**5.146.638**	**8.453.997**

5. Distribution of domestic and foreign loans: Loans are classified according to the locations of the customers:

	Current Period 31 March 2015	Prior Period 31 December 2014
Domestic Loans	138.562.722	133.697.580
Foreign Loans	2.538.601	2.282.494
Total	**141.101.323**	**135.980.074**

6. Loans granted to investments in associates and subsidiaries: None.

7. Specific provisions accounted for loans:

	Current Period 31 March 2015	Prior Period 31 December 2014
Loans and Other Receivables with Limited Collectibility	441.245	407.881
Loans and Other Receivables with Doubtful Collectibility	770.306	774.084
Uncollectible Loans and Receivables	1.046.277	996.864
Total	**2.257.828**	**2.178.829**

8. Information on non-performing loans (Net):

8 (i).Information on non-performing loans restructured or rescheduled and other receivables:

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Current Period: 31 March 2015			
(Gross Amounts Before Specific Provisions)	36.442	56.994	82.214
Restructured Loans and Other Receivables	36.271	56.683	81.045
Rescheduled Loans and Other Receivables	171	311	1.169
Prior Period: 31 December 2014			
(Gross Amounts Before Specific Provisions)	34.896	65.245	179.358
Restructured Loans and Other Receivables	34.324	62.698	177.462
Rescheduled Loans and Other Receivables	572	2.547	1.896

8 (ii).Information on the movement of total non-performing loans:

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Prior Period End Balance: 31 December 2014	**407.881**	**925.410**	**996.864**
Additions (+)	457.554	2.173	9.720
Transfers from Other Categories of Non-performing Loans (+)	-	390.567	505.148
Transfers to Other Categories of Non-Performing Loans (-)	390.567	505.148	-
Collections (-) (*)	33.542	41.627	61.284
Write-offs (-) (**)	81	1.069	252.624
Corporate and Commercial Loans	21	301	57.483
Retail Loans	28	405	52.692
Credit Cards	32	363	142.449
Other	-	-	-
Balance at the End of the Period	**441.245**	**770.306**	**1.197.824**
Specific Provisions (-)	441.245	770.306	1.046.277
Net Balance (***)	**-**	**-**	**151.547**

(*).The Bank has sold non-performing loan portfolio, for which 100% provision was provided and which is worth TL 248,5 million, for an amount of TL 40.3 million to Girişim Varlık Yönetimi A.Ş.
(**) The Bank has set 100% specific provision amounting to TL 54 million after taking the collaterals into consideration for one of its commercial loans amounting to TL 206 million.

8(iii).Information on non-performing loans granted as foreign currency loans:

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Current Period: 31 March 2015			
Balance at the End of the Period	14.104	78.365	223.867
Specific Provision (-)	14.104	78.365	92.775
Net Balance on Balance Sheet	-	-	131.092
Prior Period: 31 December 2014			
Balance at the End of the Period	11.925	234.608	47.204
Specific Provision (-)	11.925	103.516	47.204
Net Balance on Balance Sheet	-	131.092	-

In Parent Bank, non-performing loans granted as foreign currency are followed under TL accounts of balance sheet.

8 (iv).Breakdown of non-performing loans according to their gross and net values:

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Current Period (Net): 31 March 2015			
Loans granted to corporate entities and real persons (Gross)	441.245	770.306	1.197.824
Specific Provision (-)	441.245	770.306	1.046.277
Loans granted to corporate entities and real persons (Net)	-	-	151.547
Banks (Gross)	-	-	-
Specific Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances (Gross)	-	-	-
Specific Provision (-)	-	-	-
Other Loans and Advances (Net)	-	-	-
Prior Period (Net): 31 December 2014			
Loans granted to corporate entities and real persons (Gross)	407.881	925.410	996.864
Specific Provisions Amount(-)	407.881	774.084	996.864
Loans granted to corporate entities and real persons (Net)	-	151.326	-
Banks (Gross)	-	-	-
Specific Provisions Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances (Gross)	-	-	-
Specific Provisions Amount (-)	-	-	-
Other Loans and Advances (Net)	-	-	-

9. Information on the collection policy of non-performing loans and other receivables:

Non-performing loans and other receivables are collected through legal follow-up and liquidation of collaterals.

10. Information on the write-off policy:

Write-off policy of the Bank for receivables under follow-up is to retire the receivables from assets in case of verification of the inability of collection through the legal follow-up process.

f. Held-to-maturity investments:

1. Information on financial assets subject to repurchase agreements and those given as collateral/blocked:

	Current Period 31 March 2015		Prior Period 31 December 2014	
	TL	**FC**	**TL**	**FC**
Given as collateral/blocked	867.313	1.952.747	446.840	1.707.276
Subject to repurchase agreements	3.919.235	3.249.871	4.302.822	2.988.291
Total	**4.786.548**	**5.202.618**	**4.749.662**	**4.695.567**

2. Information on held-to-maturity government debt securities:

	Current Period 31 March 2015	Prior Period 31 December 2014
Government Bonds	9.744.049	9.973.280
Treasury Bills	-	-
Other Government Debt Securities	924.207	826.831
Total	**10.668.256**	**10.800.111**

3. Information on held-to-maturity investments:

	Current Period 31 March 2015	Prior Period 31 December 2014
Debt Securities	10.714.935	10.809.411
Quoted to Stock Exchange	10.714.935	10.809.411
Not Quoted to Stock Exchange	-	-
Impairment Provision (-)	46.679	9.300
Total	**10.668.256**	**10.800.111**

4. The movement of investment securities held-to-maturity:

	Current Period 31 March 2015	Prior Period 31 December 2014
Balance at the Beginning of the Period	10.800.111	12.153.453
Foreign Currency Differences on Monetary Assets	320.125	145.662
Purchases During Year	189	6.405
Disposals Through Sales and Redemptions	433.408	1.798.189
Impairment Provision (-)	37.378	9.300
Change in Amortized Cost	18.617	302.080
Balance at the End of the Period	**10.668.256**	**10.800.111**

g. Information on investments in associates (Net):

1. Non-consolidated associates:

1(i). Reasons for being out of consolidation for non-consolidated associates: In accordance with the Communiqué on Preparation of Consolidated Financial Statements of Banks they have been left out of the scope of consolidation.

1(ii). Information about non-consolidated associates:

Title	Address (City / Country)	Bank's share percentage- If different voting percentage (%)	Bank's risk group share percentage (%)
Bankalararası Kart Merkezi A.Ş.	İstanbul/Turkey	9,98	9,98
Kredi Kayıt Bürosu A.Ş.	İstanbul/Turkey	9,09	9,09

1(iii). Main financial figures of non-consolidated associates, in the order of the above table:

The financial figures have been obtained from the financial statements dated 31 December 2014.

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/Loss	Fair Value
1	56.641	25.774	32.679	1.009	-	3.490	2.644	-
2	115.240	91.597	59.454	4.246	18	21.834	32.665	-

1(iv). Movement schedule for non-consolidated subsidiaries:

	Current Period 31 March 2015	Prior Period 31 December 2014
Balance at the Beginning of the Period	3.923	3.923
Movements During the Period		
Purchases	-	-
Bonus Shares and Contributions to Capital	-	-
Dividends from Current Year Income	-	-
Sales/Liquidation	-	-
Revaluation Increase	-	-
Revaluation/Impairment	-	-
Balance at the End of the Period	3.923	3.923
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

2. Consolidated subsidiaries within the current period: None.

h. Information on subsidiaries (Net):

1. Information on shareholders' equity of major subsidiaries:

The amounts below are obtained from the 31 March 2015 financial data which were subject to the regulations of the related companies.

	Ak Finansal Kiralama A.Ş.	Ak Yatırım Menkul Değerler A.Ş.	Ak Portföy Yönetimi A.Ş.	Akbank AG	Akbank (Dubai) Limited
Paid in Capital	175.007	46.802	4.079	442.518	2.243
Share Premium	-	-	-	-	-
Reserves	364.422	59.230	9.300	630.927	6.118
Profit/Loss	25.579	40.880	4.238	28.707	15.298
Net Current Period Profit	25.579	6.895	3.947	28.707	2.366
Prior Year Profit/Loss	-	33.985	291	-	12.932
Development Cost of Operating Lease (-)	272	318	-	192	-
Goodwill or Other Intangible Assets and Deferred Tax Liability related to these items (-)	181	492	61	160	-
Total Common Equity	**564.555**	**146.102**	**17.556**	**1.101.800**	**23.659**
Total Additional Tier I Capital	**-**	**-**	**-**	**-**	**-**
Portion of Goodwill and Other Intangible Assets and Related Deferred Tax Liabilities not deducted from the Common Equity as per the 1st Clause of Provisional Article 2 of the "Regulation on the Equity of Banks" (-)	271	739	92	239	-
Total Tier I Capital	**564.284**	**145.363**	**17.464**	**1.101.561**	**23.659**
Tier II Capital	**13.679**	**-**	**-**	**-**	**-**
CAPITAL	**577.963**	**145.363**	**17.464**	**1.101.561**	**23.659**
Deductions From Capital	**-**	**-**	**-**	**-**	**-**
TOTAL CAPITAL	**577.963**	**145.363**	**17.464**	**1.101.561**	**23.659**

The Bank's subsidiaries, included in the consolidated calculation of capital requirement, do not have additional capital requirements. The Study of Internal Evaluation of Bank's Capital Requirement is carried out annually on a consolidated basis. In addition, Akbank AG carries out the Study of Internal Evaluation of Bank's Capital on solo basis due to its own legal requirements.

2. Non-consolidated subsidiaries: None.

3. Consolidated subsidiaries:

3(i).Information about consolidated subsidiaries:

	Title	Address (City / Country)	The Parent Bank's Share Percentage-If Different Voting Percentage (%)	Other Shareholder Share Percentage (%)	Consolidation Method
1	Ak Finansal Kiralama A.Ş.	İstanbul/Turkey	99,99	0,01	Full Consolidation
2	Ak Yatırım Menkul Değerler A.Ş.	İstanbul/Turkey	100,00	-	Full Consolidation
3	Ak Portföy Yönetimi A.Ş.	İstanbul/Turkey	100,00	-	Full Consolidation
4	Akbank AG	Frankfurt/Germany	100,00	-	Full Consolidation
5	Akbank (Dubai) Limited	Dubai/The United Arab Emirates	100,00	-	Full Consolidation

Main financial figures of consolidated subsidiaries, in the order of the above table:

The financial figures have been obtained from the financial statements as at 31 March 2015 prepared in accordance with local regulations.

	Total Assets	Shareholder's Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/ Loss	Fair Value
1	4.212.897	563.707	1.234	75.142	-	25.579	13.102	-
2	379.013	146.912	3.802	4.952	1.851	6.895	3.725	-
3	34.542	17.617	632	690	-	3.947	2.092	-
4	13.972.751	1.102.152	1.179	109.922	7.315	28.707	21.356	-
5	24.881	23.659	31	-	-	2.366	632	-

Though not being the subsidiaries of the Bank, Ak Receivables Corporation and A.R.T.S Ltd. which were established in July 1998 and November 1999 respectively in connection with rising long-term financing, are included in the full scope of consolidation as "Structured Entity" due to the 100% control of these entities by the Group.

3(ii). Movement schedule for consolidated subsidiaries:

	Current Period 31 March 2015	Prior Period 31 December 2014
Balance at the Beginning of the Period	907.230	879.821
Movements During the Period		
Additions (*)	-	49.993
Bonus Shares(**)	-	1.000
Dividends from Current Year Income	-	-
Sales/Liquidation	-	-
Revaluation Increase	-	-
Allowance for impairment	-	-
Increase/decrease due to foreign exchange valuation of foreign subsidiaries(***)	(4.334)	(23.584)
Balance at the End of the Period	902.896	907.230
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

(*) "The amount shown in the "Additions" line of current period is due to the increase of TL 50.000 of Aklease's share capital.
(**) The amount shown in the "Bonus Shares and Contributions to Capital" line of prior period is due to the increase of TL 1.000 of Ak Portföy Yönetimi A.Ş. share capital.
(***)The amount represents the value changes within the scope of fair value hedge as described in Section 4 Note XII.

3(iii). Sectoral information on consolidated financial subsidiaries and the related carrying amounts:

Subsidiaries	Current Period 31 March 2015	Prior Period 31 December 2014
Banks	613.328	617.662
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	221.074	221.074
Finance Companies	-	-
Other Financial Subsidiaries	68.494	68.494

3(iv). Subsidiaries quoted on a stock exchange: None.

i. Information on finance lease receivables (Net):

	Current Period 31 March 2015		Prior Period 31 December 2014	
	Gross	**Net**	**Gross**	**Net**
2015	2.271.682	1.905.251	1.211.403	1.012.669
2016	787.221	641.901	909.635	729.531
2017	581.580	485.513	720.382	589.378
2018	423.928	365.968	557.475	468.697
2019 and following years	482.120	423.685	1.020.443	895.031
Total	**4.546.531**	**3.822.318**	**4.419.338**	**3.695.306**

j. Information on the hedging derivative financial assets:

	Current Period 31 March 2015		Prior Period 31 December 2014	
	TL	**FC**	**TL**	**FC**
Fair Value Hedge	552.206	531	284.135	406
Cash Flow Hedge	-	-	-	-
Net Investment Hedge	-	-	-	-
Total	**552.206**	**531**	**284.135**	**406**

k. Information on the investment properties: None.

l. Information on deferred tax asset :

The Group's deferred tax asset as of 31 March 2015 amounts to TL 12.725 (31 December 2014: TL 21.045). Provisional differences subject to deferred tax calculation result from mainly the differences between the book values, tax values and debts of fixed assets and financial assets, and provision for employee rights.

Deferred tax assets and liabilities, which are accounted for the temporary differences arising between applicable accounting policies and valuation principles and tax legislation in the Bank and in consolidated subsidiaries, are presented as net on an individual entity level. As noted in Note XVIII of Section Three, for the purposes of consolidated financial statements deferred taxes arising from different consolidated subsidiaries are presented separately in assets and liabilities. There are no carry forward tax losses that can be used as deductions for the tax calculation for the Group. An explanation on the net deferred tax liability is given in Note II-i-2 of Section Five.

m. Information on property and equipment held for sale and related to discontinued operations:

	Current Period 31 March 2015	Prior Period 31 December 2014
Cost	160.369	158.928
Accumulated Depreciation (-)	549	276
Net Book Value	**159.820**	**158.652**

	Current Period 31 March 2015	Prior Period 31 December 2014
Net Book Value	**158.652**	**34.699**
Additions(*)	3.565	152.447
Disposals (-), net	2.096	28.252
Depreciation (-)	301	242
Closing Net Book Value	**159.820**	**158.652**

n. Information on other assets:

Other assets amount to TL 1.544.253 (31 December 2014: TL 1.087.338) on the balance sheet and do not exceed 10% of the total assets, excluding the off-balance sheet commitments.

II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES

a. Information on deposits:

1. Information on maturity structure of the deposits: There are no seven-day notification deposits.

1(i).Current Period – 31 March 2015:

	Demand	Up to 1 Month	1 – 3 Months	3 – 6 Months	6 Months – 1 Year	1 Year and Over	Cumulative	Total
Saving Deposits	5.169.010	12.685.951	21.457.822	638.075	517.990	597.358	100.719	**41.166.925**
Foreign Currency Deposits	8.015.716	13.091.554	13.013.141	4.322.058	5.430.146	7.296.193	4.384	**51.173.192**
Residents in Turkey	6.610.471	12.613.979	11.528.271	686.900	688.541	3.400.646	4.316	**35.533.124**
Residents Abroad	1.405.245	477.575	1.484.870	3.635.158	4.741.605	3.895.547	68	**15.640.068**
Public Sector Deposits	932.232	13.131	32.130	50.106	2.570	3.948	-	**1.034.117**
Commercial Deposits	4.814.845	6.218.936	3.911.994	546.302	476.532	112.021	-	**16.080.630**
Other Institutions Deposits	170.767	238.477	2.081.864	108.430	1.045.758	242.458	-	**3.887.754**
Gold Vault	757.888	-	-	17.122	27.768	5.376	-	**808.154**
Bank Deposits	488.251	1.475.046	8.601.687	3.929.058	886.064	9.007	-	**15.389.113**
The CBRT	-	-	-	-	-	-	-	**-**
Domestic Banks	10.908	2.865	543.355	91.566	22.040	8.015	-	**678.749**
Foreign Banks	110.700	1.472.181	8.058.332	3.837.492	864.024	992	-	**14.343.721**
Special Finance Institutions	366.643	-	-	-	-	-	-	**366.643**
Other	-	-	-	-	-	-	-	**-**
Total	**20.348.709**	**33.723.095**	**49.098.638**	**9.611.151**	**8.386.828**	**8.266.361**	**105.103**	**129.539.885**

1(ii). Prior period - 31 December 2014:

	Demand	Up to 1 Month	1 – 3 Months	3 – 6 Months	6 Months – 1 Year	1 Year and Over	Cumulative	Total
Saving Deposits	4.764.506	11.032.937	21.778.811	1.126.844	578.554	626.932	100.087	**40.008.671**
Foreign Currency Deposits	7.282.224	10.478.509	11.285.571	2.956.797	5.601.377	7.943.878	4.532	**45.552.888**
Residents in Turkey	5.967.014	10.299.399	10.056.550	885.007	702.133	3.170.236	4.467	**31.084.806**
Residents Abroad	1.315.210	179.110	1.229.021	2.071.790	4.899.244	4.773.642	65	**14.468.082**
Public Sector Deposits	828.740	19.149	80.872	61.574	2.632	4.214	-	**997.181**
Commercial Deposits	4.865.220	6.732.744	4.553.885	941.592	298.919	115.266	-	**17.507.626**
Other Institutions Deposits	169.932	372.447	1.613.470	596.256	587.414	79.437	-	**3.418.956**
Gold Vault	1.179.639	5.931	16.504	19.264	4.015	-	-	**1.225.353**
Bank Deposits	501.286	1.869.383	6.473.494	3.672.826	1.049.493	16.919	-	**13.583.401**
The CBRT	-	-	-	-	-	-	-	**-**
Domestic Banks	16.011	1.566.449	1.216.250	84.191	94.569	8.015	-	**2.985.485**
Foreign Banks	162.567	302.934	5.257.244	3.588.635	954.924	8.904	-	**10.275.208**
Special Finance Institutions	322.708	-	-	-	-	-	-	**322.708**
Other	-	-	-	-	-	-	-	**-**
Total	**19.591.547**	**30.511.100**	**45.802.607**	**9.375.153**	**8.122.404**	**8.786.646**	**104.619**	**122.294.076**

2. Information on saving deposits insurance:

Information on saving deposits under the guarantee of the saving deposits insurance fund and amounts exceeding the limit of the deposit insurance fund: The deposit amounts of the consolidated subsidiaries located abroad are subject to local insurance regulations and are not included in the table below.

	Under the Guarantee of Deposit Insurance		Exceeding the Limit of Deposit Insurance	
	Current Period 31 March 2015	Prior Period 31 December 2014	Current Period 31 March 2015	Prior Period 31 December 2014
Saving Deposits	20.274.029	18.858.943	20.892.896	21.149.728
Foreign Currency Saving Deposits	6.513.394	6.515.893	19.143.631	17.001.254
Other Deposits in the Form of Saving Deposits	-	-	-	-
Foreign Branches' Deposits under Foreign Authorities' Insurance	-	-	-	-
Off-shore Banking Regions' Deposits under Foreign Authorities' Insurance	-	-	-	-

3. Saving deposits of real persons which are not under the guarantee of saving deposit insurance fund:

	Current Period 31 March 2015	Prior Period 31 December 2014
Foreign Branches' Deposits and other accounts	-	-
Saving Deposits and Other Accounts of Controlling Shareholders and Deposits of their Mother, Father, Spouse, Children in care	-	-
Saving Deposits and Other Accounts of President and Members of Board of Directors, CEO and Vice Presidents and Deposits of their Mother, Father, Spouse and Children in care	1.114.010	1.030.337
Saving Deposits 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	-	-
Saving Deposits in Deposit Banks Established in Turkey solely to Engage in Off-shore Banking Activities	-	-

b. Information on trading derivative financial liabilities:

Table of negative differences for trading derivative financial liabilities:

	Current Period 31 March 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
Forward Transactions	278.426	-	156.777	-
Swap Transactions	57.651	1.386.311	64.647	733.173
Futures Transactions	-	-	822	3.653
Options	244	416.674	102	248.039
Other	-	-	-	-
Total	**336.321**	**1.802.985**	**222.348**	**984.865**

c. Information on borrowings:

1.Information on banks and other financial institutions:

	Current Period 31 March 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
Borrowings from the CBRT	-	-	-	-
From Domestic Bank and Institutions	284.660	367.836	318.759	376.626
From Foreign Banks, Institutions and Funds	134.178	22.186.908	136.202	20.437.774
Total	**418.838**	**22.554.744**	**454.961**	**20.814.400**

2.Information on maturity structure of borrowings:

	Current Period 31 March 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
Short-term	379.683	10.624.909	397.020	13.022.712
Medium and Long-term	39.155	11.929.835	57.941	7.791.688
Total	**418.838**	**22.554.744**	**454.961**	**20.814.400**

The liabilities providing the funding sources of the Group are deposits, borrowings, marketable securities issued and money market borrowings. Deposits are the most important funding source of the Group and the diversification of these deposits by number and type of depositors with a stable structure does not create any risk concentration. The borrowings are composed of funds such as syndicated and securitized borrowings and post-financing obtained from different financial institutions with different maturity-interest structures and characteristics. There is no risk concentration in any of the funding sources of the Group.

d. Information on securities issued (Net):

	Current Period 31 March 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
Bank bills	1.511.210	1.177.573	1.485.149	769.015
Bonds	1.701.821	10.063.188	1.687.255	6.599.005
Total	**3.213.031**	**11.240.761**	**3.172.404**	**7.368.020**

e. Information on other foreign liabilities:

Other foreign liabilities amount to TL 1.729.846 (31 December 2014: TL 1.528.730) and do not exceed 10% of the total balance sheet excluding off-balance sheet commitments.

f. Information on financial leasing agreements: None.

g. Information on the hedging derivative financial liabilities:

	Current Period 31 March 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
Fair Value Hedge	-	183.980	-	105.952
Cash Flow Hedge	-	2.031	-	-
Net Investment Hedge	-	-	-	-
Total	**-**	**186.011**	**-**	**105.952**

h. Information on provisions:

1. Information on general provisions:

	Current Period 31 March 2015	Prior Period 31 December 2014
General Provisions	**2.221.775**	**2.104.264**
Provisions for Group I. Loans and Receivables	1.768.473	1.715.917
- Additional Provision for loans with extended payment period	42.741	47.088
Provisions for Group II. Loans and Receivables	265.421	215.058
- Additional Provision for loans with extended payment period	46.192	41.059
Provisions for Non-cash Loans	118.798	115.563
Other	69.083	57.726

2. Information on reserve for employment termination benefits:

Under the Turkish Labor Law, the Bank and its subsidiaries operated in Turkey are required to pay termination benefits to each employee who has completed at least one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires.

The amount payable consists of one month's salary limited to a maximum of TL 3.541,37 (in full TL amount) (31 December 2014: TL 3.438,22 (in full TL amount)) for each year of service. This liability is legally not funded and there is no funding requirement.
The reserve has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of its employees. TAS 19 requires actuarial valuation methods to be developed to estimate the enterprise's obligation for such benefits. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	Current Period 31 March 2015	Prior Period 31 December 2014
Discount Rate (%)	3,62	3,62
Rate for the Probability of Retirement (%)	93,94	93,94

The principal actuarial assumption is that the current maximum liability will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. The amount of TL 3.541,37 (1 January 2014: TL 3.438,22) effective from 1 January 2015 has been taken into consideration in calculating the reserve for employee termination benefits.

Movements in the reserve for employment termination benefits during the period are as follows:

	Current Period 31 March 2015	Prior Period 31 December 2014
Balance at the Beginning of the Period	**67.034**	**59.720**
Provisions Recognized During the Period	30.629	29.612
Actuarial Loss/(Gain)	-	5.785
Paid During the Period	(29.225)	(28.083)
Balance at the End of the Period.	**68.438**	**67.034**

As of 31 March 2015, the Bank has allocated vacation liability amounting to TL 62.049 (31 December 2014: TL 60.603).

3. Information on provisions related with foreign currency difference of foreign indexed loans:

As of 31 March 2015, the provision related to foreign currency differences of foreign indexed loans amounts to TL 21.025 (31 December 2014: TL 21.290), which is offset with the balance of foreign currency indexed loans in these financial statements.

4. Information on specific provisions for non-cash loans that are non-funded and non-transformed into cash:

Provision for non-cash loans that are non-funded and non-transformed into cash as of 31 March 2015 is amounting to TL 63.282 (31 December 2014: TL 66.434).

5. Information on other provisions:

5(i). Information on general reserves for possible risks: TL 200.000 (31 December 2014: TL 200.000).

5(ii). Information on provisions for banking services promotion:

The Bank has provisions for credit cards and banking services promotion activities amounting to TL 122.147 (31 December 2014: TL 118.379).

i. Explanations on tax liability :

1. Explanations on tax liability:

Tax calculations of the Group are explained in Note XVIII of Section Three. As of 31 March 2015, the corporate tax liability after the deduction of temporary taxes paid is TL 139.034 (31 December 2014: TL 325.142).

1(i). Information on taxes payable:

	Current Period 31 March 2015	Prior Period 31 December 2014
Corporate Taxes Payable	139.034	325.142
Taxation on Marketable Securities	88.787	83.108
Property Tax	1.920	1.768
Banking Insurance Transaction Tax (BITT)	80.307	75.557
Foreign Exchange Transaction Tax	-	-
Value Added Tax Payable	3.312	7.691
Other	31.198	57.219
Total	**344.558**	**550.485**

1(ii). Information on premium payables:

	Current Period 31 March 2015	Prior Period 31 December 2014
Social Security Premiums – Employee	62	61
Social Security Premiums – Employer	126	127
Bank Social Aid Pension Fund Premium- Employee	3	10
Bank Social Aid Pension Fund Premium – Employer	3	13
Pension Fund Membership Fees and Provisions – Employee	-	-
Pension Fund Membership Fees and Provisions – Employer	-	-
Unemployment Insurance – Employee	666	919
Unemployment Insurance – Employer	1.293	1.803
Other	32	-
Total	**2.185**	**2.933**

2. Information on deferred tax liability:

As of 31 March 2015, the deferred tax liability of the Group amounts to TL 124.726. (31 December 2014: TL 53.582). An explanation about the net deferred tax asset is given in Note I-l of Section Five.

j. Information on shareholders' equity:

1. Presentation of paid-in capital:

	Current Period 31 March 2015	Prior Period 31 December 2014
Common Stock	4.000.000	4.000.000
Preferred Stock	-	-

2. Amount of paid-in-capital, explanations as to whether the registered share capital system is applied, if so, the amount of registered share capital ceiling:

Capital System	Paid-in capital	Ceiling
Registered Share Capital	4.000.000	8.000.000

3. Information on the share capital increases during the period and their sources: None.

4. Information on share capital increases from capital reserves during the current period: None.

5. Information on capital commitments, the purpose and the sources until the end of the fiscal year and the subsequent interim period: None.

6. The effects of anticipations based on the financial figures for prior periods regarding the Group's income, profitability and liquidity, and possible effects of these future assumptions on the Group's equity due to uncertainties at these indicators;

The Group has been continuing its operations with high profitability and has been retaining most of its net profit in the equity, either by increasing its capital or transferring it into reserves. On the other hand, only a small part of the equity is allocated to investment such as associates and fixed assets, thus giving a chance for considerably high free capital which provides funds for liquid and interest bearing assets. Considering all these factors, the Group continues to its operations with strong shareholders' equity.

7. Information on privileges given to shares representing the capital: None.

k. Information on marketable securities value increase fund:

	Current Period 31 March 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
From Investments in Associates, Subsidiaries, and Joint Ventures	-	-	-	-
Valuation Difference	(381.306)	(231.181)	(181.747)	(88.432)
Foreign Currency Differences	-	-	-	-
Total	**(381.306)**	**(231.181)**	**(181.747)**	**(88.432)**

III. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED INCOME STATEMENT

a) Information on interest income:

1. Information on interest income on loans (*) :

	Current Period 31 March 2015		Prior Period 31 March 2014	
	TL	FC	TL	FC
Short-term Loans	916.840	35.113	789.121	31.212
Medium and Long-term Loans	1.389.109	513.213	1.164.709	463.271
Interest on Loans Under Follow-Up	8.216	-	10.856	-
Premiums Received from the Resource Utilization Support Fund	-	-	-	-
Total	**2.314.165**	**548.326**	**1.964.686**	**494.483**

(*) Fee and commission income from cash loans are included.

2. Information on interest income on banks:

	Current Period 31 March 2015		Prior Period 31 March 2014	
	TL	FC	TL	FC
From the CBRT	2.856	-	-	-
From Domestic Banks	9.879	938	6.912	319
From Foreign Banks	-	872	-	1.235
From Headquarters and Branches Abroad	-	-	-	-
Total	**12.735**	**1.810**	**6.912**	**1.554**

3. Information on interest income on marketable securities:

	Current Period 31 March 2015		Prior Period 31 March 2014	
	TL	FC	TL	FC
From Trading Financial Assets	1.705	44	1.967	47
From Financial Assets at Fair Value through Profit or Loss	-	-	-	-
From Available-for-sale Financial Assets	368.170	184.040	658.518	129.400
From Held-to-maturity Investments	101.819	75.424	134.253	43.747
Total	**471.694**	**259.508**	**794.738**	**173.194**

As stated in Section Three disclosure VII, the Bank has inflation indexed (CPI) government bonds in its available-for-sale and held-to-maturity portfolios with semi-annual fixed real coupon rates and a maturity of 5 to 10 years.
As disclosed in 'Inflation Indexed Bonds Manual' published by Turkish Treasury, reference index used for the actual payments is determined based on the inflation rates of two months before. The Bank determines the estimated inflation rates in line with this. In this context, as of 31 March 2015, valuation of such assets is made according to estimated annual inflation rate of 7.00 %. If valuation of these securities indexed to the CPI had been done by the reference index valid through 31 March 2015, the Bank's equity securities valuation differences would increase by TL 55 million, net profit would decrease by TL 80 million and be TL 705 million.

4. Information on interest income received from associates and subsidiaries: None.

b) Information on interest expense:

1. Information of interest expense on borrowings (*) :

	Current Period 31 March 2015		Prior Period 31 March 2014	
	TL	FC	TL	FC
Banks	8.684	79.748	14.149	82.676
The CBRT	-	-	-	-
Domestic Banks	5.908	471	10.829	2.536
Foreign Banks	2.776	79.277	3.320	80.140
Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	2.856	-	681
Total	**8.684**	**82.604**	**14.149**	**83.357**

(*) Fee and commission expense from cash loans are included.

2. Information on interest expense given to associates and subsidiaries: None.

3. Information on interest expense given to securities issued :

	Current Period 31 March 2015		Prior Period 31 March 2014	
	TL	FC	TL	FC
Interest expense on securities issued	77.372	91.115	70.526	70.209

4. Maturity structure of the interest expense on deposits :

There are no seven-day notification deposits.

		Time Deposits					
Current Period-31.03.2015	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 Year and Over	Total
TL							
Bank Deposits	10	5.141	29.178	1.244	1.379	311	**37.263**
Saving Deposits	-	261.436	482.481	15.605	12.435	14.248	**786.205**
Public Sector Deposits	-	391	1.442	1.229	45	74	**3.181**
Commercial Deposits	-	131.252	123.144	23.021	10.665	1.716	**289.798**
Other Deposits	1	5.731	38.025	4.300	22.730	3.997	**74.784**
Total	**11**	**403.951**	**674.270**	**45.399**	**47.254**	**20.346**	**1.191.231**
FC							
Foreign Currency Deposits	1.646	50.880	44.921	10.344	23.086	47.529	**178.406**
Bank Deposits	-	3.951	20.615	10.534	2.276	3	**37.379**
Precious Metals Deposits	-	-	5	-	95	5	**105**
Total	**1.646**	**54.831**	**65.541**	**20.878**	**25.457**	**47.537**	**215.890**
Grand Total	**1.657**	**458.782**	**739.811**	**66.277**	**72.711**	**67.883**	**1.407.121**

		Time Deposits					
Prior Period – 31.03.2014	**Demand Deposit**	**Up to 1 Month**	**Up to 3 Months**	**Up to 6 Months**	**Up to 1 Year**	**1 Year and Over**	**Total**
TL							
Bank Deposits	21	5.107	44.184	4.154	1.482	70	**55.018**
Saving Deposits	-	152.289	442.512	18.654	10.039	19.011	**642.505**
Public Sector Deposits	-	162	2.605	286	54	81	**3.188**
Commercial Deposits	-	112.381	97.469	8.250	1.502	1.308	**220.910**
Other Deposits	1	5.627	40.933	9.875	3.514	1.390	**61.340**
Total	22	275.566	627.703	41.219	16.591	21.860	**982.961**
FC							
Foreign Currency Deposits	3.250	52.001	91.181	25.204	26.991	45.562	**244.189**
Bank Deposits	-	3.230	20.072	7.564	2.028	5	**32.899**
Precious Metals Deposits	-	-	-	-	47	2	**49**
Total	3.250	55.231	111.253	32.768	29.066	45.569	**277.137**
Grand Total	**3.272**	**330.797**	**738.956**	**73.987**	**45.657**	**67.429**	**1.260.098**

c. Information on trading profit/loss(Net):

	Current Period 31 March 2015	**Prior Period 31 March 2014**
Profit	**1.322.545.185**	**482.466.861**
Income From Capital Market Transactions	333.886	144.193
Income From Derivative Financial Transactions (*)	1.898.587	2.814.063
Foreign Exchange Gains	1.320.312.712	479.508.605
Loss (-)	**1.322.461.855**	**482.697.562**
Loss from Capital Market Transactions	167.058	171.369
Loss from Derivative Financial Transactions (*)	1.752.803	3.549.639
Foreign Exchange Loss	1.320.541.994	478.976.554
Total (Net)	**83.330**	**(230.701)**

(*) The net profit resulting from the foreign exchange differences related to derivative financial transactions is TL 410.804 (31 March 2014: TL (-) 557.344.)

d. Explanations on other operating income:

"Other Operating Income" in the Income Statement mainly includes collections from receivables for which provisions have been provided in prior periods and the sale of non-performing loans portfolio.

e. Provision expenses related to loans and other receivables of the Group:

	Current Period 31 March 2015	Prior Period 31 March 2014
Specific Provisions for Loans and Other Receivables	482.565	380.871
III. Group Loans and Receivables	437.060	343.712
IV. Group Loans and Receivables	35.403	32.908
V.Group Loans and Receivables	10.102	4.251
General Provision Expenses	122.000	77.672
Provision Expense for Possible Risks	-	-
Marketable Securities Impairment Expense	31.583	26.781
Financial Assets at Fair Value through Profit or Loss	18	24
Available-for-sale Financial Assets	31.565	26.757
Investments in Associates, Subsidiaries and Held-to-maturity Securities Value Decrease	34.864	3.585
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Held-to-maturity Investments	34.864	3.585
Other	3.716	3.976
Total	**674.728**	**492.885**

f. Information related to other operating expenses:

	Current Period 31 March 2015	Prior Period 31 March 2014
Personnel Expenses	428.798	365.873
Reserve for Employee Termination Benefits	1.483	1.755
Bank Social Aid Provision Fund Deficit Provision	-	-
Impairment Expenses of Fixed Assets	-	-
Depreciation Expenses of Fixed Assets	37.205	32.986
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expenses	-	-
Amortization Expenses of Intangible Assets	19.664	14.913
Impairment Expenses of Equity Participations for which Equity Method is Applied	-	-
Impairment Expenses of Assets Held for Resale	10	-
Depreciation Expenses of Assets Held for Resale	301	288
Impairment Expenses of Fixed Assets Held for Sale	-	-
Other Operating Expenses	370.961	340.480
Operational Leasing Expenses	41.522	39.219
Maintenance Expenses	5.259	3.748
Advertisement Expenses	28.544	16.190
Other Expenses (*)	295.636	281.323
Loss on Sales of Assets	83	73
Other	214.424	128.320
Total	**1.072.929**	**884.688**

g. Information on income/loss from minority interest:

	Current Period 31 March 2015	Prior Period 31 March 2014
Income/(loss) from minority interest	3	1

h. Information on tax provision of continued and discontinued operations:

As of 31 March 2015, the Group has a current tax expense of TL 171.665 and deferred tax income of TL 60.941. The amount of deferred tax income that occurred due to the temporary differences is TL 18.431 and deferred tax expense is TL 64.658; the amounts of deferred tax income occurred due to the closing of temporary differences is TL 4.522 and deferred tax expense is TL 19.236 respectively.

The Group has no discontinued operations.

i. Explanation current period net profit and loss:

1. Explanation on the quality, amount and frequency of the figures of the income and expense stemming from ordinary banking operations, if necessary to understand the performance of the Group for the current period: None.
2. Explanation on the changes in the estimations regarding the figures on the financial statements, if there exists a possibility that the profit and loss for the current or the following periods will be impacted: None.

j. Other figures on profit and loss statement:

Other Fee and Commission Income" in the Income Statement mainly consists of commissions received from credit card, money transfer and insurance transactions

IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED OFF-BALANCE SHEET ACCOUNTS

Explanations on off-balance sheet commitments:

1. Type and amount of irrevocable commitments: TL 11.078.708 asset purchase commitments (31 December 2014: TL 9.727.241), TL 20.979.762 commitment for credit card limits (31 December 2014: TL 21.109.490) and TL 5.741.991 commitments for cheque books (31 December 2014: TL 5.409.062).

2. Type and amount of probable losses and obligations arising from off-balance sheet items:

   The Group has no probable losses arising from off-balance sheet items. Obligations arising from the off-balance sheet are disclosed in "Off-balance sheet commitments".

   2 (i). Non-cash loans including guarantees, bank acceptances, collaterals and others that are accepted as financial commitments and other letter of credits:

	Current Period 31 March 2015	Prior Period 31 December 2014
Bank Acceptance Loans	1.557.916	1.130.533
Letters of Credit	5.210.645	5.463.720
Other Commitments and Contingencies	2.948.917	3.286.394
Total	**9.717.478**	**9.880.647**

   2 (ii). Revocable, irrevocable guarantees and other similar commitments and contingencies:

	Current Period 31 March 2014	Prior Period 31 December 2014
Revocable Letters of Guarantee	483.697	513.423
Irrevocable Letters of Guarantee	12.322.841	11.414.007
Letters of Guarantee Given in Advance	2.384.594	2.334.608
Guarantees Given to Customs	3.711.655	4.119.296
Other Letters of Guarantee	4.188.913	3.981.482
Total	**23.091.700**	**22.362.816**

3. Information on non-cash loans:

   3 (i). Total amount of non-cash loans:

	Current Period 31 March 2015	Prior Period 31 December 2014
Non-cash Loans Given against Cash Loans	3.096.326	3.347.008
With Original Maturity of 1 Year or Less Than 1 Year	1.463.747	1.710.716
With Original Maturity of More Than 1 Year	1.632.579	1.636.292
Other Non-cash Loans	29.712.852	28.896.455
Total	**32.809.178**	**32.243.463**

4. Mutual Funds :

   As of 31 March 2015, the Group is the founder of 36 mutual funds (31 December 2014: 44 mutual funds) with an unaudited total fund value of TL 3.241.847 (31 December 2014: TL 3.233.211). The shares of the mutual funds established in accordance with the Capital Markets Board legislation are kept dematerialized by Istanbul Settlement and Custody Bank, Inc.

V. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED STATEMENT OF CASH FLOW

Information on cash and cash equivalents:

Components of cash and cash equivalents and the accounting policy applied in their determination:

Cash and foreign currency together with demand deposits at banks including the CBRT are defined as "Cash"; Interbank money market and time deposits in banks with original maturities less than three months are defined as "Cash equivalents".

1. Cash and cash equivalents at the beginning of the period:

	Current Period 31 March 2015	Prior Period 31 March 2014
Cash	**2.247.086**	**2.600.510**
Cash, Foreign Currency and Other	1.478.809	1.531.782
Demand Deposits in Banks (*)	768.277	1.068.728
Cash Equivalents	**3.098.443**	**2.332.774**
Interbank Money Market Placements	700.000	-
Time Deposits in Banks	1.512.927	1.810.690
Marketable Securities	885.516	522.084
Total Cash and Cash Equivalents	**5.345.529**	**4.933.284**

(*) The restricted demand accounts are not included.

2. Cash and cash equivalents at the end of period:

	Current Period 31 March 2015	Prior Period 31 March 2014
Cash	**2.473.005**	**1.966.990**
Cash, Foreign Currency and Other	1.469.244	1.264.824
Demand Deposits in Banks (*)	1.003.761	702.166
Cash Equivalents	**7.119.299**	**3.423.383**
Interbank Money Market Placements	4.850.000	1.000.000
Time Deposits in Banks	1.998.830	1.392.937
Marketable Securities	270.469	1.030.446
Total Cash and Cash Equivalents	**9.592.304**	**5.390.373**

(*) The restricted demand accounts are not included.

VI. EXPLANATIONS AND NOTES RELATED TO GROUP'S RISK GROUP

Information on the volume of transactions relating to the Group's risk group, outstanding loan and deposit transactions and profit and loss of the period:

1.Current Period – 31 March 2015:

Group's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Group		Other Real and Legal Persons that have been 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	-	-	2.464.548	1.986.485	-	-
Balance at the End of the Period	-	-	2.320.329	2.003.012	-	-
Interest and Commission Income Received	-	-	60.228	924	-	-

2. Prior Period -31 December 2014:

Group's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Group		Other Real and Legal Persons that have been 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	-	-	2.368.097	2.414.017	-	-
Balance at the End of the Period	-	-	2.464.548	1.986.485	-	-
Interest and Commission Income Received(*)	-	-	41.235	296	-	-

. (*) Represents 31 March 2014 values.

3. Information on deposits of the Group's risk group:

Group's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Group		Other Real and Legal Persons that have been included in the Risk Group	
Deposit	Current Period 31 March 2015	Prior Period 31 December 2014	Current Period 31 March 2015	Prior Period 31 December 2014	Current Period 31 March 2015	Prior Period 31 December 2014
Balance at the Beginning of the Period	-	-	1.337.174	1.809.565	2.115.511	1.995.056
Balance at the End of the Period	-	-	1.814.990	1.337.174	2.249.886	2.115.511
Interest on Deposits(*)	-	-	35.536	36.778	28.849	29.119

(*) Prior period balances represent 31 March 2014 amounts.

4. Information on forward and option agreements and other similar agreements made with the Group's risk group:

Group's risk group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Group		Other Real and Legal Persons that have been included in the Risk Group	
	Current Period 31 March 2015	Prior Period 31 December 2014	Current Period 31 March 2015	Prior Period 31 December 2014	Current Period 31 March 2015	Prior Period 31 December 2014
Transactions at Fair Value Through Profit or Loss						
Beginning of the Period	-	-	2.364.278	2.626.534	-	-
Balance at the End of the Period	-	-	3.241.494	2.364.278	-	-
Total Income/Loss(*)	-	-	8.470	(3.181)	-	-
Transactions for Hedging Purposes						
Beginning of the Period	-	-	-	-	-	-
Balance at the End of the Period	-	-	-	-	-	-
Total Income/Loss(*)	-	-	-	-	-	-

(*)Prior period balances represent 31 March 2014 amounts.

Figures presented in the table above show the total of "sale" and "purchase" amounts of the related transactions. Accordingly, as a result of the nature of these transactions, the difference between the "sale" and "purchase" transactions affects the net exposure of the Group. As of 31 March 2015, the net exposure for direct and indirect shareholders of the Group is TL 13.084 (31 December 2014: TL 1.184).

5. Information regarding benefits provided to the Group's key management:

As of 31 March 2015 benefits provided to the Group's key management amount to TL 6.473 (31 March 2014: TL 6.999).

VII. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS

As of 10 April 2015, the Parent Bank's subsidiary Ak Finansal Kiralama A.Ş has increased its paid-in capital through rights issues by TL 60.000, from TL 188.400 to 248.400.

SECTION SIX
OTHER EXPLANATIONS

I. OTHER EXPLANATIONS

None.

SECTION SEVEN
EXPLANATIONS ON AUDITOR'S REVIEW REPORT

I. EXPLANATIONS ON AUDITOR'S REVIEW REPORT

The consolidated financial statements for the period ended 31 March 2015 have been reviewed by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member firm of Ernst&Young Global Limited). The auditor's review report dated 24 April 2015 is presented preceding the consolidated financial statements.

II. EXPLANATIONS AND NOTES PREPARED BY INDEPENDENT AUDITORS

None.