IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER: (a) PURCHASING IN OFFSHORE TRANSACTIONS AND NOT U.S. PERSONS (EACH AS DEFINED IN REGULATION S) OR (b) QIBS (AS DEFINED BELOW)

IMPORTANT: You must read the following before continuing. The following applies to the attached Prospectus (the "**Prospectus**"), and you are therefore advised to read this carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from (or on behalf of) the issuer as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OF AMERICA (WITH ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA, COLLECTIVELY THE "**UNITED STATES**") OR ANY OTHER JURISDICTION TO THE EXTENT THAT IT IS UNLAWFUL TO DO SO. THE SECURITIES DESCRIBED HEREIN HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER UNITED STATES JURISDICTION AND SUCH SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**")) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS."

THE ATTACHED PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, THEN YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

Confirmation of your Representation: In order to be eligible to view the Prospectus or make an investment decision with respect to the securities described therein, prospective investors must be either: (a) purchasing in offshore transactions and not U.S. persons (each as defined in Regulation S) or (b) qualified institutional buyers within the meaning of Rule 144A under the Securities Act ("**QIBs**"). The Prospectus is being sent at your request and by accepting this electronic distribution and accessing the Prospectus, you will be deemed to have represented to the issuer that: (i) you and any customers you represent in connection herewith are either: (A) purchasing in offshore transactions and not U.S. persons and, if applicable, that the electronic mail address to which this electronic transmission has been delivered is not located in the United States or (B) QIBs, (ii) you consent to delivery of the Prospectus by electronic transmission and (iii) you have understood and agree to the terms set out herein.

You are reminded that the Prospectus has been delivered to you on the basis that you are a person into whose possession the Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver or disclose the contents of the Prospectus to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place to the extent that offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and an underwriter or any affiliate of an underwriter is a licensed broker or dealer in that jurisdiction, then the offering will be deemed to be made by such underwriter or such affiliate on behalf of the issuer in such jurisdiction.

The Prospectus has been provided to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and, consequently, none of Barclays Bank PLC, Citigroup Global Markets Limited, Goldman Sachs International, ING Bank N.V., London Branch, Mizuho Securities USA Inc. and Standard Chartered Bank (the "**Joint Lead Managers**"), the issuer or any person who controls any of them, nor any director, officer, employee, counsel nor agent of any of them or any affiliate of any such person, accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you on request from any of the Joint Lead Managers.

You are responsible for protecting against viruses and other destructive items. Your use of this electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

The Prospectus is being distributed only to and directed only at: (a) persons who are outside the United Kingdom, (b) persons in the United Kingdom who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or (c) those persons in the United Kingdom to whom it may otherwise lawfully be distributed (all such persons together being referred to as "**relevant persons**"). In the United Kingdom, the Prospectus is directed only at relevant persons and must not be acted on or relied upon by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which the Prospectus relates is available only to relevant persons and will be engaged in only with relevant persons.

The Prospectus is being distributed only to and directed at real persons and legal entities domiciled outside of Turkey.

AKBANK T.A.Ş.

Issue of U.S.$500,000,000 4.000 per cent. Notes due 2020

under its U.S.$3,500,000,000 Global Medium Term Note Programme

Issue price: 99.664 per cent.

The U.S.$500,000,000 4.000 per cent. Notes due 2020 (the "**Notes**") are being issued by Akbank T.A.Ş., a banking institution organised as a joint stock company under the laws of Turkey and registered with the Istanbul Trade Registry under number 90418 (the "**Bank**" or the "**Issuer**") under its U.S.$3,500,000,000 Global Medium Term Note Programme (the "**Programme**"). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed U.S.$3,000,000,000 in respect of Akbank (or its equivalent in other currencies calculated as described in the Base Prospectus as defined below).

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or any U.S. State securities laws and are being offered: (a) for sale to qualified institutional buyers only (each a "**QIB**") as defined in, and in reliance upon, Rule 144A under the Securities Act ("**Rule 144A**") and (b) for sale to non-U.S. persons outside the United States in reliance upon Regulation S under the Securities Act ("**Regulation S**"). For a description of certain restrictions on sale and transfer of investments in the Notes, see "*Subscription and Sale"* in the Base Prospectus (as defined under "*Documents Incorporated by Reference*" below) and "*Plan of Distribution*" and "*Transfer Restrictions*" below.

AN INVESTMENT IN THE NOTES INVOLVES CERTAIN RISKS. SEE "*RISK FACTORS*" HEREIN.

The Notes will bear interest from (and including) 23 January 2015 (the "**Issue Date**") to (but excluding) 24 January 2020 (the "**Maturity Date**") at a fixed rate of 4.000 per cent. per annum. Interest will be payable in arrear on the 24th day of each January and July in each year (each an "**Interest Payment Date**") up to (and including) the Maturity Date; *provided that* if any such date is not a Payment Day (as defined in Condition 7.6) then such payment will be made on the next Payment Day. Principal of the Notes is scheduled to be paid on 24 January 2020, but may be paid earlier under certain circumstances described herein. The Notes initially will be sold to investors at a price equal to 99.664 per cent. of the principal amount thereof. For a more detailed description of the Notes, see "*Terms and Conditions of the Notes*" herein. This Prospectus has been approved by the Central Bank of Ireland as competent authority under Directive 2003/71/EC as amended (including the amendments made by Directive 2010/73/EU) (the "**Prospectus Directive**"). The Central Bank of Ireland only approves this Prospectus as meeting the requirements imposed under Irish and European Union ("**EU**") law pursuant to the Prospectus Directive. Such approval relates only to the Notes that are to be admitted to trading on the regulated market of the Irish Stock Exchange (the "**Main Securities Market**") or on another regulated market for the purposes of Directive 2004/39/EC and/or that are to be offered to the public in any member state of the European Economic Area. Application has been made to the Irish Stock Exchange for the Notes to be admitted to its official list (the "**Official List**") and trading on the Main Securities Market. References in this Prospectus to the Notes being "**listed**" (and all related references) shall mean that the Notes have been admitted to the Official List and trading on the Main Securities Market.

Application has been made to the Capital Markets Board of Turkey (the "**CMB**"), in its capacity as competent authority under Law No. 6362 (the "**Capital Markets Law**") of the Republic of Turkey ("**Turkey**") relating to capital markets, for the issuance and sale of the Notes by the Bank outside of Turkey. The Notes cannot be sold before the necessary approvals and an approved issuance certificate in respect of the Notes are obtained from the CMB. The CMB approval relating to the issuance of Notes based upon which the offering of the Notes will be conducted was obtained on 16 December 2014 in the meeting of CMB and numbered 35/1203 (the "**CMB Approval**"), and the approved tranche issuance certificate (*tertip ihraç belgesi*) bearing the approval of the CMB relating to the Notes is expected to be obtained from the CMB on or before 23 January 2015.

The Notes are expected to be rated at issuance BBB- by Fitch Ratings Ltd. ("**Fitch**") and Baa3 by Moody's Investors Service Limited ("**Moody's**" and, together with Fitch and Standard & Poor's Credit Market Services Europe Limited, the "**Rating Agencies**"). Each of the Rating Agencies is established in the EU and is registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**"). As such, each of the Rating Agencies is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Notes are being offered under Rule 144A and Regulation S by each of Barclays Bank PLC, Citigroup Global Markets Limited, Goldman Sachs International, ING Bank N.V., London Branch, Mizuho Securities USA Inc. and Standard Chartered Bank (each a "**Joint Lead Manager**" and, collectively, the "**Joint Lead Managers**"), subject to their acceptance and right to reject orders in whole or in part. The Notes will initially be represented by global notes in registered form (the "**Global Notes**"), one of which will be issued in respect of the Notes ("**Rule 144A Notes**") offered and sold in reliance on Rule 144A (the "**Rule 144A Global Note**") and will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("**DTC**"), and the other of which will be issued in respect of the Notes ("**Regulation S Notes**") offered and sold in reliance on Regulation S (the "**Regulation S Global Note**") and will be registered in the name of a nominee for a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"). It is expected that delivery of the Global Notes will be made in book-entry form against payment therefor in immediately available funds on 23 January 2015 (i.e., the fifth Business Day following the date of pricing of the Notes (such date being referred to herein as the "**Issue Date**" and such settlement cycle being referred to as "**T+5**")).

Joint Lead Managers

Barclays	**Citigroup**	**Goldman Sachs International**
ING	**Mizuho Securities**	**Standard Chartered Bank**

The date of this Prospectus is 19 January 2015.

This Prospectus comprises a prospectus for the purposes of the Prospectus Directive. This document does not constitute a prospectus for the purpose of Section 12(a)(2) of, or any other provision of or rule under, the Securities Act.

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*"). This Prospectus shall be read and construed on the basis that such documents are incorporated in, and form part of, this Prospectus.

The Issuer, having made all reasonable enquiries, confirms that: (a) this Prospectus (including the information incorporated herein by reference) contains all information that in its view is material in the context of the issuance and offering of the Notes (or beneficial interests therein), (b) the information contained or incorporated by reference in this Prospectus is true and accurate in all material respects and is not misleading, (c) any opinions, predictions or intentions expressed in this Prospectus (or any of the documents incorporated herein by reference) on the part of the Issuer are honestly held or made by the Issuer and are not misleading in any material respects, and there are no other facts the omission of which would make this Prospectus or any of such information or the expression of any such opinions, predictions or intentions misleading in any material respect, and (d) all reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements.

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

To the fullest extent permitted by law, none of the Joint Lead Managers accepts any responsibility for the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer in connection with the Notes or for any statement consistent with this Prospectus made, or purported to be made, by a Joint Lead Manager or on its behalf in connection with the Notes. Each Joint Lead Manager accordingly disclaims all and any liability that it might otherwise have (whether in tort, contract or otherwise) in respect of the accuracy or completeness of any such information or statements.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Joint Lead Managers.

Neither this Prospectus nor any other information supplied in connection with the Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer or any of the Joint Lead Managers that any recipient of this Prospectus or any other information supplied in connection with the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should determine for itself the relevance of the information contained or incorporated in this Prospectus and make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer based upon such investigation as it deems necessary. Neither this Prospectus nor any other information supplied in connection with the Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Joint Lead Managers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Prospectus nor the offering, sale or delivery of the Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Joint Lead Managers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Notes or to advise any investor in the Notes of any information coming to their attention.

The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Joint Lead Managers do not represent that this Prospectus may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer which is intended to permit a public offering of the Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither (i) this Prospectus nor (ii) any advertisement or other offering material, may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom) and the Republic of Turkey, see "*Subscription and Sale* " in the Base Prospectus.

In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Notes, including the merits and risks involved. The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States and, other than the approvals of the CMB and the Central Bank of Ireland described herein, have not been approved or disapproved by any other securities commission or other regulatory authority in any other jurisdiction, nor has any such authority (other than the Central Bank of Ireland to the extent described herein) approved this Prospectus or confirmed the accuracy or determined the adequacy of the information contained in this Prospectus. Any representation to the contrary is unlawful.

None of the Joint Lead Managers or the Issuer makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

(a) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus;

(b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;

(d) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and

(e) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or to review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

GENERAL INFORMATION

The Notes have not been and will not be registered under the Securities Act or under the securities or "blue sky" laws of any state of the United States or any other U.S. jurisdiction. Each investor, by purchasing a Note (or a beneficial interest therein), agrees that the Notes (or beneficial interests therein) may be reoffered, resold, pledged or otherwise transferred only upon registration under the Securities Act or pursuant to the exemptions from the registration requirements thereof described under "*Transfer Restrictions*" below. Each investor also will be deemed to have made certain representations and agreements as described therein. Any resale or other transfer, or attempted resale or other attempted transfer, of the Notes (or a beneficial interest therein) that is not made in accordance with the transfer restrictions may subject the transferor and transferee to certain liabilities under applicable securities laws.

The Issuer has obtained the CMB Approval and the Banking Regulation and Supervision Agency approval (the "**BRSA Approval**" and, together with the CMB Approval, the "**Approvals**") (dated 31 October 2013 and numbered 20008792.23-2-27-038) required for the issuance of the Notes. In addition to the Approvals, a tranche issuance certificate (*tertip ihraç belgesi*) in respect of the Notes is required to be obtained from the CMB by the Issuer on or before the Issue Date. Pursuant to the Approvals, the offer, sale and issue of Notes has been authorised and approved in accordance with Decree 32 on the Protection of the Value of the Turkish Currency (as amended from time to time, "**Decree 32**"), the Banking Law No. 5411 (the "**Banking Law**") and its related legislation, the Capital Markets Law and Communiqué II-31.1 on Debt Instruments (the "**Communiqué on Debt Instruments**") and its related regulation. The tranche issuance certificate from the CMB relating to the approval of the issue of the Notes is expected to be obtained on or before the Issue Date.

In addition, the Notes (or beneficial interests therein) may only be offered or sold outside of Turkey in accordance with the Approvals. Under the CMB Approval, the CMB has authorised the offering, sale and issue of any Notes on the condition that no sale or offering of Notes (or beneficial interests therein) may be made in Turkey. Notwithstanding the foregoing, pursuant to the BRSA decision dated 6 May 2010 No. 3665 and in accordance with Decree 32, residents of Turkey: (a) may purchase or sell Notes denominated in a currency other than Turkish Lira (or beneficial interests therein) offshore on an unsolicited (reverse inquiry) basis in the secondary markets only; and (b) may purchase or sell Notes denominated in Turkish Lira (or beneficial interests therein) offshore on an unsolicited (reverse inquiry) basis in both the primary and secondary markets; provided that such purchase or sale is made through licensed banks or licensed brokerage institutions authorised pursuant to BRSA and/or CMB regulations and the purchase price is transferred through licensed banks authorised under BRSA regulations. As such, Turkish residents should use licensed banks or licensed brokerage institutions while purchasing the Notes (or beneficial interests therein) and transfer the purchase price through licensed banks authorised under BRSA regulations. For more information, see "*Subscription and Sale* " in the Base Prospectus. Monies paid for purchases of Notes are not protected by the insurance coverage provided by the Savings Deposit Insurance Fund (the "**SDIF**").

The Regulation S Global Note will be deposited on or about the Issue Date with a common depositary (the "**Common Depositary**") for Euroclear and Clearstream, Luxembourg, and will be registered in the name of a nominee for the Common Depositary. Except as described in this Prospectus, beneficial interests in the Regulation S Global Note will be represented through accounts of financial institutions acting on behalf of beneficial owners as direct and indirect accountholders in Euroclear and Clearstream, Luxembourg. The Rule 144A Global Note will be deposited on or about the Issue Date with The Bank of New York Mellon, New York Branch, in its capacity as custodian (the "**Custodian**") and will be registered in the name of Cede & Co. as nominee for DTC. Except as described in this Prospectus, beneficial interests in the Rule 144A Global Note will be represented through accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC.

In connection with the issue of the Notes, Citigroup Global Markets Limited (the "**Stabilising Manager**") (or persons acting on behalf of the Stabilising Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail; however, there is no assurance that the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake any stabilisation action. Any stabilisation action or over-allotment may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Issue Date and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules. Notwithstanding anything herein to the contrary, the Bank may not (whether through over-allotment or otherwise) issue more Notes than have been approved by the CMB.

In this Prospectus, "**Bank**" or "**Issuer**" means Akbank T.A.Ş. on a standalone basis, "**Akbank Group**" means the Bank and its consolidated subsidiaries.

In this Prospectus, all references to:

- "**Turkish Lira**" and "**TL**" refer to the lawful currency for the time being of the Republic of Turkey;
- "**euro**" and "**€**" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended; and
- "**U.S. Dollars**", "**U.S.$**" and "**$**" refer to United States dollars.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER CHAPTER 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are "restricted securities" within the meaning of the Securities Act, the Issuer has undertaken in a deed poll dated 10 September 2014 (the "**Deed Poll**") to furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to a prospective purchaser designated by him, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, any of the Notes to be transferred remain outstanding as "restricted securities" within the meaning of Rule 144(a)(3) of the Securities Act and the Issuer is neither a reporting company under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, (the "**Exchange Act**") nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

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RISK FACTORS

Prospective investors in the Notes should consider carefully the information contained in this Prospectus and the documents which are incorporated herein by reference and in particular should consider all the risks inherent in making such an investment, including the information under the heading "*Risk Factors*" on pages 10 to 54 (inclusive) of the Base Prospectus (the "**Programme Risk Factors**"), before making a decision to invest. In investing in the Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified in the Programme Risk Factors a number of factors which could materially adversely affect its business and ability to make payments due under the Notes. In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described in the Programme Risk Factors.

In addition, for purposes of the Notes the Programme Risk Factors shall be deemed to be revised as follows (with corresponding changes deemed to be made elsewhere in the Base Prospectus):

a) The last sentence of the second paragraph of the risk factor entitled "*Risk Factors – General Risks – Risks Related to Turkey and Other Related Risks – Economic instability in Turkey could have a material adverse effect on the relevant Issuer's business, financial condition, results of operations and prospects.*" in the Base Prospectus is hereby deleted in its entirety and replaced by the following:

   In addition, Turkey's GDP grew by 4.3% in the first quarter of 2014 and grew by 2.1% in the second quarter of 2014.

b) The last paragraph of the risk factor entitled "*Risk Factors – General Risks – Risks Related to Turkey and Other Related Risks – Political developments in Turkey may have a material adverse effect on the relevant Issuer's business, financial condition, results of operations and prospects.*" in the Base Prospectus is hereby deleted in its entirety and replaced by the following:

   Following the local elections, the former Prime Minister Recep Tayyip Erdoğan announced his candidacy to run for the presidency, which he won with approximately 52% of the vote. The former minister of foreign affairs, Ahmet Davutoğlu, was elected as the prime minister on 27 August 2014. There can be no assurance that the political environment will not deteriorate in anticipation of the general elections scheduled for the beginning of 2015. Any significant changes in the government or political environment, including the failure of the Turkish Government to devise or implement required or appropriate economic or social programmes, may adversely affect the stability of the Turkish economy and, in turn, the relevant Issuer's business, financial condition, results of operations and prospects.

c) The third paragraph of the risk factor entitled "*Risk Factors – General Risks – Risks Related to Turkey and Other Related Risks – Conflict and terrorism in Turkey or conflict and terrorism in neighbouring and nearby countries may have a material adverse effect on the relevant Issuer's business, financial condition, results of operations and prospects.*" in the Base Prospectus is hereby deleted in its entirety and replaced by the following:

   In addition, there have been recent military and civilian hostilities in both directions across the Syrian-Turkish border, and representatives of each country have made statements that do not rule out escalated military conflict. As a result of the unrest in Syria, thousands of Syrian refugees have fled to Turkey and more are expected to cross the Turkish-Syrian border if the unrest in Syria escalates.

Further, due to Islamic State's (ISIS) capture of several Syrian villages in September 2014, thousands of refugees crossed into Turkey, fearing an ISIS takeover of the region. In August and September 2014, a US-led coalition began an anti-ISIS aerial campaign in northern Iraq and Syria. In October 2014, nineteen people were killed in southeast Turkey during the protests against the government for not taking any cross-border action against the ISIS. In addition, in early October 2012, Turkish territory was hit by shells launched from Syria, some of which killed Turkish civilians. On 4 October 2012, the Turkish Parliament authorized the government for one year to send and assign military forces in foreign countries should such action be considered appropriate by the government. On 3 October 2013, the authorisation was extended for one year and was subsequently extended for another year on 2 October 2014. The situation in Iraq and Syria remains tense and may have significant and unpredictable effects on Turkey's domestic conditions and economy as well as its international security. On 1 February 2013, a suicide bomber attacked the U.S. Embassy in Ankara killing himself and others.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Prospectus and have been filed with the Central Bank of Ireland shall be incorporated in, and form part of, this Prospectus:

(a) the sections of the Base Prospectus (the "**Base Prospectus**") of the Bank dated 10 September 2014 relating to the Bank's U.S.$3,500,000,000 Global Medium Term Note Programme, entitled as set out in the table below:

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(b) the convenience translation into English of Akbank's audited consolidated statutory financial statements and related notes hereto for the financial year ended December 2013 (the "**Akbank 2013 BRSA Annual Financial Statements**") (including Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.C., a member of Ernst & Young Global Limited ("**EY**"), audit report dated 5 February 2014 issued in respect thereof);

(c) the convenience translation into English of Akbank's audited consolidated statutory financial statements and related notes hereto for the financial year ended December 2012 (the "**Akbank 2012 BRSA Annual Financial Statements**") (including EY's audit report dated 7 February 2013 issued in respect thereof); and

(d) the convenience translation into English of Akbank's unaudited interim consolidated financial statements and related notes hereto for the nine month period ended 30 September 2014 (including comparative data for the nine month period ended 30 September 2013 (the "**Akbank BRSA Interim Financial Statements**") (including EY's review report dated 23 October 2014 issued in respect thereof).

Both the Akbank BRSA Interim Financial Statements and their convenience translations into English are unaudited.

The Akbank BRSA Interim Financial Statements, the Akbank 2013 BRSA Annual Financial Statements and the Akbank 2012 BRSA Annual Financial Statements are collectively referred to as the "**Akbank BRSA Financial Statements**".

Copies of the documents listed above from (b) to (d), which are incorporated by reference in this Prospectus are available on the Bank's website at http://www.akbank.com/en-us/investor-relations/Pages/Financials.aspx (such website is not, and should not be deemed to, constitute a part of, or be incorporated into, this Prospectus). A copy of the Base Prospectus is available on the website of the Irish Stock Exchange (such website is not, and should not be deemed to, constitute a part of, or be incorporated into, this Prospectus). On issuance of the Notes, a copy of this Prospectus will be published on the website of the Irish Stock Exchange (www.ise.ie) and the website of the Central Bank of Ireland (www.centralbank.ie) (each of such websites is not, and should not be deemed to, constitute a part of, or be incorporated into, this Prospectus).

Following the publication of this Prospectus a supplement may be prepared by the Bank and approved by the Central Bank of Ireland in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Where only parts of a document are being incorporated by reference, the non-incorporated parts of that document are either not material for an investor in the Notes or are covered elsewhere in this Prospectus. Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

The financial statements incorporated by reference into this Prospectus, all of which are in English, were prepared as convenience translations of the Turkish language Financial Statements (which translations the Bank confirms were direct and accurate).

The Bank will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Prospectus which is capable of affecting the assessment of the Notes, prepare a supplement to this Prospectus in accordance with Article 16 of the Prospectus Directive.

OVERVIEW OF THE OFFERING

The following sets out certain information relating to the offering of the Notes, including the principal provisions of the terms and conditions thereof. The following is indicative only, does not purport to be complete and is qualified in its entirety by the more detailed information appearing elsewhere in this Prospectus and the Base Prospectus. See, in particular, "Terms and Conditions of the Notes."

Issue:	U.S.$500,000,000 4.000 per cent. Notes due 2020 issued under the U.S.$3,500,000,000 Global Medium Term Note Programme of the Bank.
Interest and Interest Payment Dates:	The Notes will bear interest from and including the Issue Date (i.e., 23 January 2015) at the rate of 4.000 per cent. per annum, payable semi-annually in arrear on each Interest Payment Date (i.e., 24 January and 24 July in each year); *provided that*, as described in Condition 7.6, if any such date is not a Payment Day, then such payment will be made on the next Payment Date. The first interest payment (representing a long first coupon) will be made on 24 July 2015.
Maturity Date:	Unless previously redeemed or purchased and cancelled as provided in the Conditions, the Notes will be redeemed by the Bank at their principal amount on 24 January 2020.
Use of Proceeds:	The net proceeds of the offering of the Notes will be applied by the Bank for its general corporate purposes.
Status:	The Notes will be direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Bank and (subject as provided above) will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Bank, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.
Negative Pledge:	Subject to certain exceptions, so long as any of the Notes remains outstanding, the Bank will not create or have outstanding any Security Interest (as defined in Condition 4) upon, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness (as defined in Condition 4), unless the Bank, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that: (a) all amounts payable by it under the Notes are secured by the Security Interest equally and rateably with the Relevant Indebtedness; (b) such Security is terminated or (c) such other Security Interest or other arrangement is provided as is approved by an Extraordinary Resolution of the Noteholders.

See "*Terms and Conditions of the Notes—Condition 4*" in the Base Prospectus.

Certain Covenants: The Bank will agree to certain covenants, including covenants limiting transactions with affiliates. See "*Terms and Conditions of the Notes—Condition 5*" in the Base Prospectus.

Taxation; Payment of Additional Amounts: All payments of principal and interest in respect of the Notes by or on behalf of the Bank will be made without withholding or deduction for, or on account of, any present or future taxes, duties, levies, assessments or governmental charges of whatever nature ("**Taxes**"), imposed or levied by or on behalf of any Relevant Jurisdiction (as defined in Condition 9.1) unless the withholding or deduction of the Taxes is required by law. In that event, the Bank will (subject to certain exceptions) pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in respect of the Notes in the absence of the withholding or deduction. See "*Taxation—Certain Turkish Tax Considerations*" and "*Terms and Conditions of the Notes—Condition 9*" in the Base Prospectus and "*U.S. Taxation*" herein.

Optional Redemption for Tax Reasons: The Notes may be redeemed at the option of the Bank in whole, but not in part, at any time at their principal amount (together with interest accrued to but excluding the date of redemption) if:

(a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction or any change in the application or official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after 23 January 2015, on the next Interest Payment Date, the Bank would be required to:

   (i) pay additional amounts as provided or referred to in Condition 9; and

   (ii) make any withholding or deduction for, or on account of, any Taxes imposed or levied by or on behalf of the Relevant Jurisdiction, at a rate in excess of the prevailing applicable rates on 23 January 2015; and

(b) such requirement cannot be avoided by the Bank taking reasonable measures available to it.

	See "*Terms and Conditions of the Notes—Condition 8*" in the Base Prospectus.
Events of Default:	The Notes will be subject to certain events of default, including (among others) non-payment, breach of obligations, cross-acceleration and certain bankruptcy and insolvency events. See "*Terms and Conditions of the Notes—Condition 11*" in the Base Prospectus.
Form, Transfer and Denominations:	Notes offered and sold in reliance upon Regulation S will be represented by beneficial interests in the Regulation S Global Note in registered form, without interest coupons attached, which will be deposited on or about the Issue Date with the Common Depositary and registered in the name of a nominee for the Common Depositary. Notes offered and sold in reliance upon Rule 144A will be represented by beneficial interests in the Rule 144A Global Note in registered form, without interest coupons attached, which will be deposited on or about the Issue Date with the Custodian and registered in the name of Cede & Co. as nominee for DTC. Except in limited circumstances, certificates for the Notes will not be issued to investors in exchange for beneficial interests in the Global Notes. Interests in the Global Notes will be subject to certain restrictions on transfer. See "*Transfer Restrictions*" below. Interests in the Regulation S Global Note will be represented in, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream, Luxembourg (or their respective direct or indirect participants, as applicable). Interests in the Rule 144A Global Note will be represented in, and transfers thereof will be effected only through, records maintained by DTC (or its direct or indirect participants, as applicable). Notes will be issued in denominations of U.S.$200,000 and integral multiples of U.S.$1,000 thereafter.
ERISA:	Subject to certain conditions, the Notes may be invested in by an "employee benefit plan" as defined in and subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), a "plan" as defined in and subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended (the "**Code**"), or any entity whose underlying assets include "plan assets" of any of the foregoing. See "*Certain Considerations for ERISA and other U.S. Employee Benefit Plans*" below.
Governing Law:	The Notes, the Agency Agreement, the Deed Poll and the Deed of Covenant will be governed by, and construed in accordance with, English law.

Listing:	An application has been made to the Irish Stock Exchange to admit the Notes to listing on the Official List and trading on the Main Securities Market; however, no assurance can be given that such application will be accepted.
Turkish Selling Restrictions:	The offer and sale of the Notes (or beneficial interests therein) are subject to restrictions in Turkey in accordance with applicable CMB and BRSA laws and regulations. See "*Subscription and Sale —Selling Restrictions—Turkey—Akbank*" in the Base Prospectus.
Other Selling Restrictions:	The Notes have not been and will not be registered under the Securities Act or any state securities laws and beneficial interests therein may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the Securities Act) except to QIBs in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The offer and sale of Notes (or beneficial interests therein) is also subject to restrictions in the European Economic Area (including the United Kingdom). See "*Subscription and Sale*" in the Base Prospectus.
Risk Factors:	There are certain factors that may affect the Bank's ability to fulfil its obligations under the Notes. These are set out under "*Risk Factors*" in the Base Prospectus and include risks relating to the Bank, its business, operations and shareholding, Turkey and the Turkish banking industry. In addition, there are certain factors which are material for the purpose of assessing the risks associated with the Notes. These are set out under "*Risk Factors*" in the Base Prospectus and include certain risks relating to the structure of the Notes and certain market risks. See "*Risk Factors*" herein.
Issue Price:	99.664 per cent. of the principal amount of the Notes.
Yield:	4.075 per cent. per annum.
Regulation S Notes Security Codes:	ISIN: XS1111101314 Common Code: 111110131
Rule 144A Notes Security Codes:	CUSIP: 00972BAA7 ISIN: US00972BAA70 Common Code: 117179923
Representation of Noteholders:	There will be no trustee.
Expected Ratings:	BBB- by Fitch and Baa3 by Moody's.

Fiscal Agent, Exchange Agent, Principal Paying and Transfer Agent:	Citibank, N.A., London Branch
Registrar:	Citigroup Global Markets Deutschland AG

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion contains an analysis of the consolidated results of operations of Akbank as at and for the nine months ended 30 September 2014 and 30 September 2013 and the years ended 31 December 2013, 2012 and 2011. The following discussion should be read in conjunction with the Akbank Annual BRSA Financial Statements and the Akbank Interim BRSA Financial Statements and reports and notes thereto incorporated by reference into the Prospectus. The Akbank Annual BRSA Financial Statements and the Akbank Interim BRSA Financial Statements of the Issuer have been prepared in accordance with BRSA Principles as described in "Presentation of Financial and Other Information" in the Base Prospectus incorporated by reference herein. Certain information herein is derived from unaudited management accounting records. This discussion includes forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in the forward-looking statements as a result of numerous factors, including the risks discussed in "Risk Factors" in the Base Prospectus.

Overview

Significant Factors Affecting Akbank's Results of Operations

Numerous factors affect Akbank's results of operations, some of which are outside of Akbank's control. The following identifies certain of such factors that have been significant during the periods under review.

Recent Developments

Akbank's management expects that its fourth quarter performance will generally be in line with its performance in the third quarter of 2014 as economic conditions somewhat stabilized in the second half of 2014 following political uncertainty and tightened monetary policy in Turkey during the first part of the year. This continued to support loan growth, asset quality and liquidity and capital generally in line with third quarter performance and trends.

Turkish Economic and Political Environment

Akbank operates primarily in Turkey. Accordingly, its results of operations and financial condition are and will continue to be significantly affected by Turkish political and economic factors, including the economic growth rate, the rate of inflation and fluctuations in exchange rates and interest rates.

The following table sets forth key Turkish economic indicators for the first nine months of 2014 and the years 2011 to 2013 (unless otherwise indicated).

		For the year ended 31 December		
	For the nine months ended 30 September 2014	*2013*	*2012*	*2011*
GDP *in billion Turkish Lira*	1,702.7	1,561.5	1,416.8	1,297.7
GDP *in billion U.S. Dollars*	799.8	820	785.7	774.0
GDP growth *(%)*	1.7	4.0	2.1	8.8
GDP per capita *in U.S. Dollars*	10,537[(1)]	10,782	10,459	10,428
Unemployment *(%)*	10.5	9.0	8.4	9.1
Central Bank policy rate *(year-end, %)*	8.25	7.75	9.0	5.75
Benchmark yield *(year-end, %)*	9.98	10.1	6.15	11.48
Inflation *(%)*	8.96	7.40	6.16	10.45
Exports *in billion U.S. Dollars*	158.0	151.8	152.5	134.9
Imports *in billion U.S. Dollars*	243.7	251.6	236.5	240.8
Trade deficit *in billion U.S. Dollars*	85.7	99.9	84.1	105.9
Current account deficit *in billion U.S. Dollars*	47	65.1	47.8	75.1
Budget deficit *in billion Turkish Lira*	25.9	18.4	29.4	17.8

Notes:
(1) 2014 year end medium term forecast

Sources of macro-economic data: Central Bank of Turkey, Turkish Statistical Institute General Directorate of Public Accounts, Turkish Treasury, Turkish State Planning Organisation (DPT), IMF and other public sources.

After GDP growth of 8.5% in 2011, GDP grew only by 2.1% in 2012 mainly due to low domestic demand. In 2012, Akbank focused on increasing its lending growth in higher-yielding TL-denominated SME and consumer loans. Total loan growth for 2012 was 24.2%.

Economic activity gained pace in 2013 and resulted in GDP growth of 4.0%. In parallel with increase in economic activity and increased loan demand supported by historically low levels of interest rates on TL-denominated loans, Akbank loan growth accelerated in the first half of 2013 and in 2013 total loans grew by 28% as compared to 2012, principally driven by high yielding TL-denominated loans granted to the SMEs and consumers. During the same period, Akbank limited its growth in credit cards and FX-denominated loans. As a result, the growth in credit cards and FX denominated loans were 6% and 8% respectively.

On 8 October 2013, the BRSA announced certain legislative amendments aimed at controlling the increase in consumer loans and increasing the share of commercial loans within total banks' loans by differentiating loan costs as well as certain other measures. Amendments included (i) increasing general provisions for consumer loans (except for housing loans) while decreasing such provisions for SME and export loans; (ii) increasing risk weights for consumer loans (except for housing loans); and (iii) restricting credit card limits and instalment payments.

Due to accelerated capital outflows from emerging markets beginning in May 2013 and increased domestic political concerns, the Turkish Lira depreciated rapidly throughout December 2013 and January 2014 and the risk premium for Turkish assets increased. In order to support financial stability and in response to rising inflation, the Central Bank announced a significant rate increase on 28 January 2014. As a result of tight monetary policy and other measures taken by the BRSA to control the increase in consumer loans in the last quarter of 2013, domestic consumption weakened and the current account deficit improved significantly falling to U.S.$52.2 billion in the six months ended 30 June 2014 as compared to U.S.$59.3 billion for the same period of the previous year. Political conditions also somewhat stabilised following local and presidential elections in March and August 2014, although considerable uncertainty remains, with Turkey's next general election in June 2015. These stabilizing measures and improved domestic political situation in Turkey in the second half of 2014 also helped to support loan growth in the Turkish banking sector and contributed to the growth in Akbank's loan portfolio.

The Turkish economy may also be negatively affected by instability in Ukraine and EU and US sanctions against certain Russian financial institutions and companies. See also "*Risk Factors—Risk Factors Relating to Turkey*" of the Base Prospectus incorporated by reference herein.

Loan Portfolio Growth

During 2011, 2012, 2013 and the nine months to 30 September 2014, Akbank pursued a policy of changing its asset mix from securities to loans and increasing its lending growth in all areas with a particular focus on high yielding TL-denominated loans. This policy of changing asset mix from securities to loans and changing the loan mix towards higher-yielding products, coupled with the increased demand for commercial and retail loans as a result of lower interest rates in 2013 (following a decline in inflation), increase in GDP per capita and the improved asset quality resulted in an increase of the share of loans in Akbank's assets from 53.1% as at 31 December 2011 to 62.2% as at 30 September 2014.

The table below sets forth Akbank's total loans, total securities, and total deposits in Turkish Lira and foreign currency as at 30 September 2014 and 31 December 2013, 2012 and 2011.

	30 September 2014			*31 December*								
				2013			*2012*			*2011*		
	TL	*FC*	*Total*	*TL*	*FC*	*Total*	*TL*	*FC*	*Total*	*TL*	*FC*	*Total*
						(in billions)						
Total Loans	85.7	48.1	133.8	75.5	42.5	118.0	58.9	33.5	92.4	42.0	32.4	74.4
Total Securities	27.6	19.2	46.8	30.5	14.8	45.4	34.0	12.3	46.3	36.6	7.3	43.9
Total Deposits	63.7	58.1	121.8	56.3	56.2	112.5	51.0	39.7	90.7	43.5	37.3	80.8

Akbank's total loan growth was 27.8%, 24.2% and 28.8% in 2013, 2012 and 2011 respectively.

Akbank's total loans reached TL133.8 billion as at 30 September 2014 from TL118.0 billion as at 31 December 2013, a TL15.8 billion or 13.4% increase, with the highest growth in TL-denominated SME loans in the nine months ended 30 September 2014. Commercial, small and micro loans increased from TL39.4 billion as at 31 December 2013 to TL 47.6 billion as at 30 September 2014. As at 30 September 2014, commercial, small and micro loans represented 35.6% of the Akbank's total loans.

While Akbank's SME loans grew by 25.7% in the nine months ended 30 September 2014, the growth in consumer loans decreased to 11.6% in the same period, and growth in credit cards became negative. These trends reflected the measures taken by BRSA at the end of 2013 to control the increase in consumer lending including particularly restrictive measures on credit cards and loans. Akbank seeks to continue to grow in loans, focusing in particular on the more profitable SME sector, given the more burdensome requirements of consumer lending.

Akbank's NPL ratio was 1.7%, 1.4%, 1.2% and 1.7% as of 30 September 2014 and 31 December 2013, 2012 and 2011 respectively. The decrease in 2012 as compared to 2011 was principally due to sale of NPLs to third parties. Without such sales, the ratio would have remained at 2011 levels. In 2013, Akbank's NPL ratio was impacted by adverse macroeconomic conditions starting from June 2013 which resulted from political uncertainties in Turkey, global monetary policies and a reduction in overall risk appetite for emerging markets. The increase in Akbank's NPL ratio as of 30 September 2014 was mainly due to economic uncertainties and fluctuations in interest rates and the value of TL which mainly negatively impacted credit card and consumer lending. These adverse conditions were also partly furthered by regulatory restrictions on credit card limits which impacted repayment capabilities of borrowers. Asset quality remains an on-going concern and a key focus of Akbank given Akbank's continued focus on higher-yielding but potentially riskier segments.

During the same periods, the NPL ratio of the Turkish banking sector was 2.9%, 2.6%, 2.8% and 2.6%, respectively.

Interest Rate Environment in Turkey

Since the beginning of 2011, there have been significant changes in interest rates in Turkey reflecting both macro factors and conventional and unconventional action by the Central Bank of Turkey. In general, increases in interest rates allow Akbank to increase its revenue from loans due to higher rates that the Bank is able to charge. Akbank benefits from a higher return on its excess capital. However, such an increase may adversely affect Akbank 's results of operations as a result of reduced overall demand for loans and greater risk of default by the Bank's customers. In addition, increased interest rates affect the Bank's funding costs and can adversely affect the Bank's net income if the Bank is unable to pass on the increased funding costs to its customers. On the other hand, a decrease in interest rates can reduce the Bank's revenue from loans as a result of lower rates on the Bank's loans. This reduction of revenue may however be offset by an increase in the volume of the Bank's loans resulting from increased demand for loans and by a decrease in the Bank's funding costs.

On average, principally due to the short-term nature of the majority of the Bank's customers' time deposits, Akbank's interest bearing liabilities are generally repriced faster than its interest-earning assets. Reductions in interest rates are repriced into the Bank's liabilities after approximately 40 days. At the same time, the repricing of its loans and securities is slower, at between 260 and 280 days, due to their longer maturities, resulting in a widening of the net interest margin earned by the Bank. Accordingly, an increase in interest rates results in narrowing margins in the short term. In August 2011, the Central Bank overnight Turkish Lira borrowing rate was increased to 5.0% from 1.5%, where it remained as of 31 December 2012 before being gradually reduced to 3.50% as of 31 December 2013. On 28 January 2014, the Central Bank increased the overnight interest rate to 8.0%. On the same date the repo rate, which is considered the policy rate, was increased from 4.5% to 10.0%. As a result of a decline in political uncertainties and improvement in risk premium indicators following the local elections in March, the Central Bank reduced the repo rate from 10.0% to 9.5% on 22 May 2014, to 8.75% on 25 June 2014 and to 8.25% on 17 July 2014.

The following table sets forth Akbank's net interest margin (computed as net interest income for the period as a percentage of average interest earning assets) for the semi-annual periods from 1 January 2011 to the second quarter of 2014.

First Half 2011	3.32%
Year End 2011	3.28%
First Half 2012	3.47%
Year End 2012	3.67%
First Half 2013	3.87%
Year End 2013	3.69%
First Half 2014	3.53%

By the second half of 2011, interest rates in Turkey began to increase as the Central Bank sought to check lending growth, and interest rates began to decrease in the first two quarters of 2012. As a result, Akbank had a material increase in its deposit funding costs in the second half of 2011 and because of the longer loan repricing timeframe the higher rates did not materially impact its loan income until the beginning of 2012. Accordingly, interest rate movements had a negative effect on Akbank's 2011 net interest income and a positive effect in 2012.

The improvement in net interest margins in 2012 was principally due to the growth in Akbank's TL-denominated loans, particularly high yielding SME and consumer loans, positive impact of loan repricing and a decrease in interest rates on deposits. In the first half of 2013, the improvement in the net interest margin continued principally due to continued reduction in interest rates. Akbank also continued to grow its high margin products such as TL-denominated SME and consumer loans and increase its low cost demand deposits. However, due to adverse economic and political developments in Turkey and increase in interest rates starting from June 2013, Akbank's net interest margin declined in the second half of 2013. In the first nine months of 2014, the narrowing of the net interest spreads continued mainly due to tightening of monetary policy and increase in cost of deposits, which outpaced loan repricing.

For further information, see "*Selected Statistical and Other Information—Interest Earning Assets: Yield, Margin and Spread*".

Exchange Rates

A significant portion of Akbank's assets and liabilities are denominated in foreign currencies, particularly in U.S. Dollars and Euro. As of 30 September 2014, 43.7% of Akbank's total assets and 50.5% of Akbank's total liabilities were denominated in foreign currencies. Akbank monitors its net open position in foreign currencies and historically has sought to be fully hedged in terms of foreign currency exposure through entering into derivative foreign exchange transactions.

In addition, the BRSA imposes a foreign currency position limit which is defined as an amount plus/minus 20% of the total capital used in the calculation of regulatory capital adequacy ratios. Akbank's foreign currency net open position ratios were 1.8%, 3.2%, 5.1%, 1.8% as of 30 September 2014 and 31 December 2013, 2012 and 2011, respectively.

Akbank translates such assets and liabilities and interest earned from and paid on those assets and liabilities into Turkish Lira in preparing its financial statements. As a result, the Bank's financial results are impacted by changes in foreign exchange rates. For the nine months ended 30 September 2014 and for the years ended 31 December 2013, 2012 and 2011, Akbank recorded net foreign exchange gain of TL509 million, loss of TL922 million, gain of TL541 million and loss of TL356 million respectively.

Exchange rate movements also affect the Turkish Lira-equivalent value of Akbank's foreign currency denominated assets and capital, which can affect capital adequacy either positively (for example, if the Turkish Lira appreciates, then assets in foreign currencies convert into fewer Turkish Lira in the calculations of capital adequacy ratios and thus increase the capital adequacy ratios) or negatively (for example, if the Turkish Lira depreciates, then assets in foreign currency convert into more Turkish Lira in the calculations of capital adequacy ratios and thus reduce the capital adequacy ratios.)

Securities Portfolio

The share of Akbank's securities portfolio comprising primarily Turkish government securities and smaller holdings of other securities such as corporate and foreign government debt securities in its total assets gradually decreased to 21.7% as of 30 September 2014 from 31.4% as of 31 December 2011 as a result of Akbank's policy of changing its asset mix from securities to loans, which resulted in the increase of share of loans in total assets from 53.1% as of 31 December 2011 to 62.2% as of 30 September 2014. Historically, Akbank's securities portfolio has generated a substantial portion of its income but Akbank has viewed active lending as potentially more lucrative. As a result of this policy, Akbank's management expects that the percentage of its assets invested in securities will decrease further with securities portfolio reaching 20% of total assets in the medium term.

Similarly, the share of total interest income from Akbank's marketable securities has declined, comprising 26.5%, 27.8%, 35.1% and 42.8% of Akbank's total interest income in the first nine months of 2014 and the years ended 31 December 2013, 2012 and 2011, respectively.

For the first nine months of 2014, interest income on marketable securities was TL2.9 billion and interest income on loans was TL7.8 billion.

As of 30 September 2014, Akbank's total securities comprised 51.9% fixed rate securities, 10.2% floating rate securities (excluding CPI-linked securities) and 37.9% CPI-linked securities, compared to 48.4%, 17.8% and 33.8%, respectively, in 2013 and 47.7%, 15.9% and 36.4%, respectively, in 2012 and compared to 47.7%, 14.0%, and 38.3%, respectively, in 2011.

As the Bank's securities portfolio is comprised largely of high quality domestic securities (principally Turkish government debt denominated principally in TL and to a lesser extent in U.S.$ and other major currencies), the Bank does not expect any significant credit losses on its securities portfolio; however, its trading portfolio and available-for-sale investment securities portfolio are marked-to-market with the mark-to market losses or gains being included in income (for the trading portfolio and where there is a permanent impairment of available-for-sale securities) or shareholders' equity (for the available-for-sale portfolio) as appropriate. In case of permanent impairments of held-to-maturity securities, such impairment losses are also recognized in income.

See "*Selected Statistical and Other Information - Securities Portfolio*".

Akbank's Provisioning for Impaired Loans

Akbank's NPL ratio was 1.7%, 1.4%, 1.2% and 1.7% as of 30 September 2014 and 31 December 2013, 2012 and 2011 respectively. The decrease in 2012 as compared to 2011 was principally due to sale of NPLs to third parties. Without such sales, the ratio would have remained at 2011 levels. In 2013, Akbank's NPL ratio was impacted by adverse macroeconomic conditions starting from June 2013 which resulted from political uncertainties in Turkey and global monetary policies. The increase in Akbank's NPL ratio as of 30 September 2014 was mainly due to economic uncertainties and fluctuations in interest rates and the value of TL which mainly impacted credit card and consumer lending as well as several corporate/commercial loans that became non-performing during the period. These adverse conditions were also partly furthered by regulatory restrictions on credit card limits which impacted repayment capabilities of borrowers.

Akbank has a more conservative policy regarding provisions for NPLs than required by the BRSA. As of 30 September 2014, Akbank has set aside 93.5% specific provisioning for its non-performing loans. This policy is conservative as regulations allow for a period of up to 12 months for provisions to be made, depending on the level of collateralisation. Due to its conservative provisioning policy, Akbank believes that it benefits from strong recoveries from NPLs within shorter periods of time, as such NPLs may also have strong collateralisation levels. Together with general provisioning, Akbank total provisions covers almost 180.6% of its NPLs.

The review report on the Akbank 2014 BRSA Interim Financial Statements and the audit report for the 2013 BRSA Annual Financial Statements included a qualification about a free provision allocated by Akbank's management for the possible results of the circumstances that may arise from any changes in economic or market conditions.

Akbank's management allocated a free provision for the possible results of the circumstances that may arise from any changes in economic or market conditions. The free provision as of 31 December 2013 amounted to TL270 million and was recorded under "Provision for losses and other receivables" in the year ended 31 December 2013, while in the nine months ended 30 September 2014, Akbank reversed TL70 million of such free provision (this was recorded under "Other operating income"), and as of 30 September 2014, the remaining amount of such free provision amounted to TL200 million. This provision might be reversed or re-allocated by Akbank in future periods, which may cause Akbank's net profit to be higher in future periods than it otherwise would be in the absence of such reversal or re-allocation.

See "*Risk Management – Identification and Remediation of Problem Loans*".

Critical Accounting Policies

The accounting policies adopted by Akbank are critical to understanding its financial condition, results of operations and the Akbank BRSA Financial Statements and the notes thereto. These accounting policies are described in detail in the notes to the Akbank 2013 Annual BRSA Financial Statements incorporated by reference herein under "*Section Three—Accounting Policies*". Certain of Akbank's accounting policies require significant managerial judgment on matters that are inherently uncertain, including the valuation of certain assets and liabilities and the adoption of estimates and assumptions based on historical experience and other factors considered reasonable and significant by Akbank's management. Akbank has established policies and control procedures intended to ensure that stringent valuation methods are applied in accordance with applicable accounting principles during the preparation of its financial statements for the relevant period. The following is a brief description of Akbank's current accounting policies which require significant managerial judgment or otherwise are critical to the results of operations and financial condition presented in the Akbank BRSA Financial Statements.

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 does not engage in speculative trading.

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 included 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 “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” in the income statement. 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 for according to the standard applied to the host contract.

Interest Income and Expense

Interest income and expenses are recognised 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.

Fees and Commission Income and Expense

Fees and commission income/expenses are primarily recognised 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 recognised as income at the time of collection.

Financial Assets

Financial assets at the fair value through profit or loss

Trading financial assets are financial assets which are either acquired to generate 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 recognised at the settlement date, which is the date that the asset is delivered to/from the Bank. Trading financial assets are initially recognised at fair value and re-measured 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.

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

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 re-measured 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. "Unrealised gains and losses" arising from the difference between the amortised cost and the fair value of securities classified as available-for-sale are recognised in the account of "Marketable securities valuation differences" under shareholder's 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.

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 recognised 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, Akbank provides general and specific provisions for these loans and receivables. Provision expenses are deducted from the net income of the period. If there is a subsequent collection from a receivable that was already provisioned in the previous years, the recovery amount is classified under other operating income. If a receivable is collected which is provisioned in the same year, it is deducted from the special provisions for loans and other receivables. Uncollectible receivables are written-off after all the legal procedures are finalised.

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 hold-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 the 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.

Provisions and Contingent Liabilities

Provisions are recognised 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 and 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.

Taxation

Current tax

In Turkey, the 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. 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.

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 the deferred tax calculation, the enacted tax rate is used as of the balance sheet date. Deferred tax liabilities are recognised for all resulting temporary differences whereas deferred tax assets resulting from temporary differences are recognised 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.

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 recognised directly in equity is also credited or charged directly to equity.

Accounting Policy Changes

There have been no accounting policy changes since 2008.

Analysis of Results of Operations and Financial Condition

The table below sets out the Bank's summary income statement for the nine months ended 30 September 2014 and 2013 and for the years ended 31 December 2013, 2012 and 2011.

	For the nine months ended 30 September			*For the years ended 31 December*				
	2014	*2014/ 2013 Change %*	***2013***	*2013*	*2013/ 2012 Change %*	*2012*	*2012/ 2011 Change %*	*2011*
				(TL thousands)				
Interest income	10,943,224	26.3%	8,665,746	11,891,833	2.1%	11,649,475	23.0%	9,473,645
Interest expense	5,625,905	42.2%	3,956,671	5,510,286	(12.4)%	6,291,675	18.2%	5,321,916
Net interest income	**5,317,319**	**12.9%**	**4,709,075**	**6,381,547**	**19.1%**	**5,357,800**	**29.0%**	**4,151,729**
Net fee and commission income	1,841,518	9.3%	1,684,340	2,233,319	24.8%	1,788,881	9.7%	1,631,259
Dividend income	1,381	(72.2)%	4,970	4,970	580.8%	730	(79.7)%	3,596
Trading income/(loss) (net)	(125,370)	(119.5%)	641,676	491,008	21.8%	403,189	(458.9)%	(112,355)
Other operating income	494,163	55.3%	318,200	418,409	0.7%	415,363	(41.1)%	704,835
Total operating income	**7,529,011**	**2.3%**	**7,358,261**	**9,529,253**	**19.6%**	**7,965,963**	**24.9%**	**6,379,064**
Provision for loan losses and other receivables	1,635,642	11.3%	1,470,016	1,936,548	72.8%	1,120,889	70.1%	659,125
Other operating expenses	2,791,432	4.9%	2,660,770	3,528,724	18.9%	2,968,464	18.0%	2,514,758
Net operating income/(loss)	**3,101,937**	**(3.9%)**	**3,227,475**	**4,063,981**	**4.8%**	**3,876,610**	**20.9%**	**3,205,181**
Tax provision for continuing operations	686,078	(14.2%)	799,760	986,800	13.2%	871,662	30.1%	670,056
Net income/(loss)	**2,415,859**	**(0.5%)**	**2,427,715**	**3,077,181**	**2.4%**	**3,004,948**	**18.5%**	**2,535,125**

The following table identifies the share that net interest income, net fee and commission income, dividend income, trading income and other operating income have represented in Akbank's total operating income for each of the indicated periods.

	For the nine months ended 30 September		*For the years ended 31 December*		
	2014	*2013*	*2013*	*2012*	*2011*
Net interest income	70.6%	64.0%	67.0%	67.3%	65.1%
Net fee and commission income	24.5%	22.9%	23.4%	22.5%	25.6%
Dividend income	0.0%	0.1%	0.1%	0.01%	0.1%
Trading income/(loss) (net)	(1.7%)	8.7%	5.2%	5.1%	(1.8)%
Other operating income	6.6%	4.3%	4.4%	5.2%	11.0%
Total operating income	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Net Income

The following tables set out the principal components of Akbank's net income for the nine months ended 30 September 2014 and 2013 and for the years ended 31 December 2013, 2012 and 2011.

	For the nine months ended 30 September		
	2014	*2013*	*% change*
	(TL thousands)		
Interest and similar income	10,943,224	8,665,746	26.3%
Interest expense and similar charges	(5,625,905)	(3,956,671)	42.2%
Non-interest income[(1)]	2,211,692	2,649,186	(16.5%)
Provision for loan losses and other receivables	(1,635,642)	(1,470,016)	11.3%
Other operating expenses	(2,791,432)	(2,660,770)	4.9%
Tax provision for continuing operations	(686,078)	(799,760)	(14.2%)
Income/(loss) from the group	2,415,854	2,427,711	(0.5%)
Income/(loss) from minority interest	5	4	25.0%
Net income	2,415,859	2,427,715	**(0.5%)**

	For the years ended 31 December			*% change*	
	2013	*2012*	*2011*	*2013/2012*	*2012/2011*
	(TL thousands)				
Interest and similar income	11,891,833	11,649,475	9,473,645	2.1%	23.0%
Interest expense and similar charges	(5,510,286)	(6,291,675)	(5,321,916)	(12.4%)	18.2%
Non-interest income[(1)]	3,147,706	2,608,163	2,227,335	20.7%	17.1%
Provision for loan losses and other receivables	(1,936,548)	(1,120,889)	(659,125)	72.8%	70.1%
Other operating expenses	(3,528,724)	(2,968,464)	(2,514,758)	18.9%	18.0%
Tax provision for continuing operations	(986,800)	(871,662)	(670,056)	13.2%	30.1%
Income/(loss) from the group	3,077,177	3,004,910	2,536,375	2.4%	18.5%
Income/(loss) from minority interest	4	38	(1,250)	(89.5)%	103.0%
Net income	**3,077,181**	**3,004,948**	**2,535,125**	**2.4%**	**18.5%**

Note:

(1) Non-interest income comprises net fee and commission income, dividend income, trading income/(loss) (net) and other operating income.

Akbank's consolidated net income for the nine months ended 30 September 2014 was TL2.42 billion, a 0.5% decrease compared to TL2.43 billion in the nine months ended 30 September 2013, principally due to increase in interest paid on deposits as a result of the increase in short term rates and trading income turning to a loss. Return on average total assets was 1.6% for the first nine months of 2014 and 1.9% for the corresponding period in 2013. Return on average shareholders' equity (excluding non-controlling interest) was 13.7% for the first nine months of 2014 compared to 14.7% for the first nine months of 2013. The sector average was 12.5 for the first nine months of 2014.

Akbank's consolidated net income for the year ended 31 December 2013 was TL3.1 billion, a 2.4% increase compared to TL3.0 billion in 2012. Return on average total assets was 1.7% for 2013 and 2.0% for 2012. Return on average shareholders' equity (excluding non-controlling interest) for 2013 was 14.0% compared to 15.1% for 2012.

Akbank's consolidated net income for the year ended 31 December 2012 was TL3.0 billion, a 18.5% increase compared to TL2.5 billion in 2011. Return on average total assets was 2.0% for 2012, and 2.0% for 2011. Return on average shareholders' equity (excluding non-controlling interest) for 2012 was 15.1% compared to 14.3% for 2011.

Cost to income ratio for the first nine months of 2014 was 43.9%, compared to the sector average of 46.7% for the same period.

Net Interest Income

Akbank's net interest income is the difference between the interest income that it earns on its interest-earning assets and the interest expense that it pays on its interest-bearing liabilities. Its primary sources of interest income are interest on loans and interest on marketable securities (principally Turkish government securities denominated in TL). The table below sets out the principal components of Akbank's net interest income for the nine months ended 30 September 2014 and 2013 and for the years ended 31 December 2013, 2012 and 2011.

	For the nine months ended 30 September			*For the years ended 31 December*				
	2014	*Change (%)*	*2013*	*2013*	*Change (%)*	*2012*	*Change (%)*	*2011*
				(TL thousands)				
Interest Income – Interest Expense:								
Interest on loans	7,773,986	27.8%	6,084,790	8,317,433	13.2%	7,345,599	40.2%	5,239,287
Interest from reserve requirements	—	—	—	—	—	—	—	—
Interest from banks	26,003	(0.5%)	26,138	32,736	30.9%	25,000	(47.3)%	47,438
Interest from money market transactions	38,174	119.8%	17,365	25,497	(41.3)%	43,441	370.4%	9,234
Interest from marketable securities	2,902,896	21.2%	2,395,785	3,311,800	(19.1)%	4,094,443	0.9%	4,057,835
Financial lease income	169,862	31.3%	129,375	186,186	41.7%	131,438	41.0%	93,198
Other interest income	32,303	162.8%	12,293	18,181	90.3%	9,554	(64.2)%	26,653
Total interest income	**10,943,224**	**26.3%**	**8,665,746**	**11,891,833**	**2.1%**	**11,649,475**	**23.0%**	**9,473,645**
Interest on deposits	4,072,721	40.1%	2,907,053	4,062,573	(15.4%)	4,804,202	18.7%	4,048,665
Interest on funds borrowed	291,250	20.0%	242,613	330,875	(9.5)%	365,633	20.4%	303,724
Interest on money market transactions	789,035	74.2%	453.001	627,980	(8.1)%	683,262	(0.6)%	687,082
Interest on securities issued	454,722	33.3%	341,056	469,917	13.6%	413,566	68.0%	246,168
Other interest expense	18,177	40.4%	12,948	18,941	(24.3)%	25,012	(31.1)%	36,277
Total interest expense	**5,625,905**	**42.2%**	**3,956,671**	**5,510,286**	(12.4)%	**6,291,675**	**18.2%**	**5,321,916**
Net interest income	**5,317,319**	**12.9%**	**4,709,075**	**6,381,547**	**19.1%**	**5,357,800**	**29.0%**	**4,151,729**

Net interest income increased by 12.9% in the nine months ended 30 September 2014 from TL5.3 billion in the first nine months of 2013 to TL4.7 billion, principally driven by growth in lending principally in TL-denominated loans and high interest income earned by CPI linked securities, despite a reduction in net interest margin due to the higher cost of funding. Akbank's cost of funding increased by 42.2% between the nine months ended 30 September 2013 and 2014 while consolidated interest income increased by 26.3% during the same period. The increase in cost of funding was primarily driven by the general upward trend of funding costs resulting from political uncertainty within Turkey, particularly in the first quarter of 2014, and the Central Bank's increase in interest rates in January 2014. Akbank's total deposits and TL-denominated deposits increased by 8.3% and 13.3%, respectively, in the nine months ended 30 September 2014. For the same period, total loans increased by 13.4% and total investment securities increased by 3.0%. The Bank's net interest margin decreased to 3.6% in the nine months ended 30 September 2014 as compared to 3.7% for the nine months ended 30 September 2013. The change in net interest margin result principally from increase in the cost of deposits as a result of increase in interest rates.

For an allocation of changes in Akbank's consolidated net interest income as a result of these factors see "*Selected Statistical and Other Information – Analysis of Changes in Net Interest Income and Interest Expense.*"

The table below sets out certain additional information about Akbank's net interest margin for the periods indicated:

	For the nine months ended 30 September 2013	*For the year ended 31 December 2013*	*For the three months ended 31 March 2014*	*For the six months ended 30 June 2014*	*For the nine months ended 30 September 2014*
			(%)		
TL loans	9.27	9.60	10.35	10.69	10.45
TL Deposits (blended)	5.97	6.27	6.94	7.97	7.13
TL Time Deposits	7.42	7.78	8.43	9.70	8.71
FX Loans	4.65	4.36	4.68	4.49	4.44
FX Deposits (blended)	2.04	1.88	2.03	1.79	1.58
FX Time Deposits	2.51	2.28	2.44	2.17	1.93
Loan-Deposit impact					
TL Securities	8.32	10.75	10.30	10.99	9.89
FX Securities	3.52	3.50	3.68	3.58	3.48
Securities Impact	—	—	—	—	—
Repo and other impact	—	—	—	—	—
Net Interest Margin	**3.42***	**3.37***	**3.54***	**3.37***	**3.58***

*The net interest margin figures presented above have been calculated on a quarterly basis and have been derived from Akbank's unaudited management accounting records and are not directly comparable to the Bank's net interest margin figures presented elsewhere in this prospectus or the financial statements.

Although the cost of funding increased in the second half of 2013 due to concerns with respect to tapering by the U.S. Federal Reserve which adversely impacted emerging markets and political uncertainty within Turkey, Akbank's net interest income increased by 19.1% in 2013 as compared to 2012. The increase was mainly due to the growth in Akbank's assets by 20% through stronger lending growth, which offset a decline in yield on interest earning assets due to decline in interest rates, and 12.4% decline in interest paid on interest bearing liabilities as a result of decline in interest rates.

Interest income and interest expense are discussed in greater detail below.

Interest Income

Interest income is a function of both volume of, and yield earned on Akbank's interest earning assets, mainly from loans and debt securities.

Consolidated interest income was TL10.9 billion for the nine months ended 30 September 2014, an increase of 26.3% compared to TL8.7 billion for the nine months ended 30 September 2013. For the nine months ended 30 September 2014, the increase in interest income was principally due to a 27.8% increase in interest income from loans primarily driven by growth in the loan book and a 21.2% increase in interest from marketable securities principally driven by improved yields. Total assets increased by 12.4% as at 30 September 2014, from TL191.3 billion at 30 September 2013, investment securities increased by 0.2% from TL46.7 billion as at 30 September 2013 to TL46.8 billion as at 30 September 2014 and total loans increased by 18.2% from TL113.2 billion as at 30 September 2013 to TL133.8 billion as at 30 September 2014. See "*—Loan Portfolio Growth*".

Consolidated interest income was TL11.9 billion for the year ended 31 December 2013, an increase of 2.1% compared to TL11.6 billion for the year ended 31 December 2012. In 2013 the increase in interest income from loans was largely offset by the decline in interest income from marketable securities. Total assets increased by 19.6% as at 31 December 2013, from TL163.5 billion in 2012 to TL195.5 billion in 2013, with total loans increasing by 27.8% in 2013, from TL92.4 billion as at 31 December 2012 to TL118.0 billion as at 31 December 2013 and cash and balances with the Central Bank of Turkey increasing by 9.4% from TL16.7 billion as at 31 December 2012 to TL18.2 billion as at 31 December 2013. See "*—Loan Portfolio Growth*".

Consolidated interest income was TL11.6 billion for the year ended 31 December 2012, an increase of 23.0% compared to TL9.5 billion for the year ended 31 December 2011. Total assets increased by 16.8% as at 31 December 2012, from TL139.9 billion in 2011 to TL163.5 billion in 2012, with marketable securities increasing by 5.3% in 2012, from TL43.9 billion as at 31 December 2011 to TL46.3 billion as at 31 December 2012 and total loans increasing by 24.2% in 2012, from TL74.4 billion as at 31 December 2011 to TL 92.4 billion as at 31 December 2012. See "*—Loan Portfolio Growth*".

Interest Income from Loans

The table below sets out certain key components of Akbank's total loans for the periods presented.

	For the nine months ended 30 September			*For the year ended 31 December*				
	2014	*Change %*	*2013*	*2013*	*Change %*	*2012*	*Change %*	*2011*
				(TL thousands)				
Consumer loans	30,923	16.9	26,456	27,744	32.5	20,944	34.3	15,591
SME loans	47,582	35.1	35,220	37,817	39.2	27,178	33.9	20,300
Credit cards	13,283	(12.5)	15,188	14,692	7.8	13,624	37.3	9,924
Corporate loans	41,855	15.4	36,261	37,664	23.2	30,521	7.3	28,448
Performing loans	**133,643**	**18.1**	**113,125**	**117,917**	**27.8**	**92,267**	**24.2**	**74,263**
Non-performing loans	2,325	62.9	1,428	1,677	50.3	1,115	(11.7)	1,263
Total loans and advances to customers	**135,968**	**18.7**	**114,553**	**119,594**	**28.1**	**93,382**	**23.6**	**75,526**
Allowance for loan losses	2,174	62.9	1,335	1,584	54.9	1,023	(12.6)	1,170
Net loans and advances to customers	**133,794**	**18.2**	**113,218**	**108,010**	**27.8**	**92,360**	**24.2**	**74,356**

Loan products such as consumer loans and SME loans increased 11.5% and 25.8% respectively, credit cards decreased 9.6% (principally driven by adverse regulatory changes) and corporate loans increased 11.1% in the first nine months of 2014. Loan products such as consumer loans and SME loans increased 32.5% and 39.1% respectively, credit cards increased 7.8% and corporate loans increased 23.4% in of 2013. Consumer loans and SME loans increased 34.3% and 33.9% respectively, credit cards increased 37.3% and corporate loans increased 7.3% in 2012.

As at 30 September 2014, Akbank's loan portfolio comprised 31.3% corporate, 35.6% SME, 23.1% consumer and 9.9% credit card loans.

The growth in Akbank's interest income since the beginning of 2011 was primarily due to an increase in the volume of loans. Consolidated interest income from loans was TL7.8 billion in the nine months ended 30 September 2014, an increase of 27.8% compared to TL6.1 billion in the corresponding period of 2013 primarily due to the increase in size of Akbank's loan portfolio and partly due to increased yield on loans. In the nine months ended 30 September 2014, Akbank continued to focus on growing its loan portfolio in the high yielding TL-denominated loans, in particular to SMEs and general purpose loans to retail customers. Higher yielding loan products such as TL-denominated consumer loans and TL-denominated SME loans increased 11.5% and 30.6% in the first nine months of 2014 with the loans to total assets ratio increasing to 62.2% in the nine months ended 30 September 2014 from 59.2% in the same period in 2013. As of 30 September 2014, Akbank had a 10.7% market share in total loans (10.5% in TL loans and 10.8% in foreign currency loans) *(source: BRSA)*.

Consolidated interest income from loans was TL8.3 billion in 2013, an increase of 13.2% compared to TL7.3 billion in 2012 primarily due to an increase in loans, although decline in yields on securities due to lower market rates offset a substantial part of positive impact on loan growth. Responses to rising inflation and TL depreciation by monetary authorities, including reductions in interest rate by Central Bank, as well as competition in the sector resulted in lower yields on loans. Higher yielding loan products such as TL-denominated consumer loans and TL-denominated SME loans increased 32.4% and 39.8% in 2013 and 34.3% and 50.4% in 2012 with the loans to total assets ratio decreasing to 60.4% in 2013 from 72.2% in 2012.

Consolidated interest income from loans was TL7.3 billion in 2012, an increase of 40.2% compared to TL5.2 billion in 2011.

Interest Income from Marketable Securities

Akbank's interest income from marketable securities amounted to TL2.9 billion in the nine months ended 30 September 2014, an increase of 21.2% compared to TL2.4 billion in the nine months ended 30 September 2013. This increase was primarily due to an increase in market rates as well as rising inflation which increased the interest income on inflation-linked securities. Inflation-linked securities decreased from TL18.0 billion at 30 September 2013 to TL17.7 billion at 30 September 2014, compared to the overall securities portfolio which increased by 0.1% in the same period.

Akbank's interest income from marketable securities amounted to TL3.3 billion in 2013, a decrease of 19.1% compared to TL4.1 billion in 2012. This decrease was primarily due to declining interest rates in the first half of 2013. Akbank's interest income from marketable securities amounted to TL4.09 billion in 2012 an increase of 0.9% compared to TL4.06 billion in 2011. This increase was primarily due to a 5.3% increase in the size of the Bank's securities portfolio to TL46.3 billion in 2012 which more than offset the impact of the decline in interest rates over the period.

For an allocation of changes in Akbank's consolidated interest income between 30 September 2014 and 31 December 2011, see "*Selected Statistical and Other Information – Analysis of Changes in Net Interest Income and Interest Expense.*"

Interest Expense

Akbank's liabilities predominantly consist of short-term deposits, followed by funds provided under repurchase agreements and borrowings.

Total liabilities excluding shareholders' equity increased by 12.1% year-on-year, from TL169.6 billion as at 30 September 2013 to TL190.1 billion as at 30 September 2014, with deposits increasing by 10.4% from TL110.3 billion as at 30 September 2013 to TL121.8 billion as at 30 September 2014. Akbank's market share for deposits in the first nine months of 2014 was 10.4% (10.6% for TL-denominated deposits and 10.2% for foreign currency deposits) *(source: BRSA)*.

Funds borrowed increased by 18.0% from TL17.2 billion as at 30 September 2013 to TL20.3 billion as at 30 September 2014, principally due to depreciation of Turkish Lira against the U.S. Dollar, as most of Akbank's borrowings are denominated in U.S. Dollars, and an increase in bilateral loans and short-term bond issues under Akbank's GMTN programme established in December 2013.

Interest expense for the nine months ended 30 September 2014 increased by 42.2% to TL5.6 billion from TL4.0 billion in the nine months ended 30 September 2013. The change was partly due to an increase in the cost of deposits and cost of money market transactions resulting from an increase in interest rates as a result of concerns with respect to global monetary conditions resulting from anticipated reduction in liquidity by the U.S. Federal Reserve and political uncertainty within Turkey especially in the early part of 2014, and partly due to increase in the volume of deposits.

Outstanding average TL-denominated deposits, together with deposits (based on management accounts) provided under repo transactions, increased by 13.9% in the nine months ended 30 September 2014 as compared to the nine months ended 30 September 2013. The average volume of foreign currency denominated deposits increased by 29.8% in the nine months ended 30 September 2014 as compared to the nine months ended 30 September 2013, mainly due to depreciation of TL.

In terms of average outstanding TL deposit balances (based on management accounts), 16.1% were TL demand deposits and 83.9% were TL time deposits in the nine months ended 30 September 2014, compared to 14.6% TL demand deposits and 85.4% TL time deposits in the nine months ended 30 September 2013.

The annual average cost on TL time deposits increased 9.33% in the nine months ended 30 September 2014 from 7.13% in the nine months ended 30 September 2013 due to an increase in interest rates as a result of concerns with respect to global monetary conditions resulting from anticipated reduction in liquidity by the U.S. Federal Reserve and political uncertainty within Turkey.

Interest on funds borrowed increased to TL291.3 million in the nine months ended 30 September 2014 from TL242.6 million in the nine months ended 30 September 2013.

The changes in interest expense result both from changes in the average amount of interest-bearing liabilities and the interest rates payable thereon. For an analysis of changes in Akbank's consolidated interest expense and similar charges as a result of these factors between 30 September 2014 and 30 September 2013, see "*Selected Statistical and Other Information—Analysis of Changes in Net Interest Income and Interest Expense.*"

Total liabilities excluding shareholders' equity increased by 22.9% in 2013, from TL141.0 billion as at 31 December 2012 to TL173.3 billion as at 31 December 2013, with deposits increasing by 24% in 2013, from TL90.7 billion as at 31 December 2012 to TL112.5 billion as at 31 December 2013, funds borrowed increasing by 27.6% in 2013, from TL15.6 billion as at 31 December 2012 to TL19.9 billion as at 31 December 2013 and debt securities increasing by 32.0% in 2013, from TL6.6 billion in 2012 to TL8.7 billion in 2013. Interest expense for the year ended 31 December 2013 decreased by 12.4% to TL5.5 billion from TL6.3 billion in the year ended 31 December 2012. The decrease in interest expense in 2013 was principally due to a decrease in market rates and effective cost management by not focusing on aggressive pricing on deposits, increasing the share of demand deposits in total deposits and utilisation of repurchase agreements effectively.

Outstanding average Turkish Lira denominated deposits, together with deposits (based on management accounts) provided under repo transactions, increased by 11.6% in 2013 as compared to 2012. The average volume of foreign currency denominated deposits increased by 26.2% in 2013 as compared to 2012.

In terms of average outstanding TL deposit balances (based on management accounts), 15.8% were TL demand deposits and 84.2% were TL time deposits in 2013, compared to 13.4% TL demand deposits and 86.6% TL time deposits in 2012.

Provision for Loan Losses

Akbank maintains a general policy of providing 100% provisioning for loan losses (irrespective of collateral) with only limited exceptions where Akbank management believes collections from collaterals would be strong. Akbank's non-performing loans (i.e. over 90 days past due) are fully provisioned in accordance with BRSA, except for a few instances, where management believes collections from collateral would be sufficient for recovering the loan amount.

Akbank's provisions for loan losses increased by 11.3% to TL1.6 billion in the nine months ended 30 September 2014 from TL1.5 billion in the nine months ended 30 September 2013. Akbank's provisions for loan losses increased by 72.8% to TL1.9 billion in the year ended 31 December 2013 from TL1.1 billion in the year ended 31 December 2012, principally driven by the substantial growth on loans in the previous months and adverse economic and market conditions starting from June 2013. Akbank's provisions for loan losses increased by 70.1% to TL1.1 billion in the year ended 31 December 2012 from TL659.1 million in the year ended 31 December 2011.

NPLs as a percentage of total loans remained at low levels relative to Turkish averages as published by the BRSA. Akbank's percentage increased to 1.7% in the nine months ended 30 September 2014, 1.4% in 2013 and 1.2% in 2012, compared to 1.7% in 2011. Turkish sector averages for the same periods were 2.9%, 2.6%, 2.8% and 2.6%, respectively. Akbank's segment NPL breakdown for the first nine months of 2014 was 0.8% for business loans, 2.1% for consumer loans and 6.9% for credit cards and the banking sector's breakdown in the respective segments was 2.5%, 2.4% and 7.0%.

For additional information on Akbank's loan losses, see "*Management's Discussion and Analysis of Financial Conditions and Results of Operations—Akbank's Provisioning for Impaired Loans*"; "*Selected Statistical and Other Information —Non-Performing Loans; Provisioning; Loan Losses,*" and "*Selected Statistical and Other Information— Allowance for Loan Losses*."

Total Non-Interest Income

The tables below sets forth the components of Akbank's non-interest income for the nine months ended 30 September 2014 and 2013 and for the years ended 31 December 2013, 2012 and 2011.

	For the nine months ended 30 September			
	2014	*% of Total non-*	*% change y-o-y*	*2013*

		interest income		
		(TL thousands)		
Net fees and commissions income	1,841,518	83.3%	9.3%	1,684,340
Dividend income	1,381	0.1%	(72.2%)	4,970
Trading income/(loss)	(125,370)	(5.7%)	(119.5%)	641,676
Other operating income	494,163	22.3%	55.3%	318,200
Total non-interest income	**2,211,692**	**100.0%**	**(16.5%)**	**2,649,186**

	For the years ended 31 December							
	2013	*% of Total non-interest income*	*% change y-o-y*	*2012*	*% of Total non-interest income*	*2011*	*% of Total non-interest income*	*% change y-o-y*
					(TL thousands)			
Net fees and commissions income	2,233,319	71.0%	24.8%	1,788,881	68.6%	1,631,259	73.2%	9.7%
Dividend income	4,970	0.2%	580.8%	730	0.03%	3,596	0.2%	(79.7)%
Trading income/(loss)	491,008	15.6%	21.8%	403,189	15.5%	(112,355)	(5.0)%	458.9%
Other operating income	418,409	13.3%	0.7%	415,363	15.9%	704,835	31.6%	41.1%
Total non-interest income	**3,147,706**	**100.0%**	**20.7**	**2,608,163**	**100.0%**	**2,227,335**	**100.0%**	**17.1%**

Total non-interest income decreased by 16.5% in the first nine months of 2014 to TL2.2 billion from TL2.6 billion in the first nine months of 2013, primarily due to trading loss.

Akbank earns fee and commission income mainly from credit cards, bancassurance, asset management, consumer and commercial loans, including mortgage loans and project finance loans. The principal drivers for fee and commission income are the credit card and consumer banking products. Fee and commission income increased by a limited 9.3% in the first nine months of 2014 compared to the first nine months of 2013 primarily due to a significant reduction in credit card fees, slowdown in mortgage loans and project finance loans, which earn higher fees, despite Akbank 's high growth in money transfer fees and non-cash loan fees.

Although such fees are expected by Akbank management to grow in parallel to the growth in consumer banking, changes in regulation have imposed limits or prohibition on fees and commission that a bank may charge for banking services and such regulations have had and may in future have an adverse impact on fee and commission income.

Total non-interest income increased by 20.7% in 2013 to TL3.1 billion from TL2.6 billion in 2012. Fee and commission income increased by 24.8% in 2013 compared to 2012, primarily due to increase in money transfer fees and bancassurance commissions in parallel to growth in consumer loans.

Total non-interest income increased by 17.1% in 2012 to TL2.6 billion from TL2.2 billion in 2011.

Total Non-Interest Expense

The following tables show the components of Akbank's non-interest expense for the nine months ended 30 September 2014 and 2013 and for the years ended 31 December 2013, 2012 and 2011.

	For the nine months ended 30 September			
	2014	*% of Total non-interest expense*	*% change y-o-y*	*2013*
		(TL thousands)		
Personnel expenses	1,123,759	40.3%	4.1%	1,079,593
Depreciation expenses	148,753	5.3%	18.4%	125,651
Operational leasing expenses	119,364	4.3%	12.4%	106,174
Maintenance expenses	16,297	0.6%	1.1%	16,120
Advertisement expenses	76,554	2.7%	(6.6%)	82,001
Other expenses	1,306,705	46.8%	(4.4%)	1,251,231

Total non-interest expense	2,791,432	**100.0%**	4.9%	2,660,770

	For the years ended 31 December							
	2013	*% of Total non-interest expense*	*% change y-o-y*	*2012*	*% of Total non-interest expense*	*2011*	*% of Total non-interest expense*	*% change y-o-y*
				(TL thousands)				
Personnel expenses	1,423,264	40.3%	16.5%	1,221,580	41.2%	1,004,779	40.0%	21.6%
Depreciation expenses	171,012	4.8%	8.8%	157,116	5.3%	141,912	5.6%	10.7%
Operational leasing expenses	146,380	4.1%	14.6%	127,776	4.3%	100,593	4.0%	27.0%
Maintenance expenses	25,464	0.7%	0.9%	25,231	0.8%	20,772	0.8%	21.5%
Advertisement expenses	120,936	3.4%	18.6%	101,962	3.4%	86,556	3.4%	17.8%
Other expenses	1,641,668	46.5%	23.0%	1,334,799	45.0%	1,160,146	46.1%	15.1%
Total non-interest expense	**3,528,724**	**100.0%**	**18.9%**	**2,968,464**	**100%**	**2,514,758**	**100%**	**18.0%**

Total non-interest expense increased by 4.9% in the first nine months of 2014 to TL2.8 billion from TL2.7 billion in the first nine months of 2013.

Total non-interest expense increased by 18.9% in 2013 to TL3.5 billion from TL3.0 billion in 2012, principally driven by the human resources investment completed in the second half of 2012 and a one-off Competition Board fine of TL 129 million.

Total non-interest expense increased by 18.0% in 2012 to TL3.0 billion from TL2.5 billion in 2011, principally driven by employee costs.

Akbank has taken a number of initiatives to increase operational efficiency and reduce the growth of non-interest expenses. These initiatives have included centralising back office operations away from branches. Akbank also made improvements in processes, for example reducing the time and the number of personnel needed to finalise processes, while increasing the volume that Akbank can pass through.

Income Taxes

Income tax expense was TL686.1 million and Akbank's effective tax rate was 22.1% in the first nine months of 2014 as compared to TL799.8 million income tax expense and a 24.8% effective tax rate in the same period in 2013. The decrease in tax expense was primarily due to decrease in the total operating income principally resulting from decline in trading income.

In addition to general provisions Akbank is required to take according to the BRSA requirements, Akbank may take additional provisions to be prudent against adverse circumstances that may arise from any changes in the economy or market conditions. Since tax regulation does not allow banks in Turkey to deduct these additional general provisions from its taxable income, the Bank's effective tax rate may vary depending on the additional general provisions taken by the Bank.

Income tax expense was TL986.8 million and effective tax rate was 24.3% in 2013. Income tax expense was TL871.7 million in 2012 and effective tax rate was 22.5% in 2012. Income tax expense was TL670.1 million in 2011, and effective tax rate was 20.9%.

Liquidity and Funding

Akbank's principal sources of funding are short-term deposits from retail and corporate customers, including other banks. Currently, the Bank's strategy is to fund itself using deposits from its extensive customer base as the main source, while opportunistically using repurchase transactions, borrowings from international banks and securities issuances particularly for the medium-term or long-term funding needs although this approach is subject to change depending on market opportunities and changes in prevailing rates for deposits and other funding sources. Although deposits are typically short-term in nature in the Turkish market, Akbank has historically benefited from a high degree of stickiness in its deposits, although competition can be fierce from time to time. In recent years, Akbank has typically deployed excess liquidity from growth in its deposit base and shareholders' equity towards loans, given the attractive yields compared to marketable securities in the form of Turkish government bonds, with an emphasis on higher yielding consumer and SME loans.

Akbank's consolidated customer deposits constituted in aggregate approximately 51.1%, 51.7%, 48.9% and 50.4% of its total liabilities as at 30 September 2014 and 31 December 2013, 2012 and 2011, respectively. As at 30 September 2014, Akbank's consolidated customer deposits amounted to TL109.9 billion, an increase of 8.7% from TL101.1 as at 31 December 2013, which was a 26.4% increase from TL79.9 billion as at 31 December 2012. This was in turn a 13.4% increase from TL70.5 billion as at 31 December 2011. For more information on Akbank's deposits, see "*Selected Statistical and Other Information—Deposits.*"

The remaining sources of funds are funds borrowed under repurchase transactions and securities issued. Such funds represented 48.9%, 48.3%, 51.1% and 49.6% of Akbank's total liabilities as at 30 September 2014 and 31 December 2013, 2012 and 2011, respectively.

In March 2014, Akbank entered into a syndicated loan for US$1.35 billion and in March 2014 Akbank entered into another syndicated loan for US$1.35 billion, bringing the total funds raised by the Bank in the syndicated loan market in 2014 to US$2.70 billion.

Akbank has also been active from time to time in the cross-border, future-flow securitisation market since 1999 with its ARTS Programme. The ARTS Programme is backed by trade and diversified payment rights, including workers' remittances, cash against goods, cash against documents, letters of credit, cheque remittances and other third party payment orders. The total issuance under this programme reached US$6.5 billion as at 30 September 2014, and the principal amount outstanding under this programme was US$2.1 billion as at 30 September 2014. In June and July 2014, Akbank issued an additional U.S.$1.3 billion under this programme.

On 23 December 2013, Akbank also established a GMTN Programme and as of 30 September 2014 the total outstanding amount raised under this programme was approximately U.S.$750 million.

As at the date of this Prospectus, Akbank's management believes that Akbank's liquidity is sufficient for its present requirements for at least the next 12 months from the date of this Prospectus.

Off-Balance Sheet Arrangements

Akbank offers its customers products such as guarantees and letters of credit to meet its customers' needs for commercial banking services, frequently in connection with their customers' export and import activities. These products do not appear on the Bank's balance sheet.

The table below sets forth the Bank's total off-balance sheet arrangements for the periods presented.

	As at 30 September		*As at 31 December*		
	2014	*2013*	*2013*	*2012*	*2011*
			(TL thousands)		
Letters of guarantee	21,646,513	16,266,744	19,185,463	12,203,921	8,963,974
Acceptance credits	1,251,187	1,503,492	1,705,986	199,864	120,751
Letter of credit	4,748,259	6,401,694	6,207,184	4,546,973	4,071,428
Other guarantees	3,660,035	2,681,955	3,179,275	1,718,929	1,291,730
Total	**31,305,994**	**26,853,885**	**30,277,908**	**18,669,687**	**14,447,883**

As at 30 September 2014, Akbank had forward, swap, futures, options purchases and sales contracts, amounting to TL277.9 million on a net basis. Akbank enters into forward and swap contracts to provide hedging services for itself and its clients and generally does not enter into derivative transactions for speculative purposes.

The table below sets forth Akbank's total derivative transactions as at 30 September 2014 and 2013 and as at 31 December 2013, 2012 and 2011.

	As at 30 September		*As at 31 December*		
	2014	*2013*	*2013*	*2012*	*2011*
			(TL thousands)		
Derivatives held for trading:					
Forward foreign currency buy/sell transactions	9,591,751	8,769,575	12,075,222	4,837,708	4,477,389
Swap transactions	87,154,858	91,141,049	84,973,515	42,906,661	55,732,086
Foreign currency, interest rate and securities options	49,678,066	55,935,586	61,084,365	20,132,660	14,709,641
Foreign currency futures			-	-	-
Other	3,808,823	2,349,418	2,218,712	1,842,164	3,607,925
Derivatives held for hedging:	**8,085,889**	**3,054,750**	**12,516,952**	**12,962,413**	**4,557,785**
Interest Rate Swaps	6,102,896	3,054,750	6,774,672	12,962,413	4,557,785
Currency Rate Swaps	1,982,993		5,742,280	-	-
Total derivative transactions(1)	**158,319,387**	**161,250,378**	**172,868,766**	**82,681,606**	**83,084,826**

Note:

(1) Figures presented in the table above show the total of "sale" and "purchase" amounts of the related transactions.

Akbank has seen increasing levels of derivatives activity in the past three years. Most of Akbank's derivative or off balance sheet transactions are option and swap arrangements with counterparts and customers the risks of which are managed on a portfolio basis or transferred to third parties. Akbank holds Turkish Lira and foreign currency interest swaps mainly for hedging its balance sheet and for interest rate risk management. Akbank also uses foreign currency secured swaps for liquidity management.

Guarantees represent irrevocable assurances that Akbank will make payments in the event that a customer cannot meet its performance-related or financial obligations to third parties and thus carry the same credit risk as loans. Documentary and commercial letters of credit, which are written undertakings by Akbank on behalf of a corporate customer authorising a third party to draw drafts on Akbank up to a stipulated amount under specific terms and conditions, generally relate to trade and may be collateralised by the underlying shipments of goods to which they relate, by cash deposits or otherwise. The total outstanding contractual amount of letters of credit and guarantees does not necessarily represent future cash requirements, as these financial instruments may expire or terminate without being funded.

Property, Plant and Equipment

The table below sets forth the components of Akbank's consolidated property and equipment for each of the nine months ended 30 September 2014 and 2013 and the years ended 31 December 2013, 2012 and 2011.

	For the nine months ended 30 September		*For the years ended 31 December*		
	2014	*2013*	*2013*	*2012*	*2011*
			(TL thousands)		
Land and Buildings	708,535	688,744	710,824	688,559	685,439
Equipment and vehicles	946,695	825,105	884,370	828,574	803,100
Constructions in progress	4,792	9,175	204	2,578	217
Leasehold improvements	131,780	110,287	127,768	130,373	108,563
Total	1,791,802	1,633,311	1,723,166	1,650,084	1,597,319
Depreciation	(966,954)	(850,841)	(871,946)	(850,181)	(806,658)
Net book value	**824,848**	**782,470**	**851,220**	**799,903**	**790,661**

Akbank's property, plant and equipment comprise expenditures made on acquiring buildings, renovations to leasehold property, leasing of equipment (such as IT equipment), acquiring furniture, fixtures and office equipment and leasing intangible assets (such as IT software). Akbank's consolidated property, plant and equipment as at 30 September 2014 was TL824.8 million.

Selected Financial Information

The following tables set forth, for the periods indicated, Akbank's selected historical consolidated financial and other information. Akbank's selected historical consolidated financial information as at 31 December 2013, 2012 and 2011 and for the years then ended has been derived from the audited Akbank BRSA Annual Financial Statements. Akbank's selected historical consolidated financial information as at 30 September 2014 and for the nine months ended 30 September 2014 and 2013 has been derived from the unaudited Akbank BRSA Interim Financial Statements. The following selected consolidated financial and other information should be read in conjunction with, and is qualified in its entirety by reference to, the Akbank BRSA Annual Financial Statements and the Akbank BRSA Interim Financial Statements. The Akbank BRSA Financial Statements are presented in Turkish Lira and have been prepared in accordance with BRSA and as described in more detail in the accounting principles included in the notes to the Akbank BRSA Financial Statements.

Prospective investors should read the following information in conjunction with "*Presentation of Financial and Other Information*" section of the Base Prospectus, the Akbank BRSA Annual Financial Statements and the Akbank BRSA Interim Financial Statements.

Balance Sheet Data

	As at 30 September 2014	As at 31 December 2013	2012	2011
		(TL thousands)		
ASSETS				
Cash and Balances with Central Bank	20,862,729	18,223,119	16,662,852	13,878,689
Financial Assets at Fair Value Through Profit or (Loss) (Net)	1,366,705	1,891,610	570,652	991,274
Banks	5,491,000	—	3,190,672	3,454,793
Money Markets	160,049	5,839,099	—	8,210
Available-for-Sale Financial Assets (Net)	36,125,539	33,164,982	42,621,552	38,968,285
Loans and Receivables	133,793,637	118,009,505	92,360,249	74,355,560
Factoring Receivables	—	—	—	—
Held-to-Maturity Securities (Net)	10,613,074	12,153,453	3,637,468	4,824,470
Investments in Associates (Net)	3,923	3,923	3,923	3,923
Subsidiaries (Net)	—	—	—	—
Joint Ventures (Net)	—	—	—	—
Financial Lease Receivables (Net)	3,575,623	3,217,516	2,007,885	1,414,805
Hedging Derivative Financial Assets	298,540	630,177	—	—
Property and Equipment (Net)	824,848	851,220	799,903	790,661
Intangible Assets (Net)	184,502	162,215	113,757	102,215
Investment Property (Net)	—	—	—	—
Tax Asset	66,600	75,005	5,103	116,608
Property and Equipment Held for Sale Purpose and Related to Discontinued Operations (Net)	158,393	34,699	15,048	3,686
Other Assets	1,416,606	1,225,740	1,489,270	993,953
Total assets	**214,941,768**	**195,482,263**	**163,478,334**	**139,907,132**
LIABILITIES				
Deposits	121,781,103	112,472,683	90,688,288	80,770,817
Trading Derivative Financial Liabilities	1,156,369	1,178,748	553,939	673,035
Borrowings	20,289,923	19,898,600	15,598,071	18,045,321
Money Markets	27,065,606	23,230,751	20,121,429	13,062,144
Securities Issued (Net)	10,988,151	8,727,842	6,614,443	4,503,804
Funds	—	—	—	—
Miscellaneous Payables	3,576,722	3,724,991	2,967,843	2,332,702
Other Liabilities	2,200,448	1,478,729	1,562,614	746,389
Factoring Payables	—	—	—	—
Financial Lease Payables (Net)	—	—	—	—
Hedging Derivative Financial Liabilities	41,184	63,810	658,845	219,851
Provisions	2,556,455	2,267,575	1,531,382	1,131,234
Tax Liability	422,880	303,555	705,712	290,456
Liabilities for Property And Equipment Held for Sale	—	—	—	—
Subordinated Loans	—	—	—	—
Shareholders' Equity	24,862,927	22,134,979	22,475,768	18,131,379
Total liabilities and shareholders' equity	**214,941,768**	**195,482,263**	**163,478,334**	**139,907,132**

Income Statement Data

	For the nine months ended 30 September 2014	For the year ended 31 December 2013	2012	2011
INCOME AND EXPENSES ITEMS		*(TL thousands)*		
Interest Income	10,943,224	11,891,833	11,649,475	9,473,645
Interest Expense	5,625,905	5,510,286	6,291,675	5,321,916
Net Interest Income	**5,317,319**	**6,381,547**	**5,357,800**	**4,151,729**
Net Fees and Commissions Income	**1,841,518**	**2,233,319**	**1,788,881**	**1,631,259**

	For the nine months ended 30 September 2014	For the year ended 31 December 2013	2012	2011
Dividend Income	1,381	4,970	730	3,596
Trading Income/(Loss) (Net)	(125,370)	491,008	403,189	(112,355)
Other Operating Income	**494,163**	**418,409**	**415,363**	**704,835**
Total Operating Income	7,529,011	9,529,253	7,965,963	6,379,064
Provision for Loan Losses and Other Receivables	(1,635,642)	(1,936,548)	1,120,889	659,125
Other Operating Expenses	(2,791,432)	(3,528,724)	2,968,464	2,514,758
Net Operating Income/(Loss)	**3,101,937**	**4,063,981**	**3,876,610**	**3,205,181**
Excess Amount Recorded as Income After Merger, Income/(Loss) from Investments in Subsidiaries	—	—	—	—
Consolidated Based on Equity Method	—	—	—	—
Income/(Loss) on Net Monetary Position	—	—	—	—
Profit/Loss before Tax from Continued Operations	3,101,937	4,063,981	3,876,610	3,205,181
Tax Provision for Continued Operations	686,078	986,800	871,662	670,056
Current Year Profit/Loss from Continued Operations	2,415,859	3,077,181	3,004,948	2,535,125
Income from Discontinued Operations	—	—	—	—
Expenses for Discontinued Operations	—	—	—	—
Profit/Loss Before Tax from Discontinued Operations	**—**	**—**	—	—
Tax Provision for Discontinued Operations	**—**	**—**	—	—
Current Year Profit/Loss from Discontinued Operations	**—**	**—**	—	—
Net Income/(Loss)	**2,415,859**	**3,077,181**	**3,004,948**	**2,535,125**
Income/(Loss) from the Group	**2,415,854**	**3,077,171**	**3,004,910**	**2,536,375**

Key Ratios

The following table sets out certain key ratios calculated with results derived from the Akbank BRSA Interim Financial Statements and the Akbank BRSA Annual Financial Statements as at 30 September 2014 and as at 31 December 2013, 2012 and 2011, respectively. These ratios are not calculated on the basis of IFRS and are not IFRS measures of financial performance.

	As at and for the nine months ended 30 September 2014	*As at and for the year ended 31 December 2013*	*2012*	*2011*
	(%)			
Return on average shareholders' equity excluding minority interest	13.7	14.0	15.1	14.3
Net interest margin(1)	3.6	3.7	3.7	3.3
Capital adequacy ratio(2)	14.4	14.7	17.9	16.8
Cost to income(3)	43.9	41.7	40.6	41.4
Free capital ratio(4)	11.0	10.8	13.2	12.3
Non-performing loans to total cash loans	1.7	1.4	1.2	1.7
Cost to average total assets	1.8	1.9	2.0	1.9
Cost of Risk	0.9	0.8	0.5	0.2
Fees to Cost	66.0	63.3	60.3	64.9
Tier I Ratio	13.3	14.5	16.3	16.2
Loan-to-deposit ratio	109.9	104.9	101.8	92.1
NPL coverage ratio	93.5	94.5	91.7	92.6

Notes:

(1) Net interest income divided by average interest earning assets.

(2) Calculated in accordance with BRSA regulations.

(3) Represents non-interest expenses divided by total operating income before provisions and non-interest expense.

(4) Total shareholders' equity excluding intangible assets, tangible assets, assets held for resale, investments in equity participations and divided by total assets.

SELECTED STATISTICAL AND OTHER INFORMATION

The following tables present certain selected statistical information and ratios for Akbank as at and for the periods indicated. The selected statistical information should be read in conjunction with the Akbank BRSA Annual Financial Statements and Akbank BRSA Interim Financial Statements, and the information included in "*Management's Discussion and Analysis of Results of Operations and Financial Condition*". All Turkish Lira amounts in this section, unless otherwise indicated, are stated in thousand Turkish Lira.

Average Balances and Interest Rates

The tables below (derived from Akbank's management accounts) show Akbank's consolidated average balances and interest rates for the nine months ended 30 September 2014 and for the years ended 31 December 2013, 2012 and 2011. In such tables average balances for interest earning assets are calculated from daily balances and average balances for all other assets are calculated from period-end balances. Average balances exclude interest accruals.

AVERAGE BALANCES AND INTEREST RATES

	For the nine months ended 30 September 2014			
	Average Balance	*Share of Total %*	*Interest*	*Average Rate %*
ASSETS				
Interest-earning deposits in banks & reserve requirements & interbank money market:[(1)]				
TL	1,301,441	0.64	37,791	2.90
Foreign currency	23,528,694	11.57	26,386	0.11
Total	**24,830,135**	**12.21**	**64,177**	**0.26**
Marketable securities:[(2)]				
TL	29,470,126	14.49	2,343,915	7.95
Foreign currency	17,542,408	8.62	558,981	3.19
Total	**47,012,534**	**23.11**	**2,902,896**	**6.17**
Loans:				
TL	77,061,976	37.89	6,278,702	8.15
Foreign currency	43,531,588	21.40	1,495,284	3.43
Total	**120,593,564**	**59.29**	**7,773,986**	**6.45**
Leasing receivables:				
TL	687,708	0.34	58,082	8.45
Foreign currency	2,708,862	1.33	111,780	4.13
Total	**3,396,570**	**1.67**	**169,862**	**5.00**
Total interest-earning assets:				
TL	108,521,251	53.36	8,718,490	8.03
Foreign currency	87,311,552	42.92	2,192,431	2.51
Total	**195,832,803**	**96.28**	**10,910,921**	**5.57**
Investments in affiliated companies:				
TL	3,923	0.00	-	-
Foreign currency	-	0.00	-	-
Total	**3,923**	**0.00**	**-**	**-**
Total earnings assets:				
TL	108,525,174	53.36	8,718,490	8.03
Foreign currency	87,311,552	42.92	2,192,431	2.51
Total	**195,836,726**	**96.28**	**10,910,921**	**5.57**
Cash and due from banks:				
TL	926,057	0.46	-	-
Foreign currency	644,193	0.32	-	-
Total	**1,570,250**	**0.78**	**-**	**-**
Allowance for possible loan losses:				
TL	1,878,969	0.92	-	-
Foreign currency	0	0.00	-	-
Total	**1,878,969**	**0.92**	**-**	**-**
Premises and equipment (TL):	1,107,939	0.54	-	-
Other non-interest-earning assets:				
Derivative financial instruments				
TL	1,172,185	0.58	-	-
Foreign currency	834,544	0.41	-	-
Total	**2,006,729**	**0.99**	**-**	**-**
Deferred taxes (TL)	**70,803**	**0.03**	**-**	**-**
Other assets and prepayments				
TL	879,700	0.44	-	-
Foreign currency	40,713	0.02	-	-
Total	**920,413**	**0.46**	**-**	**-**
Other interest income:	**-**		**32,303**	**-**
Total average assets:				
TL	114,560,827	56.33	8,750,793	7.64
Foreign currency	88,831,002	43.67	2,192,431	2.47
Total	**203,391,829**	**100.00**	**10,943,224**	**5.38**

	For the year ended 31 December 2013			
	Average Balance	*Share of Total %*	*Interest*	*Average Rate %*
ASSETS				
Interest-earning deposits in banks & reserve requirements & interbank money market:[(1)]				
TL	1,888,525	1.10	37,074	1.96
Foreign currency	17,013,344	9.94	21,159	0.12
Total	**18,901,869**	**11.04**	**58,233**	**0.31**
Marketable securities:[(2)]				
TL	29,758,372	17.39	2,793,550	9.39
Foreign currency	13,068,254	7.64	518,250	3.97
Total	**42,826,626**	**25.03**	**3,311,800**	**7.73**
Loans:				
TL	65,415,667	38.23	6,603,365	10.09
Foreign currency	35,231,566	20.59	1,714,068	4.87
Total	**100,647,233**	**58.82**	**8,317,433**	**8.26**
Leasing receivables:				
TL	465,252	0.27	56,262	12.09
Foreign currency	2,147,449	1.25	129,924	6.05
Total	**2,612,701**	**1.52**	**186,186**	**7.13**
Total interest-earning assets:				
TL	97,527,816	56.99	9,490,251	9.73
Foreign currency	67,460,613	39.42	2,383,401	3.53
Total	**164,988,429**	**96.41**	**11,873,652**	**7.20**
Investments in affiliated companies:				
TL	3,923	0.00	-	-
Foreign currency	-	0.00	-	-
Total	3,923	0.00	-	-
Total earnings assets:				
TL	97,531,739	56.99	9,490,251	9.73
Foreign currency	67,460,613	39.42	2,383,401	3.53
Total	**164,992,352**	**96.41**	**11,873,652**	**7.20**
Cash and due from banks:				
TL	818,783	0.48	-	-
Foreign currency	667,268	0.39	-	-
Total	**1,486,051**	**0.87**	**-**	**-**
Allowance for possible loan losses:				
TL	1,303,162	0.76	-	-
Foreign currency	58	0.00	-	-
Total	1,303,220	0.76	-	-
Premises and equipment (TL):	**988,421**	**0.58**	**-**	**-**
Other non-interest-earning assets:				
Derivative financial instruments				
TL	825,887	0.48	-	-
Foreign currency	641,474	0.37	-	-
Total	**1,467,361**	**0.85**	**-**	**-**
Deferred taxes (TL)	40,054	0.02	-	-
Other assets and prepayments				
TL	800,377	0.48	-	-
Foreign currency	40,462	0.02	-	-
Total	**840,839**	**0.50**	**-**	**-**
Other interest income:	-		18,181	-
Total average assets:				
TL	102,308,423	59.79	9,508,432	9.29
Foreign currency	68,809,875	40.20	2,383,401	3.46
Total	**171,118,298**	**99.99**	**11,891,833**	**6.95**

	For the year ended 31 December 2012			
	Average Balance	*Share of Total %*	*Interest*	*Average Rate %*
ASSETS				
Interest-earning deposits in banks & reserve requirements & interbank money market:[(1)]				
TL	2,229,162	1.54	51,769	2.32
Foreign currency	12,829,112	8.87	16,672	0.13
Total	**15,058,274**	**10.41**	**68,441**	**0.45**
Marketable securities:[(2)]				
TL	34,337,727	23.75	3,702,259	10.78
Foreign currency	8,509,333	5.89	392,184	4.61
Total	**42,847,060**	**29.64**	**4,094,443**	**9.56**
Loans:				
TL	48,922,918	33.84	5,748,170	11.75
Foreign currency	31,397,673	21.72	1,597,429	5.09
Total	**80,320,591**	**55.56**	**7,345,599**	**9.15**
Leasing receivables:				
TL	301,603	0.21	42,215	14.00
Foreign currency	1,409,743	0.98	89,223	6.33
Total	**1,711,346**	**1.19**	**131,438**	**7.68**
Total interest-earning assets:				
TL	85,791,410	59.34	9,544,413	11.13
Foreign currency	54,145,861	37.46	2,095,508	3.87
Total	**139,937,271**	**96.80**	**11,639,921**	**8.32**
Investments in affiliated companies:				
TL	3,923	0.00	-	-
Foreign currency	-	0.00	-	-
Total	**3,923**	**0.00**	**-**	**-**
Total earnings assets:				
TL	85,795,333	59.34	9,544,413	11.12
Foreign currency	54,145,861	37.46	2,095,508	3.87
Total	**139,941,194**	**96.80**	**11,639,921**	**8.32**
Cash and due from banks:				
TL	710,225	0.49	-	-
Foreign currency	526,572	0.36	-	-
Total	**1,236,797**	**0.85**	**-**	**-**
Allowance for possible loan losses:				
TL	1,096,090	0.76	-	-
Foreign currency	118	0.00	-	-
Total	**1,096,208**	**0.76**	**-**	**-**
Premises and equipment (TL):	**912,635**	**0.63**	**-**	
Other non-interest-earning assets:				
Derivative financial instruments				
TL	312,544	0.22	-	-
Foreign currency	369,649	0.26	-	-
Total	**682,193**	**0.48**	**-**	**-**
Deferred taxes (TL)	**60,856**	**0.04**	**-**	**-**
Other assets and prepayments				
TL	597,136	0.41	-	-
Foreign currency	56,733	0.04	-	-
Total	**653,869**	**0.45**	**-**	**-**
Other interest income:	**-**		**9,554**	**-**
Total average assets:				
TL	89,484,819	61.89	9,553,967	10.68
Foreign currency	55,098,933	38.12	2,095,508	3.80
Total	**144,583,752**	**100.01**	**11,649,475**	**8.06**

Notes:
(1) Interest income from central bank deposits is included in total interest earning deposits in banks, but is not tracked as a separate statistic by Akbank.
(2) None of the Akbank's marketable securities are tax-exempt.

AVERAGE BALANCES AND INTEREST RATES

	For the year ended 31 December 2011			
	Average Balance	*Share of Total %*	*Interest*	*Average Rate %*
ASSETS				
Interest-earning deposits in banks & reserve requirements & interbank money market:[1]				
TL	4,878,281	3.91	42,464	0.87
Foreign currency	8,556,785	6.85	14,208	0.17
Total	**13,435,066**	**10.76**	**56,672**	**0.42**
Marketable securities:[2]				
TL	35,253,128	28.24	3,768,921	10.69
Foreign currency	6,161,505	4.94	288,914	4.69
Total	**41,414,633**	**33.18**	**4,057,835**	**9.80**
Loans:				
TL	36,530,942	29.26	4,003,152	10.96
Foreign currency	28,005,482	22.43	1,236,135	4.41
Total	**64,536,424**	**51.69**	**5,239,287**	**8.12**
Leasing receivables:				
TL	197,563	0.16	27,778	14.06
Foreign currency	1,005,478	0.81	65,420	6.51
Total	**1,203,041**	**0.97**	**93,198**	**7.75**
Total interest-earning assets:				
TL	76,859,914	61.57	7,842,315	10.20
Foreign currency	43,729,250	35.03	1,604,677	3.67
Total	**120,589,164**	**96.60**	**9,446,992**	**7.83**
Investments in affiliated companies:				
TL	3,524	0.00	-	0.00
Foreign currency	-	0.00	-	0.00
Total	**3,524**	**0.00**	**-**	**0.00**
Total earnings assets:				
TL	76,863,438	61.57	7,842,315	10.20
Foreign currency	43,729,250	35.03	1,604,677	3.67
Total	**120,592,688**	**96.60**	**9,446,992**	**7.83**
Cash and due from banks:				
TL	540,820	0.43	-	-
Foreign currency	389,018	0.31	-	-
Total	**929,838**	**0.74**	**-**	**-**
Allowance for possible loan losses:				
TL	1,224,611	0.98	-	-
Foreign currency	111	0.00	-	-
Total	**1,224,722**	**0.98**	**-**	**-**
Premises and equipment (TL)	**947,130**	**0.76**	**-**	
Other non-interest-earning assets:				
Derivative financial instruments				
TL	387,192	0.31	-	-
Foreign currency	261,684	0.21	-	-
Total	**648,876**	**0.52**	**-**	**-**
Deferred taxes (TL)	**103,119**	**0.08**	**-**	**-**
Other assets and prepayments:				
TL	352,115	0.28	-	-
Foreign currency	52,674	0.04	-	-
Total	**404,789**	**0.32**	**-**	**-**
Other interest income:	**-**		**26,653**	**-**
Total average assets:				
TL	80,418,425	64.41	7,868,968	9.79
Foreign currency	44,432,737	35.59	1,604,677	3.61
Total	**124,851,162**	**100.00**	**9,473,645**	**7.59**

Notes:

(1) Interest income from central bank deposits is included in total interest earning deposits in banks, but is not tracked as a separate statistic by Akbank.

(2) None of Akbank's marketable securities are tax-exempt.

The tables below (derived from Akbank's management accounts) show Akbank's consolidated liabilities and stockholders' equity for the nine months ended 30 September 2014, and for the years ended 31 December 2013, 2012 and 2011. In such tables average balances for interest bearing liabilities are calculated from daily balances and average balances for all other liabilities are calculated from period-end balances.

LIABILITIES AND STOCKHOLDERS' EQUITY

	For the nine months ended 30 September 2014			
	Average Balance	*Share of Total %*	*Interest*	*Average Rate %*
TL saving deposits:				
Time	31,497,811	15.63	2,125,977	6.75
Demand	4,455,792	2.21	-	0.00
Total	**35,953,603**	**17.84**	**2,125,977**	**5.91**
TL other deposits:				
Time	14,019,931	6.95	1,057,988	7.55
Demand	4,287,068	2.13	5	0.00
Total	**18,306,999**	**9.08**	**1,057,993**	**5.78**
TL deposits:				
Time	45,517,742	22.58	3,183,965	6.99
Demand	8,742,860	4.34	5	0.00
Total	**54,260,602**	**26.92**	**3,183,970**	**5.87**
Foreign currency saving deposits:				
Time	19,322,652	9.59	304,393	1.58
Demand	4,128,826	2.05	-	0.00
Total	**23,451,478**	**11.64**	**304,393**	**1.30**
Other foreign currency deposits:				
Time	19,961,323	9.90	325,870	1.63
Demand	3,034,908	1.51	8,751	0.29
Total	**22,996,231**	**11.41**	**334,621**	**1.46**
Foreign currency deposits:				
Time	39,283,975	19.49	630,263	1.60
Demand	7,163,734	3.56	8,751	0.12
Total	**46,447,709**	**23.05**	**639,014**	**1.38**
Bank deposits:				
TL	2,106,126	1.04	152,852	7.26
Foreign currency	8,475,265	4.20	96,885	1.14
Total	**10,581,391**	**5.24**	**249,737**	**2.36**
Funds provided under repurchase agreements:				
TL	7,648,544	3.79	538,111	7.04
Foreign currency	19,336,862	9.59	191,936	0.99
Total	**26,985,406**	**13.38**	**730,047**	**2.71**
Borrowings:				
TL	830,427	0.41	63,947	7.70
Foreign currency	19,937,623	9.89	286,292	1.44
Total	**20,768,050**	**10.30**	**350,239**	**1.69**
Securities Issued:				
TL	3,271,239	1.62	241,269	7.38
Foreign currency	6,632,383	3.29	213,453	3.22
Total	**9,903,622**	**4.91**	**454,722**	**4.59**
Total interest-bearing liabilities:(1)				
TL	68,116,938	33.78	4,180,149	6.14
Foreign currency	100,829,842	50.02	1,427,580	1.42
Total	**168,946,780**	**83.80**	**5,607,729**	**3.32**
Other liabilities:				

Derivative financial instruments:				
TL	239,879	0.12	-	-
Foreign currency	980,177	0.49	-	-
Total	**1,220,056**	**0.61**	**-**	**-**
Income taxes payable (TL)	43,514	0.02	-	-
Deferred tax liabilities (TL)	319,704	0.16	-	-
Other liabilities:				
TL	6,245,399	3.10	-	-
Foreign currency	1,193,723	0.59	-	-
Total	**7,439,122**	**3.69**	**-**	**-**
Reserve for emp. termination benefits (TL)	116,625	0.06	-	-
Shareholders' equity	23,498,862	11.66	-	-
Profit	2,415,859	1.20	-	-
Other interest income:	-		18,176	-
Total average liabilities and shareholders:				
TL	**98,580,921**	48.90	4,198,326	4.26
Foreign currency	**103,003,742**	51.10	1,429,226	1.39
Total	**201,584,663**	**100.00**	**5,627,552**	**2.79**

	For the year ended 31 December 2013			
	Average Balance	*Share of Total %*	*Interest*	*Average Rate %*
TL saving deposits:				
Time	25,510,208	14.82	2,068,208	8.11
Demand	3,240,619	1.88	52	0.00
Total	**28,750,827**	**16.70**	**2,068,260**	**7.19**
TL other deposits:				
Time	14,993,877	8.71	900,387	6.01
Demand	4,333,401	2.52	392	0.01
Total	**19,327,278**	**11.23**	**900,779**	**4.66**
TL deposits:				
Time	40,504,085	23.53	2,968,595	7.33
Demand	7,574,020	4.40	444	0.01
Total	**48,078,105**	**27.93**	**2,969,039**	**6.18**
Foreign currency saving deposits:				
Time	13,306,211	7.73	370,158	2.78
Demand	3,529,571	2.05	7	0.00
Total	**16,835,782**	**9.78**	**370,165**	**2.20**
Other foreign currency deposits:				
Time	17,581,904	10.21	366,878	2.09
Demand	1,720,712	1.00	12,470	0.73
Total	**19,302,616**	**11.21**	**379,348**	**1.97**
Foreign currency deposits:				
Time	30,888,115	17.94	736,036	2.39
Demand	5,250,283	3.05	12,477	0.24
Total	**36,138,398**	**20.99**	**749,513**	**2.07**
Bank deposits:				
TL	3,260,813	1.89	211,843	6.50
Foreign currency	8,134,100	4.73	132,178	1.62
Total	**11,394,913**	**6.62**	**344,021**	**3.02**
Funds provided under repurchase agreements:				
TL	6,201,551	3.60	365,447	5.89
Foreign currency	15,117,735	8.78	204,798	1.35
Total	**21,319,286**	**12.38**	**570,245**	**2.67**
Borrowings:				
TL	914,818	0.53	64,185	7.02
Foreign currency	15,910,566	9.24	324,425	2.04

Total	**16,825,384**	**9.77**	**388,610**	**2.31**
Securities Issued				
TL	3,074,273	1.79	240,935	7.84
Foreign currency	4,562,778	2.65	228,982	5.02
Total	**7,637,051**	**4.44**	**469,917**	**6.15**
Total interest-bearing liabilities:[1]				
TL	61,529,560	35.74	3,851,449	6.26
Foreign currency	79,863,577	46.39	1,639,896	2.05
Total	**141,393,137**	**82.13**	**5,491,345**	**3.88**
Other liabilities:				
Derivative financial instruments:				
TL	475,052	0.28	-	-
Foreign currency	752,620	0.44	-	-
Total	**1,227,672**	**0.72**	**-**	**-**
Income taxes payable (TL)	72,157	0.04	-	-
Deferred tax liabilities (TL)	432,477	0.25	-	-
Other liabilities:				
TL	5,374,621	3.12	-	-
Foreign currency	1,211,219	0.70	-	-
Total	**6,585,840**	**3.82**	**-**	**-**
Reserve for emp. termination benefits (TL)	106,450	0.06	-	-
Shareholders' equity	22,305,295	12.96	-	-
Profit	3,077,181	1.79	-	-
Other interest income:	-		18,941	-
Total average liabilities and shareholders:				
TL	90,295,612	52.45	3,870,390	4.29
Foreign currency	81,827,416	47.53	1,639,896	2.00
Total	**172,123,028**	**99.98**	**5,510,286**	**3.20**

	31 December 2012			
	Average Balance	*Share of Total %*	*Interest*	*Average Rate %*
TL saving deposits:				
Time	23,061,786	15.63	2,398,664	10.40
Demand	2,486,083	1.68	862	0.03
Total	**25,547,869**	**17.31**	**2,399,526**	**9.39**
TL other deposits:				
Time	13,649,666	9.25	1,073,929	7.87
Demand	3,183,618	2.16	2,281	0.07
Total	**16,833,284**	**11.41**	**1,076,210**	**6.39**
TL deposits:				
Time	36,711,452	24.88	3,472,593	9.46
Demand	5,669,701	3.84	3,143	0.06
Total	**42,381,153**	**28.72**	**3,475,736**	**8.20**
Foreign currency saving deposits:				
Time	12,950,975	8.78	461,582	3.56
Demand	1,956,798	1.33	107	0.01
Total	**14,907,773**	**10.11**	**461,689**	**3.10**
Other foreign currency deposits:				
Time	14,295,673	9.69	403,027	2.82
Demand	1,647,227	1.12	16,518	1.00
Total	**15,942,900**	**10.81**	**419,545**	**2.63**
Foreign currency deposits:				
Time	27,246,648	18.47	864,609	3.17
Demand	3,604,025	2.45	16,625	0.46
Total	**30,850,673**	**20.92**	**881,234**	**2.86**
Bank deposits:				
TL	3,097,537	2.10	267,104	8.62
Foreign currency	7,726,001	5.24	180,128	2.33
Total	**10,823,538**	**7.34**	**447,232**	**4.13**
Funds provided under repurchase agreements:				
TL	6,085,896	4.12	475,916	7.82
Foreign currency	9,172,920	6.22	166,226	1.81
Total	**15,258,816**	**10.34**	**642,142**	**4.21**
Borrowings:				
TL	652,862	0.44	47,119	7.22
Foreign currency	15,270,348	10.35	359,635	2.36
Total	**15,923,210**	**10.79**	**406,754**	**2.55**
Securities Issues				
TL	2,554,142	1.73	247,340	9.68
Foreign currency	2,840,911	1.93	166,226	5.85
Total	**5,395,053**	**3.66**	**413,566**	**7.67**
Total interest-bearing liabilities:(1)				
TL	54,771,590	37.11	4,513,214	8.24
Foreign currency	65,860,853	44.46	1,753,449	2.66
Total	**120,632,443**	**81.57**	**6,266,664**	**5.19**
Other liabilities:				
Derivative financial instruments:				
TL	510,780	0.35	-	-
Foreign currency	542,055	0.37	-	-
Total	**1,052,835**	**0.72**	**-**	**-**
Income taxes payable (TL)	62,919	0.04	-	-
Deferred tax liabilities (TL)	435,165	0.29	-	-
Other liabilities:				
TL	4,163,096	2.83	-	-
Foreign currency	834,219	0.58	-	-

Total	**4,997,315**	**3.41**	**-**	**-**
Reserve for emp. termination benefits (TL)	89,676	0.06	-	-
Shareholders' equity	20,298,656	13.76	-	-
Profit	3,004,948	2.04	-	-
Other interest income:	-		25,012	-
Total average liabilities and shareholders:				
TL	80,331,882	54.44	4,538,226	5.65
Foreign currency	67,237,127	45.41	1,753,449	2.61
Total	**147,569,009**	**99.85**	**6,291,675**	**4.26**

	31 December 2011			
	Average Balance	*Share of Total %*	*Interest*	*Average Rate %*
TL saving deposits:				
Time	30,564,774	15.27	1,972,434	4.56
Demand	3,987,968	1.99	640	0.00
Total	**34,552,742**	**17.26**	**1,973,074**	**4.04**
TL other deposits:				
Time	11,578,191	9.10	988,754	8.54
Demand	2,289,511	1.80	800	0.03
Total	**13,867,702**	**10.90**	**989,554**	**7.14**
TL deposits:				
Time	34,508,230	27.13	2,961,188	8.58
Demand	5,334,127	4.19	1,440	0.03
Total	**39,842,357**	**31.32**	**2,962,628**	**7.44**
Foreign currency saving deposits:				
Time	13,316,282	10.47	489,089	3.67
Demand	1,168,724	0.92	102	0.01
Total	**14,485,006**	**11.39**	**489,191**	**3.38**
Other foreign currency deposits:				
Time	9,447,521	7.43	258,188	2.73
Demand	1,194,817	0.94	501	0.07
Total	**10,642,338**	**8.37**	**258,689**	**2.43**
Foreign currency deposits:				
Time	22,763,803	17.90	747,277	3.28
Demand	2,363,541	1.86	603	0.04
Total	**25,127,344**	**19.76**	**747,880**	**2.98**
Bank deposits:				
TL	2,104,708	1.65	161,155	7.66
Foreign currency	6,136,507	4.82	177,002	2.88
Total	**8,241,215**	**6.47**	**338,157**	**4.10**
Funds provided under repurchase agreements:				
TL	9,329,937	7.33	600,381	6.44
Foreign currency	3,478,068	2.73	58,222	1.67
Total	**12,808,005**	**10.06**	**658,603**	**5.14**
Borrowings:				
TL	600,806	0.47	48,587	8.09
Foreign currency	13,839,070	10.88	283,616	2.05
Total	**14,439,876**	**11.35**	**332,203**	**2.30**
Securities issued:				
TL	1,510,485	1.19	119,575	7.92
Foreign currency	**2,279,562**	1.79	126,593	5.55
Total	**3,790,047**	**2.98**	**246,168**	**6.50**
Total interest-bearing liabilities:[(1)]				
TL	53,388,293	41.96	3,892,326	7.29
Foreign currency	50,860,551	39.38	1,393,313	2.74
Total	**104,248,844**	**81.34**	**5,285,639**	**5.07**
Other liabilities:				
Derivative financial instruments:				

TL	401,059	0.32	-	-
Foreign currency	420,386	0.33	-	-
Total	**821,445**	**0.65**	**-**	**-**
Income taxes payable (TL)	20,830	0.02	-	-
Deferred tax liabilities (TL)	338,706	0.27	-	-
Other liabilities:				
TL	3,029,356	2.37	-	-
Foreign currency	636,142	0.50	-	-
Total	**3,665,498**	**2.87**	**-**	**-**
Reserve for emp. termination benefits (TL)	74,670	0.06	-	-
Shareholders' equity	18,028,139	14.17	-	-
Profit	2,535,125	1.99	-	-
Other interest income:	-		36,277	-
Total average liabilities and shareholders:				
TL	75,281,053	59.17	3,928,603	5.22
Foreign currency	51,917,079	40.21	1,393,313	2.68
Total	**127,198,132**	**99.38**	**5,321,916**	**4.18**

Interest Earning Assets: Yield, Margin and Spread

The following table (derived from Akbank's management accounts) shows Akbank's net interest income, yield, margin and spread for the nine months ended 30 September 2014 and for each of the three years ended 31 December 2013, 2012 and 2011.

	For the nine months ended 30 September	*For the years ended 31 December*		
	2014	*2013*	*2012*	*2011*
Net Interest Income:				
TL	4,538,341	5,638,802	5,031,198	3,949,988
Foreign currency	764,851	743,505	342,060	211,364
Total	**5,303,192**	**6,382,307**	**5,373,258**	**4,161,352**
Yield on interest-earning assets(1):				
TL	10.7%	9.7%	11.1%	10.2%
Foreign currency	3.3%	3.5%	3.9%	3.7%
Total	**7.4%**	**7.2%**	**8.3%**	**7.8%**
Yield on interest-bearing liabilities(1):				
TL	8.2%	6.3%	8.2%	7.3%
Foreign currency	1.9%	2.0%	2.7%	2.7%
Total	**4.4%**	**3.9%**	**5.2%**	**5.1%**
Margin(2):				
TL	4.2%	5.8%	5.9%	5.1%
Foreign currency	0.9%	1.1%	0.6%	0.5%
Total	**2.7%**	**3.9%**	**3.8%**	**3.5%**
Spread(3):				
TL	2.5%	3.5%	2.9%	2.9%
Foreign currency	1.5%	1.5%	1.2%	0.9%
Total	**3.0%**	**3.3%**	**3.1%**	**2.8%**

Notes:

(1) Yield represents interest income/expense as a percentage of average interest earning assets/interest bearing liabilities.

(2) Margin represents net interest income as a percentage of average interest earning assets.

(3) Spread represents the difference between the average rate of interest earned on interest earning assets and the average rate of interest accrued on interest bearing liabilities.

Analysis of Changes in Net Interest Income and Interest Expense

The following table (derived from Akbank's management accounts) provides a comparative analysis of changes in net interest income and interest expense by reference to changes in average volume and rates for the nine months ended 30 September 2014 and for the three years ended 31 December 2013, 2012 and 2011. Net changes in net interest income are attributed to either changes in average balances (volume changes) or changes in average rates (rate changes) for interest-earning assets and sources of funds on which interest is received or paid. Volume change is calculated as the change in volume multiplied by the previous rate, while rate change is the change in rate multiplied by the previous volume. The rate volume change (change in rate multiplied by change in volume) is allocated between volume change and rate change at the ratio each component bears to the absolute value of their total. Average balances represent the average of the daily balances for the respective year. Akbank does not separately track short-term and long-term interest expense for purposes of calculating net interest income and interest expense.

ANALYSIS OF CHANGES IN NET INTEREST INCOME AND INTEREST EXPENSE

	September 2014/September 2013 Increase/(decrease) due to changes in			
	Volume	*Rate*	*Net Change*	*Change %*
Interest Income				
Interest-earning deposits in banks & reserve requirements & interbank money market:				
TL	(13,617)	21,694	8,077	0.0
Foreign currency	8,438	4,159	12,597	0.0
Total	**21,523**	**(849)**	**20,674**	0.0
Marketable securities:				
TL	(40,797)	387,786	346,989	0.0
Foreign currency	208,168	(48,046)	160,122	0.0
Total	**336,167**	**170,944**	**507,111**	0.0
Loans:				
TL	1,442,393	14,209	1,456,602	0.0
Foreign currency	442,352	(209,758)	232,594	0.0
Total	**1,930,348**	**(241,152)**	**1,689,196**	0.0
Leasing receivables:				
TL	25,903	(2,275)	23,628	0.0
Foreign currency	38,712	(21,853)	16,859	0.0
Total	**60,547**	**(20,060)**	**40,487**	0.0
Total interest-earning assets:				
TL	1,273,994	561,302	1,835,296	0.0
Foreign currency	796,468	(374,296)	422,172	0.0
Total	**2,533,339**	**(275,871)**	**2,257,468**	0.0
Interest Expense				
TL deposits:				
Time	398,091	651,247	1,049,338	0.0
Demand	168	(608)	(440)	0.0
Total	**457,381**	**591,517**	**1,048,898**	0.0
YP deposits:				
Time	233,821	(119,499)	114,322	0.0
Demand	3,103	(5,413)	(2,310)	0.0
Total	**223,548**	**(111,536)**	**112,012**	0.0
Bank deposits:				
TL	(68,044)	68,989	945	0.0
Foreign currency	13,582	(9,769)	3,813	0.0
Total	**(6,932)**	**11,690**	**4,758**	0.0
Funds provided under repurchase agreements:				
TL	78,100	194,043	272,143	0.0
Foreign currency	68,378	(22,759)	45,619	0.0
Total	**170,871**	**146,892**	**317,763**	0.0
Borrowings:				
TL	(2,322)	17,573	15,251	0.0
Foreign currency	96,275	(44,616)	51,659	0.0
Total	**109,318**	**(42,409)**	**66,909**	0.0
Total interest-bearing liabilities:				

TL	488,678	915,931	1,404,609	0.0
Foreign currency	484,429	(225,030)	259,399	0.0
Total	**1,222,334**	**441,672**	**1,664,006**	0,0

	2013/2012 Increase/(decrease) due to changes in				*2012/2011 Increase/(decrease) due to changes in*			
	Volume	*Rate*	*Net Change*	*Chang e %*	*Volume*	*Rate*	*Net Change*	*Change %*
Interest Income								
Interest-earning deposits in banks & reserve requirements & interbank money market:								
TL	(7,911)	(6,784)	(14,695)	(28.4)	(23,060)	32,365	9,305	21.9
Foreign currency	5,438	(951)	4,487	26.9	7,094	(4,630)	2,464	17.3
Total	**17,469**	**(27,677)**	**(10,208)**	**(14.9)**	**6,847**	**4,922**	**11,769**	**20.8**
Marketable securities:								
TL	(493,741)	(414,968)	(908,709)	(24.5)	(97,866)	31,204	(66,662)	(1.8)
Foreign currency	210,115	(84,049)	126,066	32.1	110,090	(6,820)	103,270	35.7
Total	**(1,953)**	**(780,690)**	**(782,643)**	**(19.1)**	**140,350**	**(103,742)**	**36,608**	**0.9**
Loans:								
TL	1,937,806	(1,082,611)	855,195	14.9	1,357,944	387,074	1,745,018	43.6
Foreign currency	195,058	(78,419)	116,639	7.3	149,728	211,566	361,294	29.2
Total	**1,858,942**	**(887,108)**	**971,834**	**13.2**	**1,281,412**	**824,900**	**2,106,312**	**40.2**
Leasing receivables:								
TL	22,906	(8,859)	14,047	33.3	14,628	(191)	14,437	52.0
Foreign currency	46,690	(5,989)	40,701	45.6	26,303	(2,500)	23,803	36.4
Total	**69,228**	**(14,480)**	**54,748**	**41.7**	**39,378**	**(1,138)**	**38,240**	**41.0**
Total interest-earning assets:								
TL	1,305,691	(1,359,853)	(54,162)	(0.6)	911,315	790,783	1,702,098	21.7
Foreign currency	515,296	(227,403)	287,893	13.7	382,245	108,586	490,831	30.6
Total	**2,083,744**	**(1,850,013)**	**233,731**	**2.0**	**1,515,736**	**677,193**	**2,192,929**	**23.2**
Interest Expense								
TL deposits:								
Time	358,751	(862,749)	(503,998)	(14.5)	189,061	322,344	511,405	17.3
Demand	1,056	(3,755)	(2,699)	(85.9)	91	1,612	1,703	118.3
Total	**467,215**	**(973,912)**	**(506,697)**	**(14.6)**	**188,782**	**324,326**	**513,108**	**17.3**
YP deposits:								
Time	115,554	(243,127)	(127,573)	(14.8)	147,224	(30,218)	117,006	15.7
Demand	11,715	(15,863)	(4,148)	(25.0)	145	16,203	16,348	5,901.8
Total	**176,558**	**(308,279)**	**(131,721)**	**(15.0)**	**170,347**	**(36,993)**	**133,354**	**17.8**
Bank deposits:								
TL	14,079	(69,340)	(55,261)	(20.7)	76,020	29,929	105,949	65.7
Foreign currency	9,515	(57,465)	(47,950)	(26.6)	45,848	(42,722)	3,126	1.8
Total	**23,609**	**(126,820)**	**(103,211)**	**(23.1)**	**105,959**	**3,116**	**109,075**	**32.3**
Funds provided under repurchase agreements:								
TL	9,043	(119,512)	(110,469)	(23.2)	(208,753)	84,288	(124,465)	(20.7)
Foreign currency	107,728	(69,155)	38,573	23.2	103,198	4,805	108,003	0.0
Total	**255,044**	**(326,940)**	**(71,896)**	**(11.2)**	**126,024**	**(142,486)**	**(16,462)**	**(2.5)**
Borrowings:								
TL	18,907	(1,841)	17,066	36.2	4,211	(5,678)	(1,467)	(3.0)
Foreign currency	15,078	(50,288)	(35,210)	(9.8)	29,332	46,686	76,018	26.8
Total	**23,046**	**(41,190)**	**(18,144)**	**(4.5)**	**34,126**	**40,425**	**74,551**	**22.4**
Total interest-bearing liabilities:								
TL	556,861	(1,218,627)	(661,766)	(14.7)	100,851	520,037	620,888	16.0
Foreign currency	396,585	(510,137)	(113,552)	(6.5)	410,930	(50,794)	360,136	25.9
Total	**1,124,891**	**(1,900,209)**	**(775,318)**	**(12.4)**	**830,684**	**150,340**	**981,024**	**18.6**

Return on Assets and Equity

The following table (derived from the Akbank BRSA Financial Statements) presents certain selected financial ratios of Akbank for the nine months ended 30 September 2014 and for the three years ended 31 December 2013, 2012, and 2011.

	For the nine months ended 30 September 2014	*For the years ended 31 December 2013*	*2012*	*2011*
	(TL thousands, except percentages)			
Net profit (attributable to Equity Holders of the Akbank)	2,415,859	3,077,181	3,004,948	2,535,125
Average total assets	204,865,632	178,247,236	149,782,947	129,995,483
Average shareholders' equity (attributable to equity holders of the Akbank)	23,501,185	21,984,441	19,891,938	17,767,731
Net income as a percentage of:				
Average total assets	1.6%	1.7%	2.0%	2.0%
Average shareholders' equity	13.7%	14.0%	15.1%	14.3%
Average shareholders' equity as a percentage of average total assets	11.5%	12.3%	13.3%	13.7%
Dividend pay-out ratio	N/A	15.9%	19.3%	17.5%

Securities

Investment Securities

Akbank's portfolio of marketable securities consists primarily of Turkish government securities (including bonds and treasury bills) denominated in Turkish Lira, US Dollars and Euro.

Available-for-sale securities

The following table (derived from the Akbank BRSA Financial Statements) shows a breakdown of Akbank's available-for-sale securities as at the dates indicated.

The percentage of fixed compared to floating available for sale securities (excluding equity securities) held by Akbank was 49.1% fixed and 50.9% floating for the nine months ended 30 September 2014, 46.4% fixed and 53.6% floating for the year ended 31 December 2013, 51.4% fixed and 48.4% floating for the year ended 31 December 2012 and 50.5% fixed and 49.5% floating for the year ended 31 December 2011.

	For the nine months ended 30 September 2014		*For the years ended 31 December 2013*		*2012*		*2011*	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
Debt Securities[(1)]								
Government bonds	21,812,312	60.4%	23,173,174	69.9%	30,254,483	71.0%	33,281,465	85.4%
Treasury bills	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Eurobonds	10,148,049	28.1%	6,902,969	20.8%	10,017,219	23.5%	4,063,238	10.4%
Mutual funds	269,909	0.7%	248,690	0.7%	239,122	0.6%	186,017	0.5%
Other bonds	3,882,782	10.7%	2,828,829	8.5%	2,102,811	4.9%	1,430,858	3.7%
Equity securities								
Listed	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total	36,125,539	100%	33,164,982	100%	42,621,552	100%	38,968,285	100%

Note:

(1) All of Akbank's available-for-sale government bonds, treasury bills and most of its Eurobonds are Turkish government securities, apart from a relatively small amount of Turkish and Dutch corporate bonds and Turkish corporate bonds.

The following tables derived from (derived from the Akbank BRSA Financial Statements) set forth Akbank's available-for-sale securities and their effective average interest rates on a currency basis, excluding equity securities and mutual funds, by maturity as at 30 September 2014 and 31 December 2013.

	As at 30 September 2014				
	Up to 3 months	*3 months to 1 year*	*1 year to 5 years*	*Over 5 years*	*Total*
Debt Securities					
Government bonds	1,994,482	4,177,501	3,649,057	11,991,272	21,812,312
Treasury bills	-	-	-	-	-
Eurobonds	-	1,595	3,797,110	6,349,344	10,148,049
Other bonds	-	155,864	1,349,534	2,377,384	3,882,782
Total	1,994,482	4,334,960	8,795,701	20,718,000	35,843,143

	As at 30 September 2014 Average Interest Rates		
	TL	*US$*	*EUR*
Government bonds	10.71	-	-
Treasury bills	-	-	-
Eurobonds	-	3.41	3.32
Other bonds	11.16	3.36	4.23

	As at 31 December 2013				
	Up to 3 months	*3 months to 1 year*	*1 year to 5 years*	*Over 5 years*	*Total*
Debt Securities					
Government bonds	2,329,138	10,013,562	4,334,613	6,495,861	**23,173,174**
Treasury bills	-	-	-	-	**-**
Eurobonds	14,454	-	1,098,754	5,789,761	**6,902,969**
Other bonds	59,064	462,914	1,828,283	478,568	**2,828,829**
Total	**2,402,656**	**10,476,476**	**7,261,650**	**12,764,190**	**32,904,972**

	As at 31 December 2013 Average Interest Rates		
	TL	*US$*	*EUR*
Government bonds	9.44	0	0
Treasury bills	0	0	0
Eurobonds	0	3.46	3.4
Other bonds	10.41	3.59	4.43

Held-to-maturity securities

The following table (derived from the Akbank BRSA Financial Statements) shows a breakdown of Akbank's held-to-maturity securities as at the dates indicated.

	For the nine months ended 30 September 2014		For the years ended 31 December					
			2013		2012		2011	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
Debt Securities(1)								
Government bonds	5,660,235	53.3%	7,219,023	59.4%	3,637,468	100.0%	3,807,724	78.9%
Treasury bills	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Eurobonds	4,952,839	46.7%	4,934,430	40.6%	-	0.0%	1,015,839	21.1%
Other bonds	-	0.0%	-	0.0%	-	0.0%	907	0.0%
Total	**10,613,074**	100.0%	**12,153,453**	100.0%	**3,637,468**	100.0%	**4,824,470**	100.0%

The following tables (derived from the Akbank BRSA Financial Statements) set forth Akbank's held-to-maturity securities and their effective average interest rates on a currency basis, by maturity as at 30 September 2014 and 31 December 2013.

	As at 30 September 2014				
	Up to 3 months	*3 months to 1 year*	*1 year to 5 years*	*Over 5 years*	*Total*
Debt Securities					
Government bonds	-	883,869	1,427,117	3,349,249	**5,660,235**
Eurobonds	-	-	4,093,627	859,212	**4,952,839**
Other bonds	-	-	-	-	-
Total	-	**883,869**	**5,520,744**	**4,208,461**	**10,613,074**

	As at 31 December 2013				
	Up to 3 months	*3 months to 1 year*	*1 year to 5 years*	*Over 5 years*	*Total*
Debt Securities					
Government bonds	1,776,714	-	2,293,526	3,148,783	**7,219,023**
Eurobonds	-	-	1,623,358	3,311,072	**4,934,430**
Other bonds	-	-	-	-	-
Total	**1,776,714**	-	**3,916,884**	**6,459,855**	**12,153,453**

	As at 30 September 2014 Average Interest Rates		
	TL	*US$*	*EUR*
Government bonds	11.22	-	-
Eurobonds	-	3.42	3
Other bonds	-	-	-

	As at 31 December 2013 Average Interest Rates		
	TL	*US$*	*EUR*
Government bonds	9.96	0	0
Eurobonds	0	3.42	3
Other bonds	0	0	0

Note:

(1) All of Akbank's held-to-maturity government bonds, treasury bills and Eurobonds are Turkish government securities.

As at 30 September 2014, the size of Akbank's investment portfolio increased by 0.2% to TL46.8 billion from TL46.7 billion as at 30 September 2013. As at 31 December 2013, the size of Akbank's investment portfolio decreased by 1.9% to TL45.4 billion from TL46.3 billion as at 31 December 2012. The size of Akbank's investment portfolio as at 31 December 2012 increased by 5.3% to TL46.3 billion from TL43.9 billion as at 31 December 2011.

Trading Securities

Akbank also maintains a trading portfolio of marketable securities. The following table (derived from the Akbank BRSA Financial Statements) shows a breakdown of Akbank's trading securities as at the dates indicated.

	For the nine months ended 30 September 2014		*For the years ended 31 December*					
			2013		*2012*		*2011*	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
Government bonds	7,915	16.2%	8,701	7.0%	7,495	22.7%	121,461	73.8%
Eurobonds	2,367	4.8%	2,167	1.7%	2,969	9.0%	26,876	16.3%
Treasury bills	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Listed equities	75	0.2%	58,377	46.8%	18,825	57.1%	14,249	8.7%
Other	38,479	78.8%	55,495	44.5%	3,689	11.2%	1,977	1.2%
Total	**48,836**	100.0%	**124,740**	100.0%	**32,978**	100.0%	**164,563**	100.0%

The following tables (derived from the Akbank BRSA Financial Statements) sets forth Akbank's trading securities and their effective average interest rates on a currency basis, excluding equity securities, by maturity as at 30 September 2014 and 31 December 2013.

	As at 30 September 2014				
	Up to 3 months	*3 months to 1 year*	*1 year to 5 years*	*Over 5 years*	*Total*
Government bonds	28	4,848	2,037	1,002	7,915
Eurobonds	-	132	603	1,632	2,367
Treasury bills	-	-	-	-	-
Total	**28**	**4,980**	**2,640**	**2,634**	**10,282**

	As at 31 December 2013				
	Up to 3 months	*3 months to 1 year*	*1 year to 5 years*	*Over 5 years*	*Total*
Government bonds	492	1,294	5,941	974	**8,701**
Eurobonds	18	-	628	1,521	**2,167**
Treasury bills	-	-	-	-	**-**
Total	**510**	**1,294**	**6,569**	**2,495**	**10,868**

	As at 30 September 2014 Average Interest Rates		
	TL	*US$*	*Euro*
Government bonds	7.39	0	0
Treasury bills	0	0	0
Eurobonds	0	3.89	3.16

	As at 31 December 2013 Average Interest Rates		
	TL	*US$*	*Euro*
Government bonds	6.9	0	0
Treasury bills	0	0	0
Eurobonds	0	3.92	2.89

Equity Participations and Investment in Associates

As at 30 September 2014, all the companies in Akbank's investment portfolio are financial services companies.

The table below (derived from the Akbank BRSA Financial Statements) shows details relating to Akbank's equity participations and investment in associates as at 30 September 2014.

Equity participations

	As at 30 September 2014	
	Share %	*Carrying amount*
Unlisted		
Others	-	12,487

Associated companies

	As at 30 September 2014	
	Share %	*Carrying amount*
Bankalararası Kart Merkezi A.Ş.	9.98	2,099
KKB Kredi Kayıt Bürosu A.Ş.	9.09	1,824
	19.07	**3,923**

Akbank's equity participations are included in its available-for-sale investment portfolio. They are initially recognised at cost and subsequently remeasured at fair value based on quoted bid prices, or amounts derived from cash-flow models. Unrealised gains and losses arising from the changes in the fair value of securities classified as "available-for-sale" are recognised in the shareholders' equity as "other reserves", unless there is a continuous decline in the fair values of such assets, in which case they are charged to the income statement. Equity securities for which fair values cannot be measured reliably are recognised at cost less impairment. When the securities are disposed of or impaired, the related accumulated fair value adjustments are transferred to the income statement.

Loan and Guarantee Portfolio

As at 30 September 2014, Akbank's total loans net of allowance for loan losses equalled TL131.8 billion, or 61.3% of total assets. In addition to loans, Akbank had outstanding as at 30 September 2014 guarantees amounting to TL21.6 billion, acceptances amounting to TL1.3 million and letters of credit amounting to TL4.7 billion.

The table below (derived from the Akbank BRSA Financial Statements) sets forth the composition of Akbank's cash and non-cash credit exposure as at 30 September 2014 and as at 31 December 2013, 2012 and 2011 respectively.

	For the nine months ended 30 September 2014	*For the years ended 31 December*		
		2013	*2012*	*2011*
Cash loans[1]	131,768,837	116,313,387	91,152,065	73,543,122
Non-cash loans	-	-	-	-
Letters of guarantee[2]	21,646,513	19,185,463	12,203,921	8,963,974
Acceptance credits[2]	1,251,187	1,705,986	199,864	120,751
Letters of credit	4,748,259	6,207,184	4,546,973	4,071,428
Other guarantees	3,660,035	3,179,275	1,718,929	1,291,730
Total	163,074,831	146,591,295	109,821,752	87,991,005

Notes:

(1) Includes overdue loans, net of allowance for loan issues.

(2) Includes TL2.3 billion of guarantee and acceptance credits issued to related parties as at 30 September 2014, TL2.4 billion 31 December 2013, TL327.1 million as at 31 December 2012 and TL456.0 million as at 31 December 2011.

Foreign Currency Exposure

The table below (derived from the Akbank BRSA Financial Statements) shows a breakdown of Akbank's loan and guarantee portfolios by currency exposure as at 30 September 2014 and as at 31 December 2013, 2012 and 2011, respectively.

	For the nine months ended 30 September 2014	*For the years ended 31 December*		
		2013	*2012*	*2011*
Loans				
TL	85,663,858	75,531,639	58,890,183	42,000,209
Foreign Currency	48,129,779	42,477,866	33,470,066	32,355,351
US$	31,534,661	27,582,863	22,490,299	22,515,982
EUR	16,539,411	14,832,038	10,908,051	9,734,661
Other	55,707	62,965	71,716	104,708
Total	**133,793,637**	**118,009,505**	**92,360,249**	**74,355,560**
Non-cash loans				
Letters of guarantee				
TL	13,482,421	11,716,391	6,403,011	4,861,322
FC	8,164,092	7,469,072	5,800,910	4,102,652
Acceptance credits				
TL	0	0	15	15
FC	1,251,187	1,705,986	199,849	120,736
Letters of credit				
TL	-	1,355	18,620	2,229
FC	4,748,259	6,205,829	4,528,353	4,069,199
Other guarantees				
TL	1,456,957	1,331,434	168,066	646,439
FC	2,194,078	1,847,841	1,550,863	645,291
Total	**31,305,994**	**30,277,908**	**18,669,687**	**14,447,883**

Distribution of Loans by Type of Borrower

The following table (derived from the Akbank BRSA Financial Statements) sets forth Akbank's cash loans, including accrued interest and excluding allowance for loan losses, by type of loan and the percentage contribution to the total loan portfolio, as at 30 September 2014 and as at 31 December 2013, 2012 and 2011, respectively.

	For the nine months ended 30 September 2014		*For the years ended 31 December*					
		%	*2013*	*%*	*2012*	*%*	*2011*	*%*
Public Sector Loans	1,498,285	1.12%	1,801,756	1.53%	1,882,550	2.04%	1,618,821	2.18%
Private Sector Loans	132,144,560	98.88%	116,114,899	98.47%	90,384,849	97.96%	72,643,889	97.82%
Total Loans	133,642,845	100.0%	117,916,655	100.0%	92,267,399	100.0%	74,262,710	100.0%

As at 30 September 2014, Akbank's loan portfolio comprised 31.3% corporate, 35.5% SME, 23.1% consumer and 9.9% credit card loans.

Loans to the public sector comprise mainly project finance loans representing long-term loans extended in relation to infrastructure construction under the management and guarantee of the Turkish Undersecretariat of the Treasury.

Akbank's strategy in lending is to emphasise SME banking while keeping its strong presence in the corporate and consumer banking market, maintaining its customer focused approach and improving its customer service by continuing to increase its operational efficiency. See "*Business of Akbank – Strategy*" in the Base Prospectus, which is incorporated herein by reference.

Akbank is as of the date of this Prospectus within the limits imposed by Turkish banking regulations with respect to its exposure to any one borrower or group of borrowers, including to Sabancı Group companies, see "*Business of Akbank—Business Transactions with Sabancı Group Companies.*" in the Base Prospectus, which is incorporated herein by reference. According to Banking Law No. 5411, published in the Reiterated Official Gazette No 25983 dated 1 November 2005, the single exposure limit is set at 20% in the case of a related party group and 25% in the case of a non-related party group.

Distribution of Loans by Sector

The following table (derived from the Akbank BRSA Financial Statements) shows the breakdown of the loan portfolio by sector as at 30 September 2014 and as at 31 December 2013, 2012 and 2011, respectively.

	For the nine months ended 30 September 2014		*For the years ended 31 December*					
		%	*2013*	*%*	*2012*	*%*	*2011*	*%*
Consumer loans and credit cards	42,971,079	32.2%	41,336,258	35.1%	33,828,592	36.7%	25,141,147	33.9%
Mortgage	13,127,068	9.8%	12,604,184	10.7%	9,753,833	10.6%	7,470,948	10.1%
Automobile	814,355	0.6%	993,735	0.8%	998,906	1.1%	865,906	1.2%
General Purpose	16,981,991	12.7%	14,145,674	12.0%	10,191,358	11.0%	7,254,105	9.8%
Retail Credit Cards	12,047,665	9.0%	13,592,665	11.5%	12,884,495	14.0%	9,550,188	12.9%
Financial institutions	7,046,594	5.3%	3,498,547	3.0%	3,573,545	3.9%	3,596,849	4.8%
Wholesaling	11,911,273	8.9%	9,073,552	7.7%	4,103,341	4.4%	3,047,856	4.1%
Retailers	11,65,620	8.7%	10,020,552	8.5%	7,262,736	7.9%	5,279,550	7.1%
Other manufacturing	8,092,675	6.1%	6,031,637	5.1%	3,920,649	4.2%	3,002,808	4.0%
Automotive	1,502,127	1.1%	1,943,721	1.6%	1,101,917	1.2%	930,987	1.3%
Steel and mining	2,930,096	2.2%	2,785,315	2.4%	3,613,826	3.9%	2,911,333	3.9%
Food and beverage	2,331,900	1.7%	1,963,602	1.7%	2,559,534	2.8%	2,390,015	3.2%
Chemicals	2,039,910	1.5%	2,146,332	1.8%	2,938,673	3.2%	3,081,985	4.2%
Textile	3,273,413	2.4%	2,079,970	1.8%	1,583,831	1.7%	1,196,984	1.6%
Telecommunication	3,536,036	2.6%	3,167,176	2.7%	1,527,280	1.7%	1,964,739	2.6%
Construction	11,707,231	8.8%	5,199,952	4.4%	6,372,271	6.9%	7,200,742	9.7%
Agriculture and forestry	1,260,330	0.9%	649,093	0.6%	545,259	0.6%	306,684	0.4%
Electronics	480,690	0.4%	334,895	0.3%	447,923	0.5%	249,521	0.3%
Tourism	2,101,387	1.6%	1,546,061	1.3%	1,187,446	1.3%	757,384	1.0%
Health care and social services	1,175,166	0.9%	6,839,242	5.8%	694,031	0.8%	3,982,466	5.4%
Other	19,607,318	14.7%	19,300,750	16.4%	17,006,545	18.4%	9,221,660	12.4%
Performing loans	**133,642,845**	**100.0%**	**117,916,655**	**100.0%**	**92,267,399**	**100.0%**	**74,262,710**	**100.0%**
Non-performing loans	2,324,898		1,676,682		1,115,456		1,262,659	
Total loans and advances to customers	**135,967,743**		**119,593,337**		**93,382,855**		**75,525,369**	
Allowance for loan losses	(4,198,906)		(3,279,950)		(2,230,790)		(1,982,247)	
Net loans and advances to customers	**131,768,837**		**116,313,387**		**91,152,065**		**73,543,122**	

The aggregate share of consumer and credit card loans in total loans increased throughout 2011 and 2012 from 34.3% to 37.4%, decreased throughout 2012 and 2013 from 37.4% to 36.0%, and decreased in the nine months ended 30 September 2014 to 33.0% in line with Akbank's lending strategy. Growth in consumer lending and credit card loans was 28.1% in 2011, 35.5% in 2012, 22.8% in 2013 and 4.2% in the nine months ended 30 September 2014. Corporate and small business loans increased by 23.4% and 39.1%, respectively, in 2013 and in the nine months ended 30 September 2014, corporate loans increased by 11.1% and small business loans increased by 25.7% as a result of Akbank's continued strategy to grow on loans with a focus on more profitable SME segment respectively.

For the nine months ended 30 September 2014 and for 2013, 2012 and 2011, the share in total loans of domestic Turkish loans was between 98.8% and 97.1%. Of the remaining loans made to borrowers outside

Turkey, borrowers were located predominantly in EU member countries with no material concentration in any one country over time.

Maturity Profile of the Loan and Guarantee Portfolios

The tables below (derived from the Akbank BRSA Financial Statements) set forth a breakdown of the maturity profile of Akbank's loan and guarantee portfolios as at 30 September 2014, 31 December 2013, 2012 and 2011.

Loans	*Up to 3 months*	*3 months to 1 year*	*1 year to 5 years*	*Over 5 years*	*No Maturity*	*Total*	*Fixed Rate Loans %*	*Floating Rate Loans %*
30 September 2014	38,721,860	31,065,591	46,518,912	17,336,482	150,792	133,793,637	62.0%	38.0%
31 December 2013	38,228,195	21,179,797	40,894,024	17,614,639	92,850	118,009,505	57.0%	43.0%
31 December 2012	33,630,663	18,406,887	28,428,485	11,801,364	92,850	92,360,249	57.0%	43.0%
31 December 2011	24,326,143	16,581,475	24,646,547	8,708,545	92,850	74,355,560	49.0%	51.0%

Guarantees[(1)]	**Up to 1 year**	**Over 1 year**	**Total**
30 September 2014	8,615,145	22,690,849	31,305,994
31 December 2013	10,088,906	20,189,002	30,277,908
31 December 2012	4,949,003	13,720,684	18,669,687
31 December 2011	4,299,184	10,148,699	14,447,883

Note:

(1) Includes acceptance credits and export commitments.

Distribution of Loans by Size

The following table (derived from the management accounts) presents the distribution of Akbank's loan portfolio by size as at 30 September 2014, 31 December 2013, 2012 and 2011, respectively.

	As at 30 September 2014		*As at 31 December*					
		%	*2013*	*%*	*2012*	*%*	*2011*	*%*
Over TL1,000,000	79,972,612	60%	67,165,362	57%	54,933,919	60%	46,085,744	62%
TL500,000 – 1,000,000	3,911,950	3%	3,362,627	3%	2,713,446	3%	2,123,105	3%
TL100,000 – 500,000	11,698,162	9%	10,538,238	9%	7,949,723	9%	6,229,225	8%
TL50,000 – 100,000	9,369,817	7%	8,461,863	7%	5,632,319	6%	3,907,724	5%
Less than TL50,000	28,690,304	21%	28,388,565	24%	21,037,992	23%	15,916,912	21%
Performing loans	**133,642,845**	**100%**	**117,916,655**	**100%**	**92,267,399**	**100%**	**74,262,710**	**100%**
Non-performing loans	2,324,898		1,676,682		1,115,456		1,262,659	
Allowance for loan losses	(4,198,906)		(3,279,950)		(2,230,790)		(1,982,247)	
Net loans and advances to customers	131,768,837		116,313,387		91,152,065		73,543,122	

Distribution of Loans by Type

The following table shows a breakdown of Akbank's Corporate, SME, Consumer and Credit Card Loans by type, derived from the Akbank BRSA Financial Statements as at 30 September 2014 and 31 December 2013, 2012 and 2011, respectively.

	As at 30 September 2014		*As at 31 December*				
			2013	*y-o-y*	*2012*	*y-o-y*	*2011*
			(TL millions)				
TL Corporate	7,406	12.5%	6,582	8.7%	5,992	44.4%	4,149
FX Corporate (USD)	15,128	3.7%	14,590	5.8%	13,799	7.3%	12,864
TL SME(1)	30,023	30.4%	22,988	39.8%	16,441	50.4%	10,934
FX SME(2) (USD)	7,711	10.8%	6,961	15.2%	6,040	21.8%	4,958
Consumer	30,923	11.6%	27,744	32.5%	20,944	34.3%	15,591
Credit Cards	13,283	(9.5)%	14,692	7.9%	13,624	37.3%	9,924

Notes:

(1) TL loans to SMEs constituted approximately TL30.0 billion as at 30 September 2013.

(2) FX loans to SMEs constituted approximately US$7.7 billion as at 30 September 2013.

Geographic Distribution of Loans

The following table (derived from the management accounts) shows the geographic distribution of Akbank's loan portfolio (by location of the branch) as 30 September 2014 and as at 31 December 2013, 2012 and 2011, respectively. As noted above, only approximately 2-3% of Akbank's total loans for the periods shown were made to borrowers outside Turkey. Accordingly, loans shown below as booked by Akbank's foreign branches and subsidiaries are not necessarily made to borrowers in the jurisdictions where those foreign branches and subsidiaries are located.

	As at 30 September		*As at 31 December*					
	2014	*%*	*2013*	*%*	*2012*	*%*	*2011*	*%*
Istanbul Region	56,167,862	42.0%	53,342,759	45.2%	39,988,696	43.3%	30,603,534	41.2%
Trakya Region	630,976	0.5%	1,618,202	1.4%	1,275,950	1.4%	909,159	1.2%
Ankara Region	22,481,076	16.8%	13,900,225	11.8%	11,609,342	12.6%	9,117,489	12.3%
Bursa Region	4,983,898	3.7%	4,026,406	3.4%	3,031,709	3.3%	2,199,777	3.0%
Çukurova Region	11,071,000	8.3%	8,723,570	7.4%	6,905,385	7.5%	4,946,591	6.7%
Eastern Black Sea Region	3,373,927	2.5%	2,989,468	2.5%	2,324,726	2.5%	1,623,287	2.2%
Aegean Region	11,362,403	8.5%	9,910,488	8.4%	7,372,400	8.0%	5,278,320	7.1%
Eskişehir Region	907,277	0.7%	802,821	0.7%	573,282	0.6%	418,473	0.6%
South-eastern Anatolia Region	5,543,409	4.1%	4,596,632	3.9%	3,262,526	3.5%	2,232,104	3.0%
Samsun Region	4,857,371	3.6%	3,522,049	3.0%	2,650,945	2.9%	1,891,911	2.5%
Denizli Region	1,293,815	1.0%	1,031,842	0.9%	640,724	0.7%	419,674	0.6%
Foreign Branch and Subsidiaries	16,969,831	8.2%	13,452,193	11.4%	12,631,714	13.7%	14,622,391	19.7%
Total Performing Loans	133,642,845	100.0%	117,916,655	100.0%	92,267,399	100.0%	74,262,710	100.0 %
Non-Performing Loans	2,324,898		1,676,682		1,115,456		1,262,659	
Total Loans	135,967,743		119,593,337		93,382,855		75,525,369	
Allowance for Loan Losses	(4,198,906)		(3,279,950)		(2,230,790)		(1,982,247)	
Total Net Loans	131,768,837		116,313,387		91,152,065		73,543,122	

Non-performing Loans; Provisioning; Loan Losses

If the collectability of any loan or receivable is identified as limited or doubtful by Akbank management, Akbank provides specific provisions in accordance with the applicable law. Banks are also required to set aside general reserves for cash and non-cash loans depending on the categories they are classified in. The currently applicable general provision requirements are (i) 1% of cash loans and 0.2% of non-cash loans if they are classified as standard loans; and, (ii) 2% of cash loans and 0.4% of non-cash if they are classified as closely monitored loans. Currently, the general reserve requirements apply at a reduced rate of 80% and will increase gradually during a transition period to 100% of the relevant general reserve requirement rate applicable from 1 January 2015 onwards. The amount of the specific provision required for non-performing loans depends in part on the type of collateral, but at a minimum 20% of the principal amount of a loan is required to be reserved for loans between three and six months overdue, 50% for loans between six and 12 months overdue, and 100% after one year.

Akbank has adopted a more conservative policy regarding provisions for NPLs than required by BRSA. Akbank has set aside 185.8% specific and general provisioning for its non-performing loans. The provision made during the year is charged against the profit for the year. Loans that cannot be recovered are written-off and charged the allowance for loan losses. Recoveries of amounts previously provided for are treated as a reduction from provision for loan losses for the year.

The following table (derived from the management accounts) shows the geographic distribution of the non-performing loan loss portfolio (by location) as at 30 September 2014 and as at 31 December 2013, 2012 and 2011, respectively.

	As at 30 September		*As at 31 December*					
	2014	*%*	*2013*	*%*	*2012*	*%*	*2011*	*%*
Istanbul Region	835,799	35.9%	484,316	28.9%	348,909	31.3%	355,358	28.1%
Trakya Region	44,917	1.9%	33,818	2.0%	21,805	2.0%	21,564	1.7%
Ankara Region	305,828	13.2%	213,750	12.7%	135,414	12.1%	174,593	13.8%
Bursa Region	91,829	3.9%	66,243	4.0%	35,122	3.1%	43,259	3.4%
Çukurova Region	370,411	15.9%	411,579	24.5%	288,689	25.9%	308,041	24.4%
Eastern Black Sea Region	80,361	3.5%	49,608	3.0%	38,283	3.4%	54,883	4.3%
Aegean Region	278,521	12.0%	194,594	11.6%	111,815	10.0%	150,764	11.9%
Eskişehir Region	20,123	0.9%	13,510	0.8%	7,864	0.7%	9,370	0.7%
South-eastern Anatolia Region	156,702	6.7%	104,710	6.2%	55,624	5.0%	57,439	4.5%
Samsun Region	119,933	5.2%	88,723	5.3%	61,245	5.5%	79,380	6.3%
Denizli Region	20,474	0.9%	15,831	0.9%	10,571	0.9%	7,888	0.6%
Other	-	0.0%	-	0.0%	115	0.0%	120	0.0%
Total	**2,324,898**	**100.0%**	**1,676,682**	**100.0%**	**1,115,456**	**100.0%**	**1,262,659**	**100.0%**

For a discussion of Akbank's non-performing loans, see "Risk Management – Identification and Remediation of Problem Loans".

Non-Performing Loan Ratios

Akbank's non-performing loan ratios as at 30 September 2014, 31 December 2013, 2012, and 2011 were 1.7%, 1.4%, 1.2%, and 1.7%, respectively, as compared to the Turkish banking sector's non-performing loans ratios of 2.9%, 2.6%, 2.8% and 2.6%, respectively, as at the same dates.

Breakdown of Non-Performing Loan Performance

The following table shows a breakdown of new non-performing loans, collections and NPL sale revenue, derived from the Akbank BRSA Financial Statements for the nine months ended 30 September 2014 and for the years ended 31 December 2013, 2012 and 2011:

	For the nine months ended 30 September 2014	*For the years ended 31 December*		
		2013	*2012*	*2011*
	(TL millions)			
New NPLs	1,420	1,278.2	770.7	475.6
Collections	(465,4)	(383.6)	(277.5)	(359.6)
NPL Sale Revenue	(44.0)	(58.3)	(95.1)	-

On 1 October 2012, Akbank sold TL 500.1 million NPLs to Girişim Varlık Yönetim A.Ş. for TL 95.1 million**.** TL 250.5 million of the Bank's non-performing loan portfolio has been sold to Efes Varlık Yönetimi A.Ş. for TL58.3 million on 20 May 2013. TL252.2 million of the Bank's non-performing loan portfolio has been sold to Girişim Varlık Yönetimi A.Ş. at a price of TL 44 million on 10 April 2014.

Allowance for Loan Losses

The following table (derived from the Akbank BRSA Financial Statements) shows movements in Akbank's allowance for loan losses including both specific and general loan losses for the nine months ended 30 September 2014 and for the years ended at 31 December 2013, 2012 and 2011, respectively. Akbank does not hold other interest-earning assets that would have fallen into the non-performing category other than assets that are classified as loans.

	For the nine months ended 30 September 2014	*For the years ended 31 December*		
		2013	*2012*	*2011*
Balance at beginning of year	1,676,682	1,115,456	1,262,659	1,279,634
Additions	1,420,344	1,278,232	770,684	475,556
Collections	465,399	383,619	277,549	359,594
Write-offs	306,729	333,387	640,333	132,956
Exchange differences	-	-	(5)	19
Balance at end of quarter year	2,324,898	1,676,682	1,115,456	1,262,659

Sources of Funds

Historically, short-term customer deposits have been Akbank's principal source of funding, which has provided Akbank with a competitive advantage in cost of funds and has contributed to the liquidity in Akbank's balance sheet. Akbank's ability to obtain and retain customer deposits is supported by its extensive branch network. With expansion of its deposit base and growth of the share of its demand deposits among the Bank's top priorities, saving deposits constitute 58.7% of Akbank's total customer deposits as at 30 September 2014.

Between 31 December 2013 and 30 September 2014, Akbank's deposits increased by 8.3%, and reached TL121.8 billion as at 30 September 2014. Over the same period, TL deposits increased by 13.3%.

The following table (derived from the Akbank BRSA Financial Statements) sets forth the principal sources of funds for Akbank's operations as at 30 September 2014 and as at 31 December 2013, 2012 and 2011, respectively.

	For the nine months ended 30 September 2014		*For the years ended 31 December*					
	2014	*%*	*2013*	*%*	*2012*	*%*	*2011*	*%*
Customer Deposits	109,878,396	61.00%	101,051,130	61.49%	79,937,835	60.09%	70,484,999	60.56%
Savings Deposits	39,627,386	22.00%	34,077,726	20.74%	29,689,773	22.32%	27,380,466	23.53%
Foreign Currency Deposits	46,318,156	25.71%	46,030,260	28.01%	30,254,801	22.74%	28,831,382	24.77%
Public Sector Deposits	1,046,038	0.58%	900,483	0.55%	947,494	0.71%	140,996	0.12%
Commercial Deposits	17,547,855	9.74%	16,272,305	9.90%	15,258,999	11.47%	13,022,809	11.19%
Other Institutions Deposits	3,952,899	2.19%	2,003,830	1.22%	2,325,696	1.75%	1,109,346	0.95%
Gold Vault	1,386,062	0.77%	1,766,526	1.07%	1,461,072	1.10%	—	0.00%
Bank Deposits	11,902,707	6.61%	11,421,553	6.95%	10,750,453	8.08%	10,285,818	8.84%
Money Markets	27,065,606	15.03%	23,230,751	14.14%	20,121,429	15.13%	13,062,144	11.22%
Funds Borrowed	20,289,923	11.26%	19,898,600	12.11%	15,598,071	11.73%	18,045,321	15.51%
Securities Issued (Net)	10,988,151	6.10%	8,727,842	5.31%	6,614,443	4.97%	4,503,804	3.87%
Total	**180,124,783**	**100.00%**	**164,329,876**	**100.00%**	**133,022,231**	**100.00%**	**116,382,086**	**100.00%**

Deposits

As at 30 September 2014, total deposits were TL121.8 billion, compared to TL112.5 billion as at 31 December 2013, TL90.7 billion as at 31 December 2012 and TL80.8 billion as at 31 December 2011.

The table below (derived from the Akbank BRSA Financial Statements) gives the breakdown of the total deposit base by type as at the dates indicated.

	For the nine months ended 30 September 2014				*For the year ended 31 December 2013*			
	Demand	*Time*	*Total*	*%*	*Demand*	*Time*	*Total*	*%*
Saving deposits	4,712,597	**34,914,789**	39,627,386	**32,5**	**3,898,691**	**30,179,035**	**34,077,726**	**30.3**
Located in Turkey	4,712,597	**34,914,789**	39,627,176	—	3,898,691	30,179,035	34,077,726	—
Located in foreign countries and foreign countries	0	210	210	—	0	0	0	—
Foreign Currency Deposits	7,498,304	**38,819,852**	**46,318,156**	**38,0**	**6,147,478**	**39,882,782**	**46,030,260**	**40.9**
Located in Turkey	6,499,815	24,851,013	31,350,828	—	4,995,126	24,046,160	29,041,286	—
Located in foreign countries and foreign countries	998,489	13,968,839	14,967,328	—	1,152,352	15,836,622	16,988,974	—
Public Sector Deposits	**830,122**	**215,916**	**1,046,038**	**0,9**	**761,362**	**139,121**	**900,483**	**0.8**
Located in Turkey	830,122	215,916	1,046,038	—	761,362	139,121	900,483	—
Located in foreign countries and foreign countries	0	0	0	—	0	0	0	—
Commercial Deposits	**5,374,527**	**12,173,327**	**17,547,855**	**14,4**	**4,787,640**	**11,484,665**	**16,272,305**	**14.5**
Located in Turkey	5,374,527	10,376,453	15,750,981	—	4,787,573	10,268,680	15,056,253	—
Located in foreign countries and foreign countries	0	1,796,874	1,796,874	—	67	1,215,985	1,216,052	—
Other Institutions Deposits	**152,084**	**3,800,815**	**3,952,889**	**3,2**	**140,922**	**1,862,908**	**2,003,830**	**1.8**
Located in Turkey	**152,084**	3,711,925	3,864,009	—	140,922	1,795,377	1,936,299	—
Located in foreign countries and foreign countries	0	88,890	88,890	—	0	67,531	67,531	—
Gold Vault	1,343,239	**42,823**	**1,386,062**	**1,1**	**1,722,852**	**43,674**	**1,766,526**	**1.6**
Located in Turkey	1,343,239	42,823	1,386,062	—	1,722,852	43,674	1,766,526	—
Located in foreign countries and foreign countries	0	0	0	—	0	0	0	—
Bank Deposits	**474,208**	11,428,499	**11,902,707**	**9,8**	**687,555**	**10,733,998**	**11,421,553**	**10.2**
Located in Turkey	468,637	2,988,174	3,456,811	—	682,593	3,428,375	4,110,968	—
Located in foreign countries	5,571	8,440,325	8,445,896	—	**4,962**	**7,305,623**	**7,310,585**	**30.3**
Total	**20,385,081**	**101,396,021**	**121,781,103**	**100.0**	**18,146,500**	**94,326,183**	**112,472,683**	**100.0**

	For the year ended 31 December 2012				*For the year ended 31 December 2011*			
	Demand	*Time*	*Total*	*%*	*Demand*	*Time*	*Total*	*%*
Saving deposits	**2,979,328**	**26,710,445**	**29,689,773**	**32.7**	**2,534,267**	**24,846,199**	**27,380,466**	**33.9**
Located in Turkey	2,979,328	26,710,445	29,689,773	—	2,534,267	24,846,199	27,380,466	—
Located in foreign countries and foreign countries	0	0	0	—	0	0	0	—
Foreign Currency Deposits	**4,356,065**	**25,898,736**	**30,254,801**	**33.4**	**3285642**	**25545740**	**28,831,382**	**35.7**
Located in Turkey	3,817,706	18,466,895	22,284,601	—	3,262,618	18,503,894	21,766,512	—
Located in foreign countries and foreign countries	538,359	7,431,841	7,970,200	—	23,024	7,041,846	7,064,870	—
Public Sector Deposits	**706,007**	**241,487**	**947,494**	**1.0**	**115,947**	**25,049**	**140,996**	**0.2**
Located in Turkey	706,007	241,487	947,494	—	115,947	25,049	140,996	—
Located in foreign countries and foreign countries	0	0	0	—	0	0	0	—
Commercial Deposits	**3,639,650**	**11,619,349**	**15,258,999**	**16.8**	**3,230,487**	**9,792,322**	**13,022,809**	**16.1**
Located in Turkey	3,639,650	7,671,386	11,311,036	—	3,230,338	6,348,256	9,578,594	—
Located in foreign countries and foreign countries	0	3,947,963	3,947,963	—	149	3,444,066	3,444,215	—
Other Institutions Deposits	**124,273**	**2,201,423**	**2,325,696**	**2.6**	**105,463**	**1,003,883**	**1,109,346**	**1.37**
Located in Turkey	124,273	2,102,022	2,226,295	—	105,463	994,366	1,099,829	—
Located in foreign countries and foreign countries	0	99,401	99,401	—	0	9,517	9,517	—
Gold Vault	**1,461,072**	**0**	**1,461,072**	**1.6**	**0**	**0**	**0**	**0.00**
Located in Turkey	1,461,072	0	1,461,072	—	0	0	0	—
Located in foreign countries and foreign countries	0	0	0	—	0	0	0	—
Bank Deposits	**323,569**	**10,426,884**	**10,750,453**	**11.9**	**392,604**	**9,893,214**	**10,285,818**	**12.73**
Located in Turkey	318,810	2,142,332	2,461,142	—	387,564	1,328,243	1,715,807	—
Located in foreign countries and foreign countries	4,759	8,284,552	8,289,311	—	5,040	8,564,971	8,570,011	—
Total	**13,589,964**	**77,098,324**	**90,688,288**	**100**	**9,664,410**	**71,106,407**	**80,770,817**	**100**

As at 30 September 2014, Akbank's customers in Turkey held more deposits with Akbank in Turkish Lira than in foreign currency.

As at 30 September 2014, 31 December 2013, 2012 and 2011 respectively, 26.8%, 26.1%, 24.0% and 27.9% of Akbank's total deposits were denominated in US Dollars (56.2%, 52.2%, 54.8% and 60.5% of total foreign currency deposits) and 17.9%, 20.5%, 16.5% and 16.4% of total deposits were denominated in Euro (37.5%, 40.9%, 37.6% and 35.4% of total foreign currency deposits).

The following table (derived from the Akbank BRSA Financial Statements) shows the maturities of deposits as at 30 September 2014, 31 December 2013, 2012 and 2011, respectively.

	Up to 3 months	*3 months to 1 year*	*1 year to 5 years*	*Over 5 years*	*Total*
30 September 2014	107,944,961	9,647,620	3,938,231	250,291	121,781,103
31 December 2013	99,642,158	8,497,753	4,097,715	235,057	112,472,683
31 December 2012	83,780,055	5,857,896	1,029,441	20,896	90,688,288
31 December 2011	75,584,315	4,805,300	360,370	20,832	80,770,817

Business Transactions with Related Parties

Shareholders, key management personnel and board members, in each case together with their families and companies controlled by or affiliated with them, associated companies, and other companies within the Sabancı Group are considered and referred to as related parties.

The following table shows the breakdown of the business transactions with related parties as at 30 September 2014, 31 December 2013, 2012 and 2011, respectively.

	For the nine months ended September 2014		*For the years ended 31 December*					
		% of Related Item	*2013*	*% of Related Item*	*2012*	*% of Related Item*	*2011*	*% of Related Item*
Cash loans	2,617,002	2.0%	2,368,097	2.0%	2,090,849	2.3%	1,640,514	2.2%
Non-cash loans	2,293,325	7.3%	2,413,639	8.0%	326,871	1.8%	455,728	3.2%
Cash and due from banks								
Finance lease receivables	6,243	0.2%	3,244	0.1%	4,055	0.2%	3,001	0.2%
Deposits	3,223,562	2.6%	3,804,621	3.4%	4,118,645	4.5%	3,324,446	4.1%
Derivatives[(1)]	2,359,041	1.5%	2,626,534	1.5%	2,177,864	2.6%	3,134,062	3.8%

Note:

(1) The balance shows the total of sale and purchase amounts of the related transactions.

Capital Adequacy

Akbank currently satisfies the capital requirements of the BRSA, which correspond to the guidelines adopted by the Basel Committee on Banking Regulations and Supervision Practices of the Bank for International Settlements (the "**Basel Guidelines**"). The Basel Guidelines require a bank to have a ratio of capital to assets and certain off balance sheet items, determined on a risk-weighted basis, of at least 8%. As at 30 September 2014, 31 December 2013, 2012 and 2011, Akbank's total risk-based capital ratio (consisting principally of Tier 1 capital) on consolidated basis was 14.40%, 14.71%, 17.88% and 16.79%, respectively. For the first nine months of 2014 sector's average capital adequacy ratio was 15.9% and average Tier I ratio was 13.6%. Akbank reports its capital adequacy ratio according to the Standard method under the Basel II and Basel III Guidelines. Akbank intends to maintain capital ratios in excess of those required by Turkish law and the Basel Guidelines.

The Basel Committee recently adopted further revisions to Basel III, which are expected to be implemented in Turkey between 2014 and 2019. Basel III regulations mainly include requirements regarding regulatory capital, liquidity adequacy, leverage ratio and counterparty credit risk measurements. The BRSA issued regulations for the implementation of new Basel III capital standards and leverage ratios which came into force on 1 January 2014. The Regulation for the implementation of liquidity coverage ratio was issued on 21 March 2014 and came into force as of 1 January 2014 (with the exception of certain provisions relating to minimum coverage ratio levels and the consequences of failing to maintain compliance, which will enter into effect on 1 January 2015). Regarding new capital standards, Akbank does not expect to experience any difficulty in meeting the new requirements due to the nature of Akbank's existing capital base, mostly composed of common equity and retained earnings.

The following table shows the risk-weighted assets and qualifying capital of Akbank as at 30 September 2014, 31 December 2013, 2012 and 2011, respectively.

	For the nine months ended 30 September 2014
Common Equity	
Share capital	7.105.892
Legal reserves	1.295.468
Extraordinary reserves	14.773.559
Other reserves	47.204

Bonus Shares of Investment in Associates, Subsidiaries and Joint Ventures ..	3.895
Retained earnings	2.676.738
Deductions	(841.980)
Total Common Equity	**25.060.776**
Additional Tier 1 Capital	0
Tier 1 Capital	**25.060.776**
Deductions	(135.010)
Total Tier 1 Capital	**24.925.766**
Tier 2 Capital	—
General loan loss reserves	2.024.800
Deductions	—
Total Tier 2 Capital	**2.024.800**
Deductions	(33.602)
Total qualifying capital	**26.916.964**
Risk-weighted assets	—
With 20% risk	1.473.992
With 50% risk	22.162.406
With 75% risk	24.768.846
With 100% risk	91.170.104
With 150% risk	3.712.334
With 200% risk	28.072.118
With 250% risk	1.287.205
Total risk-weighted assets	**172.647.005**
Market risk	1.657.363
Operational risk	12.675.550
Total risk-weighted assets and market risk and operational risk	**186.979.918**
Risk-adjusted capital ratio	**14.40%**

	For the years ended 31 December		
	2013	*2012*	*2011*
Tier 1			
Share capital	7,105,892	7,105,892	7,111,164
Legal reserves	1,259,069	1,213,707	1,131,877
Extraordinary reserves	12,175,813	9,274,880	7,405,267
Other reserves	47,191	47,179	56,868
Retained earnings	3,286,398	3,349,174	2,745,214
Deductions	(222,786)	(169,803)	(150,599)
Total Tier 1 capital	**23,651,577**	**20,821,029**	**18,299,791**
Tier 2			
General loans loss reserves	1,696,118	1,208,184	812,438
Subordinated loans	-	-	-
Bonus Shares of Investment in Associates, Subsidiaries and Joint Ventures	2,729	236	236
Other reserves	(1,368,346)	753,200	(163,311)
Deductions	(22,151)	(3,606)	(4,964)
Total qualifying capital	**23,959,927**	**22,779,043**	**18,944,190**
Risk-weighted assets			
With 20% risk	1,862,429	1,441,552	968,614
With 50% risk	22,609,087	13,899,585	128,079
With 75% risk	20,104,556	22,163,798	-

With 100% risk	74,651,368	61,287,851	89,641,471
With 150% risk	3,281,069	4,002,483	2,927,141
With 200% risk	24,785,478	12,883,190	2,759,170
With 250% risk	2,448,133	-	-
Total risk-weighted assets	**149,742,120**	**115,678,459**	**96,424,475**
Market risk	2,289,775	1,067,175	6,026,525
Operational risk	10,853,088	10,646,563	10,366,918
Total risk-weighted assets and market risk	**162,884,983**	**127,392,197**	**112,817,918**
Risk-adjusted capital ratio	**14.71%**	**17.88%**	**16.79%**

Akbank's excess capital, which is calculated as Tier 1 plus Tier 2 capital, less economic capital (which is the sum of regulatory capital and additional capital to cover other risks) was TL 4,479,375 billion as at 30 September 2014.

FORM OF THE NOTES

Global Notes

The Notes offered and sold in reliance on Regulation S in offshore transactions to persons other than U.S. persons will initially be represented by a global note in registered form (the "**Regulation S Global Note**"). Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to the Notes, the Regulation S Notes or beneficial interests therein may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 and such beneficial interests in the Regulation S Global Note may not be held otherwise than through Euroclear or Clearstream, Luxembourg and the Regulation S Global Note will bear a legend regarding such restrictions on transfer.

The Notes (or beneficial interests therein) offered and sold in the United States or to, or for the account or benefit of, U.S. persons may only be offered and sold in private transactions to QIBs in reliance upon Rule 144A. The Notes sold to QIBs in reliance upon Rule 144A will be represented by a global note in registered form (the "**Rule 144A Global Note"**).

The Regulation S Global Note will be deposited on or about the Issue Date with the Common Depositary, and will be registered in the name of a nominee for the Common Depositary. Except as described in this Prospectus, beneficial interests in the Regulation S Global Note will be represented through accounts of financial institutions acting on behalf of beneficial owners as direct and indirect accountholders in Euroclear and Clearstream, Luxembourg. The Rule 144A Global Note will be deposited on or about the Issue Date with the Custodian and will be registered in the name of Cede & Co. as nominee for DTC. Except as described in this Prospectus, beneficial interests in the Rule 144A Global Note will be represented through accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Persons holding beneficial interests in the Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal, interest and any other amount in respect of the Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 7.4) as the registered holder of the Global Notes on the relevant Record Date. None of the Issuer, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. Payments of principal, interest or any other amount in respect of the Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 7.4) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes without interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) an Event of Default has occurred and is continuing, (ii) in the case of the Rule 144A Global Note, either DTC has notified the Issuer that it is unwilling or unable to continue to act as depository for the Notes and no alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act and no alternative clearing system is available, (iii) in the case of the Regulation S Global Note, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (iv) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, DTC, Euroclear and/or Clearstream, Luxembourg or any person acting on their behalf (acting on the instructions of any holder of an interest in the relevant Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iv) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than ten days after the date of receipt of the first relevant notice by the Registrar.

Transfer of Interests

Interests in a Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Global Note. No beneficial owner of an interest in a Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and Clearstream, Luxembourg, in each case to the extent applicable. **The Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions; see "*Transfer Restrictions*" below.**

General

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 11. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Conditions and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then the Global Note will become void at 8.00 p.m. (London time) on such day. At the same time holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear, Clearstream, Luxembourg and DTC on and subject to the terms of a deed of covenant (the "**Deed of Covenant**") dated 10 September 2014 and executed by the Issuer.

TERMS AND CONDITIONS OF THE NOTES

*The terms and conditions of the Notes shall consist of the terms and conditions set out in the Base Prospectus (the "**Base Conditions**") as amended or supplemented by the terms set out below in this section. References in the Base Conditions to "Final Terms" shall be deemed to refer to the terms of the Notes substantially in the form set out below.*

16 January 2015

Akbank T.A.Ş.

Issue of U.S.$500,000,000 4.000 per cent. Notes due 2020 (the "Notes")
under the U.S.$3,500,000,000
Global Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 10 September 2014 and the supplement to it dated 27 November 2014 and the Prospectus dated 19 January 2015, which together in the manner described in such Prospectus constitute a prospectus for the purposes of the Prospectus Directive (the "**Prospectus**"). This document constitutes the terms of the Notes and must be read in conjunction with the Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these terms and the Prospectus. On issuance, the Prospectus will be published on the website of the Irish Stock Exchange (www.ise.ie) and the website of the Central Bank of Ireland (www.centralbank.ie).

1.	Issuer:		Akbank T.A.Ş.
2.	(a)	Series Number:	GMTN-2015-B1
	(b)	Tranche Number:	1
	(c)	Date on which the Notes will be consolidated and form a single Series:	Not Applicable
3.	Specified Currency or Currencies:		U.S. dollars ("**U.S.$**")
4.	USD Payment Election:		Not Applicable
5.	Aggregate Nominal Amount:		
	(a)	Series:	U.S.$500,000,000
	(b)	Tranche:	U.S.$500,000,000
6.	Issue Price:		99.664 per cent. of the Aggregate Nominal Amount
7.	(a)	Specified Denominations:	U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof
	(b)	Calculation Amount:	U.S.$1,000
8.	(a)	Issue Date:	23 January 2015

	(b) Interest Commencement Date:	Issue Date
9.	Maturity Date:	24 January 2020
10.	Interest Basis:	4.000 per cent. Fixed Rate (*see paragraph 15 below*)
11.	Redemption Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
12.	Change of Interest Basis:	Not Applicable
13.	Put/Call Options:	Not Applicable
14.	(a) Status of the Notes:	Unsubordinated, unsecured
	(b) Date Board approval for issuance of Notes obtained:	18 November 2014

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions	Applicable
	(a) Rate(s) of Interest:	4.000 per cent. per annum payable in arrear on each Interest Payment Date
	(b) Interest Payment Date(s):	24 January and 24 July in each year up to and including the Maturity Date. There will be a long first coupon from, and including, the Interest Commencement Date to, but excluding 24 July 2015 (the **Long First Coupon**)
	(c) Fixed Coupon Amount(s):	U.S.$20 per Calculation Amount other than in respect of the Long First Coupon (see paragraph 15(d) below)
	(d) Broken Amount(s):	In respect of the Long First Coupon, U.S.$20.11 per Calculation Amount, payable on the Interest Payment Date falling on 24 July 2015
	(e) Day Count Fraction:	30/360
	(f) Determination Date(s):	Not Applicable
16.	Floating Rate Note Provisions	Not Applicable
17.	Zero Coupon Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

18.	Notice periods for Condition 8.2:	Minimum period: 30 days Maximum period: 60 days

19.	Issuer Call:	Not Applicable
20.	Investor Put:	Not Applicable
21.	Final Redemption Amount:	U.S.$1,000 per Calculation Amount
22.	Early Redemption Amount payable on redemption for taxation reasons or on event of default:	U.S.$1,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23.	Form of Notes:	Registered Notes: Regulation S Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg exchangeable for Definitive Registered Notes upon an Exchange Event Rule 144A Global Note registered in the name of a nominee for DTC exchangeable for Definitive Registered Notes upon an Exchange Event
24.	Additional Financial Centre(s):	Not Applicable
25.	Talons for future Coupons to be attached to Definitive Notes:	Not Applicable

Signed on behalf of **Akbank T.A.Ş.**

By:	By: ....
Duly authorised	*Duly authorised*

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(a)	Listing and Admission to trading:	Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the Official List and admitted to trading on the Main Securities Market of the Irish Stock Exchange with effect from 23 January 2015.
(b)	Estimate of total expenses related to admission to trading:	€5,000

2. RATINGS

Ratings:	The Notes to be issued are expected to be rated: BBB- by Fitch Ratings Ltd. ("**Fitch**") and Baa3 by Moody's Investors Service Limited ("**Moody's**"). Each of Fitch and Moody's is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended).

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Joint Lead Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. YIELD

Indication of yield:	4.075 per cent. per annum The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5. OPERATIONAL INFORMATION

(a)	ISIN Code:	Regulation S Notes: XS1111101314 Rule 144A Notes: US00972BAA70
(b)	Common Code:	Regulation S Notes: 111110131 Rule 144A Notes: 117179923
(c)	CUSIP:	Rule 144A Notes: 00972BAA7

Any clearing system(s) other than DTC, Euroclear and Clearstream, Luxembourg and	Not Applicable

the relevant identification number(s):	
Delivery:	Delivery against payment
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable

6. DISTRIBUTION

(a)	Method of distribution:	Syndicated
(b)	If syndicated, names of Joint Lead Managers:	Barclays Bank PLC Citigroup Global Markets Limited Goldman Sachs International ING Bank N.V., London Branch Mizuho Securities USA Inc. Standard Chartered Bank
(c)	Date of Subscription Agreement:	16 January 2015
(d)	Stabilising Manager(s) (if any):	Citigroup Global Markets Limited
(e)	If non-syndicated, name of relevant Dealer:	Not Applicable
(f)	U.S. Selling Restrictions:	Reg. S Compliance Category 2 and Rule 144A

BOOK-ENTRY CLEARANCE SYSTEMS

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear or Clearstream, Luxembourg (together, the "**Clearing Systems**") currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer believes to be reliable, but none of the Joint Lead Managers takes any responsibility for the accuracy thereof. As far as Issuer is aware and is able to ascertain from information published by the Clearing Systems, no facts have been omitted that would render reproduced information inaccurate or misleading. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System.*

None of the Issuer nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

*Further to the Communiqué on Debt Instruments, the Notes are required under Turkish law to be issued in an electronically registered form in the Central Registry Agency (Merkezi Kayıt Kuruluşu) (the "**CRA**") and the interests therein recorded in the CRA. However, upon the Issuer's request, the CMB may resolve to exempt the Notes from this requirement if the Notes are to be issued outside Turkey. The Issuer submitted an exemption request and such exemption was granted by the CMB in the CMB Approval. As a result, this requirement will not be applicable to the Notes. Notwithstanding such exemption, the Issuer is required to notify the CRA within three Istanbul business days from the date of issuance of the Notes of the amount, issue date, ISIN code, first payment date, maturity date, interest rate, name of the custodian and currency of the Notes and the country of issuance.*

Book-entry Systems

DTC

DTC has advised the Issuer that it is a limited purpose trust company organised under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its direct participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book entry changes in Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC System is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**" and, together with Direct Participants, "**Participants**").

Under the rules, regulations and procedures creating and affecting DTC and its operations (the "**Rules**"), DTC makes book-entry transfers of notes in registered form among Direct Participants on whose behalf it acts with respect to notes accepted into DTC's book-entry settlement system ("**DTC Notes**") as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the SEC. Participants with which beneficial owners of DTC Notes ("**Beneficial Owners**") have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Beneficial Owners. Accordingly, although Beneficial Owners who hold interests in DTC Notes through Participants will not possess notes in registered form, the

Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each Beneficial Owner is in turn to be recorded on the relevant Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchases, but Beneficial Owners are expected to receive written confirmations providing details of each transaction, as well as periodic statements of their holdings, from the Participant through which the Beneficial Owner holds its interest in the DTC Notes. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an omnibus proxy to the Issuer as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the omnibus proxy).

Principal and interest payments on the DTC Notes will be made to DTC or its nominee. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC or its nominee is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for notes in definitive registered form, which it will distribute to its Direct Participants in accordance with their requests and proportionate entitlements and which will be legended as set forth under "*Transfer Restrictions*".

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Beneficial Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to effect such pledge through DTC and its Participants or if not possible to so effect it, to withdraw its notes from DTC as described below.

The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. Similarly, because

DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Global Note accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by the Global Note accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Clearstream, Luxembourg

Clearstream, Luxembourg is incorporated under the laws of Luxembourg as a professional depositary. Clearstream, Luxembourg holds securities for its customers and facilitates the clearance and settlement of securities transactions between Clearstream, Luxembourg customers through electronic book-entry changes in accounts of Clearstream, Luxembourg customers, thereby eliminating the need for physical movement of certificates. Clearstream, Luxembourg provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg also deals with domestic securities markets in several countries through established depository and custodial relationships.

Clearstream, Luxembourg is registered as a bank in Luxembourg, and as such is subject to regulation by the *Commission de Surveillance du Secteur Financier* and the *Banque Centrale du Luxembourg*, which supervise and oversee the activities of Luxembourg banks. Clearstream, Luxembourg's customers are recognised financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of Clearstream, Luxembourg. Clearstream, Luxembourg has established an electronic bridge with Euroclear to facilitate settlement of trades between Clearstream, Luxembourg and Euroclear.

The ability of an owner of a beneficial interest in a Note held through Clearstream, Luxembourg to pledge such interest to persons or entities that do not participate in the Clearstream, Luxembourg system, or otherwise take action in respect of such interest, may be limited by the lack of a definitive note for such interest because Clearstream, Luxembourg can act only on behalf of Clearstream, Luxembourg's customers, who in turn act on behalf of their own customers. The laws of some jurisdictions may require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests in the Notes to such persons may be limited. In addition, beneficial owners of Notes held through the Clearstream, Luxembourg system will receive payments of principal, interest and any other amounts in respect of the Notes only through Clearstream, Luxembourg accountholders.

Euroclear

Euroclear holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between its accountholders. Euroclear provides various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear also deals with domestic securities markets in several countries through established depository and custodial relationships. Euroclear customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear is available to other institutions that clear through or maintain a custodial relationship with direct participants in Euroclear.

The ability of an owner of a beneficial interest in a Note held through Euroclear to pledge such interest to persons or entities that do not participate in the Euroclear system, or otherwise take action in respect of such interest, may be limited by the lack of a definitive note for such interest because Euroclear can act only on behalf of Euroclear's customers, who in turn act on behalf of their own customers. The laws of some jurisdictions may require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests in the Notes to such persons may be limited. In addition, beneficial owners of Notes held through the Euroclear system will receive payments of principal, interest and any other amounts in respect of the Notes only through Euroclear participants.

Book-entry Ownership of and Payments in respect of Global Notes

The Issuer has applied to each of Euroclear and Clearstream, Luxembourg to have the Notes represented by the Regulation S Global Note accepted in its book-entry settlement system. Upon the issue of the Regulation S Global Note, Euroclear and/or Clearstream, Luxembourg, as applicable, will credit, on its internal book-entry system, the respective nominal amounts of the interests represented by the Regulation S Global Note to the accounts of persons who have accounts with Euroclear and/or Clearstream, Luxembourg, as applicable. Such accounts initially will be designated by or on behalf of the Joint Lead Manager. Interests in the Regulation S Global Note through Euroclear and/or Clearstream, Luxembourg, as applicable, will be limited to accountholders of Euroclear and/or Clearstream, Luxembourg, as applicable. Interests in the Regulation S Global Note will be shown on, and the transfer of such interests will be effected only through, records maintained by Euroclear and/or Clearstream, Luxembourg or its nominee (with respect to the interests of Euroclear and/or Clearstream, Luxembourg accountholders).

Payments with respect to interests in the Notes held through Euroclear and Clearstream, Luxembourg will be credited to cash accounts of Euroclear and Clearstream, Luxembourg accountholders in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg, respectively, to the extent received by each of them.

The Issuer has applied to DTC in order to have the Notes represented by the Rule 144A Global Note accepted in its book-entry settlement system. Upon the issue of the Rule 144A Global Note, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by the Rule 144A Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the Joint Lead Managers.

Ownership of beneficial interests in the Global Notes will be limited to Direct Participants or Indirect Participants, including, in the case of the Regulation S Global Note, the Common Depositary for Euroclear and Clearstream, Luxembourg. Ownership of beneficial interests in the Rule 144A Global Note accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. Dollars of principal and interest in respect of the Rule 144A Global Note accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note.

The Issuer expects DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuer also expects that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Fiscal Agent, the Registrar or the Issuer. Payment of principal, premium, if any, and interest, if any, on Notes to DTC is the responsibility of the Issuer.

Transfers of Notes Represented by Global Notes

Transfers of any interests in Notes represented by a Global Note within DTC, Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant Clearing System. Subject to compliance with the transfer restrictions applicable to the Notes described under "*Transfer Restrictions*", cross market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear account holders, on the other, will be effected by the relevant Clearing System in accordance with its rules and through action taken by the Registrar, the Fiscal Agent and any custodian ("**Custodian**") with whom the relevant Global Notes have been deposited.

On or after the Issue Date, transfers of Notes between account holders in Clearstream, Luxembourg and Euroclear and transfers of Notes between participants in DTC will generally have a settlement date three business days after the trade date ("**T+3**"). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between account holders in Clearstream, Luxembourg or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream, Luxembourg and Euroclear, on the other, transfers of interests in the relevant Global Notes will be effected through the Registrar, the Fiscal Agent and the Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg account holders and DTC participants cannot be made on a delivery-versus-payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream, Luxembourg and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in the Global Notes among participants and account holders of DTC, Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Agents or any Joint Lead Manager will be responsible for any performance by DTC, Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or account holders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

U.S. TAXATION

Certain U.S. Federal Income Tax Consequences

The following is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of Notes by a U.S. Holder (as defined below). This summary deals only with U.S. Holders that are initial purchasers of Notes at the Issue Price in this offering and that will hold the Notes as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Notes by particular investors, and does not address state, local, foreign or other tax laws. This summary also does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as certain financial institutions, insurance companies, investors liable for the alternative minimum tax, investors liable for the Medicare tax on net investment income, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers or traders in securities, investors that will hold the Notes as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, or investors whose functional currency is not the U.S. Dollar).

As used herein, the term "**U.S. Holder**" means a beneficial owner of Notes that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organised under the laws of the United States or any State thereof, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source, or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity treated as a partnership for U.S. federal income tax purposes that holds Notes will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are entities treated as partnerships for U.S. federal income tax purposes and their partners should consult their tax advisers concerning the U.S. federal income tax consequences of the acquisition, ownership and disposition of Notes.

This summary is based on the tax laws of the United States, including Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, as well as on the income tax treaty between the United States and Turkey (the "**Treaty**"), all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE NOTES, INCLUDING THEIR ELIGIBILITY FOR THE BENEFITS OF THE TREATY, THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS, AND POSSIBLE CHANGES IN TAX LAW.

Characterisation of the Notes

No authority directly addresses the U.S. federal income tax characterisation of securities like the Notes and the Issuer has not and will not seek a ruling from the U.S. Internal Revenue Service ("**IRS**") as to their characterisation for such purposes. To the extent relevant for U.S. federal income tax purposes, the Issuer intends to treat the Notes as indebtedness for such purposes and this discussion assumes that treatment is correct. No assurance can be given that the IRS will not assert, or a court would not sustain, a position regarding the characterisation of the Notes that is contrary to this discussion. If the IRS were to successfully challenge the characterisation of the Notes as debt, the timing, amount and character of income inclusions on the Notes may be affected. Prospective investors should seek advice from their own tax advisors as to the consequences to them of alternative characterisations of the Notes for U.S. federal income tax purposes.

Payments of Interest

It is expected and this summary assumes that either the Issue Price of the Notes will equal their stated principal amount, or the Notes will be issued with less than a *de minimis* amount of "original issue discount". Generally the Notes will be treated as issued with less than a *de minimis* amount of original issue discount if the excess of the Notes' principal amount over their issue price is less than 0.25% of the principal amount multiplied by the number of complete years to maturity.

Therefore, interest on a Note (including additional amounts, if any) will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on the U.S. Holder’s method of accounting for U.S. tax purposes. The amount of interest taxable as ordinary income will include amounts withheld in respect of Turkish taxes, if any. Interest paid by the Issuer on the Notes constitutes income from sources outside the United States. Non-refundable Turkish taxes withheld from interest income on a Note at a rate not exceeding any applicable rate under the Treaty generally will be creditable against the U.S. Holder’s U.S. federal income tax liability, subject to applicable limitations that may vary depending upon the U.S. Holder’s circumstances. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. The rules governing foreign tax credits are complex and U.S. Holders should consult their own tax advisers regarding the availability of foreign tax credits in their particular circumstances. Instead of claiming a credit, a U.S. Holder may, at its election, deduct such Turkish taxes in computing its taxable income. An election to deduct foreign taxes instead of claiming foreign tax credits must apply to all taxes paid or accrued in the taxable year to foreign countries and possessions of the United States. U.S. Holders should consult their tax advisers concerning the applicability of the foreign tax credit and source of income rules to income attributable to the Notes.

Sale and Retirement of the Notes

A U.S. Holder will generally recognise gain or loss on the sale or retirement of a Note equal to the difference between the amount realised on the sale or retirement and the U.S. Holder’s tax basis in the Note. A U.S. Holder’s tax basis in a Note will generally be its cost. The amount realised does not include the amount attributable to accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income.

Gain or loss recognised by a U.S. Holder on the sale or retirement of a Note generally will be capital gain or loss and will be considered long-term capital gain or loss if the Note is held by the U.S. Holder for more than one year. Gain or loss realised by a U.S. Holder on the sale or retirement of a Note generally will be U.S. source. Consequently, a U.S. Holder may not be able to claim a credit for any foreign tax imposed upon the sale or retirement of a Note unless such credit can be applied (subject to applicable limitations) against its U.S. federal income tax due on other income or gain treated as derived from sources outside the United States. The deductibility of capital losses is subject to limitations.

Backup Withholding and Information Reporting

Payments of principal, interest on, and the proceeds of sale or other disposition of Notes, by a paying agent within the United States, and by certain paying agents outside the United States, will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding may apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to report all interest required to be shown on its U.S. federal income tax returns. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability, and may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS. U.S. Holders should consult their tax advisers as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

Foreign Financial Asset Reporting

Certain U.S. Holders who are individuals (and, under proposed Treasury regulations, certain entities) may be required to report on IRS Form 8938 information relating to securities issued by a non-U.S. person (or foreign accounts through which the securities are held), subject to certain exceptions (including an exception for securities held in accounts maintained by U.S. financial institutions). The Notes are expected to constitute reportable "foreign financial assets" unless they are held in an account at certain financial institutions. U.S. Holders should consult their tax advisors regarding their reporting obligations with respect to the Notes.

CERTAIN CONSIDERATIONS FOR ERISA AND OTHER U.S. EMPLOYEE BENEFIT PLANS

Subject to the following discussion, the Notes may be acquired with assets of pension, profit-sharing or other employee benefit plans, as well as individual retirement accounts, Keogh plans and other plans and retirement arrangements, and any entity deemed to hold "plan assets" of the foregoing (each, a "**Plan**"). Section 406 of ERISA and Section 4975 of the Code prohibit a Plan subject to those provisions (each, a "**Benefit Plan Investor**") from engaging in certain transactions with persons that are "parties in interest" under ERISA or "disqualified persons" under the Code with respect to such Benefit Plan Investor. A violation of these "prohibited transaction" rules may result in an excise tax or other penalties and liabilities under ERISA and the Code for such persons or the fiduciaries of such Benefit Plan Investor. In addition, Title I of ERISA requires fiduciaries of a Benefit Plan Investor subject to ERISA to make investments that are prudent, diversified and in accordance with the governing plan documents. Employee benefit plans that are U.S. governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) are not subject to the fiduciary and prohibited transaction provisions of ERISA or Section 4975 of the Code; however, such plans may be subject to similar restrictions under applicable state, local, other federal or non-U.S. law ("**Similar Law**").

An investment in the Notes by or on behalf of a Benefit Plan Investor could give rise to a prohibited transaction if the Bank is a party in interest or a disqualified person with respect to such Benefit Plan Investor. Certain exemptions from the prohibited transaction rules could be applicable to an investment in the Notes by a Benefit Plan Investor depending upon the type and circumstances of the plan fiduciary making the decision to acquire such investment and the relationship of the party in interest to the Benefit Plan Investor. Included among these exemptions are: Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code for certain transactions between a Benefit Plan Investor and non-fiduciary service providers to the Benefit Plan Investor; Prohibited Transaction Class Exemption (PTCE) 96-23, regarding transactions effected by "in-house asset managers"; PTCE 95-60, regarding investments by insurance company general accounts; PTCE 91-38, regarding investments by bank collective investment funds; PTCE 90-1, regarding investments by insurance company pooled separate accounts; and PTCE 84-14, regarding transactions effected by "qualified professional asset managers". Even if the conditions specified in one or more of these exemptions are met, the scope of the relief provided by these exemptions might or might not cover all acts that might be construed as prohibited transactions. There can be no assurance that any of these, or any other exemption, will be available with respect to any particular transaction involving the Notes, and prospective investors that are Benefit Plan Investors and other Plans should consult with their legal advisors regarding the applicability of any such exemption and other applicable legal requirements.

By acquiring a Note (or a beneficial interest therein), each purchaser (and if the purchaser is a Plan, its fiduciary) is deemed to represent and warrant that either: (a) it is not acquiring the Note (or a beneficial interest therein) with the assets of a Benefit Plan Investor, a U.S. governmental plan, church plan or non-U.S. plan that is subject to Similar Law, or (b) the acquisition, holding and disposition of the Note (or a beneficial interest therein) will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of Similar Law.

Prospective investors are advised to consult their advisers with respect to the consequences under ERISA and similar laws of the acquisition, ownership or disposition of the Notes (or a beneficial interests therein).

PLAN OF DISTRIBUTION

The Bank intends to offer the Notes through the Joint Lead Managers and their broker-dealer affiliates, as applicable, named below. Subject to the terms and conditions stated in a subscription agreement in respect of the Notes entered into on 16 January 2015 among the Joint Lead Managers and the Bank (the "**Subscription Agreement**"), each of the Joint Lead Managers has severally (and not jointly nor jointly and severally) agreed to purchase, and the Bank has agreed to sell to each of the Joint Lead Managers, the principal amount of the Notes set forth opposite each Joint Lead Manager's name below.

Joint Lead Manager	*Principal Amount of Notes*
Barclays Bank PLC	U.S.$83,332,000
Citigroup Global Markets Limited	U.S.$83,340,000
Goldman Sachs International	U.S.$83,332,000
ING Bank N.V., London Branch	U.S.$83,332,000
Mizuho Securities USA Inc.	U.S.$83,332,000
Standard Chartered Bank	U.S.$83,332,000
Total	**U.S.$500,000,000**

The Subscription Agreement provides that the obligations of the Joint Lead Managers to purchase the Notes are subject to approval of legal matters by counsel and to other conditions. The offering of the Notes by the Joint Lead Managers is subject to receipt and acceptance and subject to the Joint Lead Managers' right to reject any order in whole or in part.

The Bank has been informed that the Joint Lead Managers propose to resell beneficial interests in the Notes at the offering price set forth on the cover page of this Prospectus within the United States to persons reasonably believed to be QIBs in reliance upon Rule 144A, and to non-U.S. persons in offshore transactions in reliance upon Regulation S. See "*Subscription and Sale*" in the Base Prospectus and "*Transfer Restrictions*" below. The prices at which beneficial interests in the Notes are offered may be changed at any time without notice.

Offers and sales of the Notes in the United States will be made by those Joint Lead Managers or their affiliates that are registered broker-dealers under the Exchange Act or in accordance with Rule 15a-6 thereunder.

The Notes have not been registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. See "*Subscription and Sale*" in the Base Prospectus and "*Transfer Restrictions*" below.

In addition, until 40 days after the closing date of the offering of the Notes, an offer or sale of Notes (or beneficial interests therein) within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with Rule 144A.

While application has been made for the Notes to be admitted to trading on the Main Securities Market, the Notes constitute a new class of securities of the Bank with a limited trading market. The Bank cannot provide any assurances to investors that the prices at which the Notes (or beneficial interests therein) will sell in the market will not be lower than the initial offering price or that an active trading market for the Notes will develop. The Joint Lead Managers have advised the Bank that they currently intend to make a market in the Notes; however, they are not obligated to do so, and they may discontinue any market-making activities with respect to the Notes at any time without notice. No assurance can be given that the application to the Irish Stock Exchange to admit the Notes to listing on the Official List and trading on the Main Securities Market will be accepted.

In connection with the offering, one or more Joint Lead Manager(s) may purchase and sell Notes (or beneficial interests therein) in the secondary market. These transactions may include over-allotment, syndicate covering transactions and stabilising transactions. Over-allotment involves the sale of Notes (or beneficial interests therein) in excess of the principal amount of Notes to be purchased by the Joint Lead Managers in their initial offering, which creates a short position for the Joint Lead Managers. Covering transactions involve the purchase of the Notes (or beneficial interests therein) in the open market after the distribution has been completed in order to cover short positions. Stabilising transactions consist of certain bids or purchases of Notes (or beneficial interests therein) made for the purpose of preventing or retarding a decline in the market price of the Notes (or beneficial interests therein) while the offering is in progress. Any of these activities may have the effect of preventing or retarding a decline in the market price of the Notes (or beneficial interests therein). They may also cause the price of the Notes (or beneficial interests therein) to be higher than the price that otherwise would exist in the open market in the absence of these transactions. The Joint Lead Managers may conduct these transactions in the over-the-counter market or otherwise. If the Joint Lead Managers commence any of these transactions, then they may discontinue them at any time.

The Bank expects that delivery of interests in the Notes will be made against payment therefor on the Issue Date. Under Rule 15c6-l of the Exchange Act, trades in the secondary market through a broker or dealer in the United States generally are required to settle in three New York City business days, unless the parties to any such trade expressly agree otherwise. Accordingly, investors who wish to trade interests in the Notes through a broker or dealer in the United States on the date of this Prospectus or the next New York City business days will be required, by virtue of the fact that the Notes initially will settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Investors in the Notes who wish to trade interests in the Notes through a broker or dealer in the United States on the date of this Prospectus or the next New York City business days should consult their own adviser.

The Joint Lead Managers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Joint Lead Managers or their respective affiliates may have performed investment banking and advisory services for the Bank and its affiliates from time to time for which they may have received fees, expenses, reimbursements and/or other compensation. The Joint Lead Managers or their respective affiliates may, from time to time, engage in transactions with and perform advisory and other services for the Bank and its affiliates in the ordinary course of their business. Certain of the Joint Lead Managers and/or their respective affiliates have acted and expect in the future to act as a lender to the Bank and/or other members of the Akbank Group and/or otherwise participate in transactions with the Akbank Group.

In the ordinary course of their various business activities, the Joint Lead Managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Bank. In addition, certain of the Joint Lead Managers and/or their respective affiliates hedge their credit exposure to the Bank pursuant to their customary risk management policies. These hedging activities could have an adverse effect on the future trading prices of the Notes offered hereby.

The Joint Lead Managers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities or instruments.

The Bank has agreed to indemnify each Joint Lead Manager against certain liabilities, including liabilities under the Securities Act, or to contribute to payments that the Joint Lead Managers may be required to make because of those liabilities.

TRANSFER RESTRICTIONS

Because the following restrictions will apply with respect to the Notes, investors in the Notes are advised to consult legal counsel prior to making an offer, resale, pledge or transfer of any of the Notes. References to Notes in this section should, as appropriate, be deemed to refer to the Notes themselves and/or beneficial interests therein.

The Bank has not registered the Notes under the Securities Act or the laws of any state securities commission and, therefore, the Notes may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold only: (a) to persons reasonably believed to be QIBs in reliance upon Rule 144A under the Securities Act and (b) to non-U.S. persons in offshore transactions in reliance upon Regulation S under the Securities Act.

Each purchaser of Notes (other than a person purchasing an interest in a Global Note with a view to holding it in the form of an interest in the same Global Note) or person wishing to transfer an interest from one Global Note to another or from global to definitive form will be required to acknowledge, represent and agree, and each person purchasing an interest in a Global Note with a view to holding it in the form of an interest in the same Global Note will be deemed to have acknowledged, represented and agreed, as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

(a) that either: (i) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware that any sale to it is being made in reliance on Rule 144A or (ii) it is outside the United States and is not a U.S. person;

(b) that the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any other applicable U.S. Federal or State securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;

(c) that, unless it holds an interest in the Regulation S Global Note and is not a U.S. person, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so, prior to the date which is one year after the later of the last issue date for the series of Notes and the last date on which the Issuer or an affiliate of the Issuer was the owner of such Notes, only (i) to the Issuer or any affiliate thereof, (ii) to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (iii) in an offshore transaction in compliance with Rule 903 or 904 under the Securities Act, (iv) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available) or (v) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. Federal and State securities laws;

(d) it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions, if then applicable;

(e) that Notes initially offered to QIBs will be represented by the Rule 144A Global Note and that Notes offered in offshore transactions to non-U.S. persons in reliance on Regulation S will be represented by the Regulation S Global Note;

(f) that the Rule 144A Global Note will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD PLEDGED OR OTHERWISE DISPOSED OF WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND, PRIOR TO THE DATE WHICH IS ONE YEAR AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE OF THE ISSUER WAS THE OWNER OF SUCH SECURITIES OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 903 OR 904 UNDER THE SECURITIES ACT, (4) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM ANY INTEREST IN THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR RESALES OF THE SECURITY.

EACH PURCHASER AND TRANSFEREE OF THIS NOTE (OR A BENEFICIAL INTEREST HEREIN) WILL BE DEEMED TO REPRESENT AND WARRANT THAT EITHER: (a) IT IS NOT ACQUIRING THIS NOTE (OR A BENEFICIAL INTEREST HEREIN) WITH THE ASSETS OF AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, ANY "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" OF ANY OF THE FOREGOING OR A U.S. GOVERNMENTAL PLAN, CHURCH PLAN OR NON-U.S. PLAN THAT IS SUBJECT TO ANY LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), OR (b) THE ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR A BENEFICIAL INTEREST HEREIN) WILL NOT GIVE RISE TO A NON-EXEMPT PROHIBITED TRANSACTION UNDER ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF SIMILAR LAW.

THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN

PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFORE, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).";

(g) if it holds an interest in the Regulation S Global Note, that if it should resell or otherwise transfer such interest in the Notes prior to the expiration of the distribution compliance period (defined as 40 days after the later of the commencement of the offering and the closing date with respect to the original issuance of the Notes), it will do so only (i) (A) in an offshore transaction in compliance with Rule 903 or 904 under the Securities Act or (B) to a QIB in compliance with Rule 144A and (ii) in accordance with all applicable U.S. federal and State securities laws; and it acknowledges that the Regulation S Global Note will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART.

EACH PURCHASER AND TRANSFEREE OF THIS NOTE (OR A BENEFICIAL INTEREST HEREIN) WILL BE DEEMED TO REPRESENT AND WARRANT THAT EITHER: (a) IT IS NOT ACQUIRING THIS NOTE (OR A BENEFICIAL INTEREST HEREIN) WITH THE ASSETS OF AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, ANY "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" OF ANY OF THE FOREGOING OR A U.S. GOVERNMENTAL PLAN, CHURCH PLAN OR NON-U.S. PLAN THAT IS SUBJECT TO ANY LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), OR (b) THE ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR A BENEFICIAL INTEREST HEREIN) WILL NOT GIVE RISE TO A NON-EXEMPT PROHIBITED TRANSACTION UNDER ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF SIMILAR LAW."; and

(h) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Each purchaser and transferee of a Note (or a beneficial interest therein) will be deemed to represent and warrant that either: (i) it is not acquiring the Note (or a beneficial interest therein) with the assets of an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to the provisions of Title I of ERISA, any "plan" as defined in and subject to Section 4975 of the Code, any entity whose underlying assets include "plan assets" of any of the foregoing or a U.S. governmental plan, church plan or non-U.S. plan that is subject to any Similar Law, or (ii) the acquisition, holding and disposition of such Note will not give rise to a non-exempt prohibited transaction under ERISA or Section 4975 of the Code or a violation of Similar Law.

According to Article 15d(ii) of Decree 32 regarding the Protection of the Value of the Turkish Currency, residents in Turkey will be free to purchase and sell securities and other capital market instruments traded on financial markets abroad, and to transfer funds for the purchase of such securities abroad through licensed banks or licensed brokerage institutions authorised pursuant to Banking Law and/or Capital Markets Law and their related legislation.

LEGAL MATTERS

Certain matters relating to the issuance of the Notes will be passed upon for the Bank by Norton Rose Fulbright LLP (or affiliates thereof) as to matters of United States law and by YükselKarkınKüçük Avukatlık Ortaklığı as to matters of Turkish law (which will also pass upon matters of Turkish law). Certain matters as to English and United States law will be passed upon for the Joint Lead Managers by Allen & Overy LLP, and certain matters as to Turkish law will be passed upon for the Joint Lead Managers by Gedik & Eraksoy Avukatlık Ortaklığı (which will also pass upon matters of Turkish tax law).

GENERAL INFORMATION

Authorisation

The establishment and update of the Programme have been duly authorised by a resolution of the Board of Directors of the Issuer dated 22 October 2013 and 16 December 2013 and the issue of the Notes has been duly authorised by a resolution of the Board of Directors of the Issuer dated 18 November 2014.

Listing of Notes

An application has been made to the Irish Stock Exchange to admit the Notes to listing on the Official List and trading on the Main Securities Market; *however*, no assurance can be given that such application will be accepted. It is expected that admission of the Notes to the Official List and trading on the Main Securities Market will be granted on or around the Issue Date, subject only to the issue of the Notes.

Listing Agent

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Bank in connection with the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the Main Securities Market for the purposes of the Prospectus Directive.

Documents Available

For as long as any of the Notes are outstanding, copies of the following documents will, when published, be available in physical form for inspection from the registered office of the Issuer and from the specified office of the Fiscal Agent for the time being in London:

(a) the articles of association (with a certified English translation thereof) of the Issuer;

(b) the convenience translation into English of the Akbank 2013 BRSA Annual Financial Statements (including EY's audit report dated 5 February 2014 issued in respect thereof);

(c) the convenience translation into English of the Akbank 2012 BRSA Annual Financial Statements (including EY's audit report dated 7 February 2013 issued in respect thereof);

(d) the convenience translation into English of the Akbank BRSA Interim Financial Statements (including EY's review report dated 23 October 2014 issued in respect thereof);

(e) the most recently published audited annual financial statements of the Bank and the most recently published unaudited interim financial statements of the Bank, in each case in English and together with any audit or review reports prepared in connection therewith. The Bank currently prepares audited consolidated and unconsolidated financial statements in accordance with BRSA Principles on an annual basis and unaudited consolidated and unconsolidated interim financial statements in accordance with BRSA Principles on a quarterly basis;

(f) the Agency Agreement, the Deed of Covenant, the Deed Poll and the forms of the Global Notes and the Notes in definitive form; and

(g) a copy of this Prospectus and the Base Prospectus (including any supplements thereto).

A copy of the Base Prospectus is available on the website of the Irish Stock Exchange at http://www.ise.ie/debt_documents/Base%20Prospectus_4eb68b7b-e81a-4879-99e4-8b7fc07bdea1.PDF (such website is not, and should not be deemed to, constitute a part of, or be incorporated into, this Prospectus). On issuance of the Notes, a copy of this Prospectus would be published on the website of the Irish Stock Exchange (www.ise.ie) and the website of the Central Bank of Ireland (www.centralbank.ie) (each of such websites is not, and should not be deemed to, constitute a part of, or be incorporated into, this

Prospectus). In addition, the copies of the Akbank 2013 BRSA Annual Financial Statements, the Akbank 2012 BRSA Annual Financial Statements and the Akbank BRSA Interim Financial Statements are available on the Issuer's website at http://www.akbank.com/en-us/investor-relations/Pages/Financials.aspx (such website is not, and should not be deemed to, constitute a part of, or be incorporated into, this Prospectus).

Clearing Systems

The Rule 144A Global Note has been accepted into DTC's book-entry settlement system and the Regulation S Global Note has been accepted for clearance through Euroclear and Clearstream, Luxembourg (CUSIP: 00972BAA7, ISIN: US00972BAA70 and Common Code: 117179923, with respect to the Rule 144A Global Note and ISIN: XS1111101314 and Common Code: 111110131, with respect to the Regulation S Notes).

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking, *société anonyme*, 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of DTC is 55 Water Street, New York, New York 10041, United States of America.

Interest Payments

The Bank has been advised by DTC that through DTC's accounting and payment procedures DTC will, in accordance with its customary procedures, credit interest payments received by DTC on any Interest Payment Date based upon DTC participant holdings of the Notes on the close of business on the New York Business Day immediately preceding each such Interest Payment Date. A "**New York Business Day**" is a day other than a Saturday, a Sunday or any other day on which banking institutions in New York City are authorised or required by law or executive order to close.

Significant or Material Change

There has been no significant change in the financial or trading position of either the Bank or the Akbank Group since 30 September 2014, and no material adverse change in the financial position or prospects of either the Bank or the Akbank Group since 31 December 2013.

Litigation

Neither the Bank nor any other member of the Akbank Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Bank is aware) in the 12 months preceding the date of this Prospectus which may have or have in such period had a significant effect on the financial position or profitability of the Bank or the Akbank Group.

Independent Auditors

The annual financial statements of the Bank convenience translations of which are incorporated by reference herein have been audited in accordance with the Regulation on Authorisation and Activities of Institutions to Conduct Independent Audit in Banks published in the Official Gazette No. 26333 dated 1 November 2006 by EY, independent certified public accountants in Turkey, located at Ernst & Young Maslak Mahallesi Eski Büyükdere Caddesi No:27 Daire:54-57-59 Kat 2-3-4 Sariyer, Istanbul, Turkey as stated in the convenience translations of EY's audit reports incorporated by reference herein. EY is an institution authorised by BRSA, CMB, Turkish Treasury, Energy Market Regulatory Authority and Public Oversight Accounting and Auditing Standards Authority to conduct independent audits of companies, including banks, in Turkey. Akbank's accounts are prepared on a quarterly, semi-annual and annual basis in accordance with BRSA and on a semi-annual and annual basis in accordance with IFRS.

Foreign Text

The language of this Prospectus is English. Certain legislative references and technical terms may be cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

ISSUER

Akbank T.A.Ş.
Sabancı Center
4. Levent 34330
İstanbul
Turkey

JOINT LEAD MANAGERS

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom

ING Bank N.V., London Branch
60 London Wall
London EC2M 5TQ
United Kingdom

Mizuho Securities USA Inc.
320 Park Avenue
New York, NY 10022
United States of America

Standard Chartered Bank
One Basinghall Avenue
London EC2V 5DD
United Kingdom

FISCAL AGENT, EXCHANGE AGENT AND TRANSFER AGENT

Citibank, N.A., London Branch
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

REGISTRAR

Citigroup Global Markets Deutschland AG
Reuterweg 16
60323 Frankfurt am Main
Germany

LEGAL ADVISERS

To the Issuer as to English and United States law

Norton Rose Fulbright LLP
3 More London Riverside
London SE1 2AQ
United Kingdom

To the Issuer as to Turkish law

YükselKarkınKüçük Avukatlık Ortaklığı
Büyükdere Caddesi No.127
Astoria A Kule Kat. 6-24-26-27
34394 Esentepe, İstanbul
Turkey

To the Joint Lead Managers as to English and United States law

Allen & Overy LLP
One Bishops Square
London E1 6AD
United Kingdom

To the Joint Lead Managers as to Turkish law

Gedik & Eraksoy Avukatlık Ortaklığı
River Plaza Kat:17 Büyükdere Cad.
Bahar Sok. No:13
34394 Levent, İstanbul
Turkey

LISTING AGENT

Arthur Cox Listing Services Limited
Earlsfort Centre
Earlsfort Terrace
Dublin 2
Ireland

INDEPENDENT AUDITORS OF THE BANK

Ernst & Young
Maslak Mahallesi Eski Büyükdere Caddesi No:27
Daire:54-57-59 Kat 2-3-4 Sariyer, Istanbul
Turkey