

AKBANK T.A.Ş.

**PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
STATEMENTS AND RELATED DISCLOSURES
AT 31 MARCH 2014 TOGETHER WITH
LIMITED REVIEW REPORT**

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

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

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

We have reviewed the consolidated balance sheet of Akbank T.A.Ş. ("the Bank") and its consolidated subsidiaries ("the Group") at 31 March 2014 and the related consolidated income statement, consolidated statement of income and expense items accounted under shareholders' equity, consolidated statement of cash flows, consolidated statement of changes in shareholders' equity for the period then ended and a summary of significant accounting policies and other explanatory notes.

We conducted our review in accordance with the regulations on account and booking system and accounting and independent audit principles set out as per the Banking Act No. 5411. Those principles require that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to applying analytical procedures to financial data and making inquiries of the Bank's management, and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

The accompanying unconsolidated financial statements as at 31 March 2014 include a general reserve amounting to TL 270.000 thousands fully provided in 2013 by the Bank management for the possible results of the circumstances which may arise from any changes in the economy and market conditions.

Based on our review, except for the effect of the matter referred in the preceding paragraph on the unconsolidated financial statements, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not give a true and fair view of the financial position of Akbank T.A.Ş. at 31 March 2014 and of the the results of its operations and its cash flows for the period then ended in accordance with accounting principles and standards set out by regulations in conformity with Article 37 and 38 of Banking Law No. 5411 and other regulations, communiqués, interpretations and circulars published by the Banking Regulation and Supervision Agency on accounting and financial reporting principles.

Additional paragraph for convenience translation to English:

As explained in detail in Note I.b. of Section Three, the effects of differences between accounting principles and standards set out by regulations in conformity with articles 37 and 38 of the Banking Act No. 5411, accounting principles generally accepted in countries in which the accompanying consolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in the accompanying consolidated financial statements. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

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

Fatma Ebru Yücel,
SMMM, Partner

Istanbul, 30 April 2014

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

**THE CONSOLIDATED FINANCIAL REPORT OF
AKBANK T.A.Ş. AS OF
31 MARCH 2014**

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

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

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

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

Ak Receivables Corporation and A.R.T.S. Ltd., which are not subsidiaries of the Bank but over which the Bank has 100% controlling power, have been included in the consolidation due to the reason that these companies are "Structured Entities".

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

30 April 2014

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

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

Name-Surname / Title : Türker TUNALI / Senior Vice President
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**CONVENIENCE TRANSLATION OF
PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY
ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE**

**AKBANK T.A.Ş.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AT 31 MARCH 2014**

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

**SECTION ONE
GENERAL INFORMATION ABOUT THE GROUP**

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

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

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

The Bank's shares have been quoted on the Borsa Istanbul (BIST) (Formerly Istanbul Stock Exchange ("ISE")) since 1990. In 1998, 4,03% of the outstanding share capital of the Bank was offered and sold in an international offering outside of Turkey in the form of Ordinary Shares and American Depository Receipts ("ADRs"). As of 31 March 2014, approximately 41% of the shares are publicly traded, including the ADRs (31 December 2013: 41%).

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

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

<u>Title</u>	<u>Name</u>	<u>Responsibility</u>	<u>Education</u>
Chairman:	Suzan SABANCI DİNÇER	Chairman and Executive Board Member	Graduate
Honorary Chairman, Board member, Consultant:	Erol SABANCI	Honorary Chairman, Board Member and Consultant	Undergraduate
Board of Directors:	Hayri ÇULHACI Cem MENGİ Ş. Yaman TÖRÜNER James Charles COWLES A. Aykut DEMİRAY M. Kaan TERZİOĞLU İ. Aydın GÜNTER S. Hakan BİNBAŞGİL	Vice Chairman and Executive Board Member Executive Board Member Board Member Board Member Board Member Board Member Board Member Board Member and CEO	Graduate Undergraduate Undergraduate Graduate Undergraduate Undergraduate Undergraduate Graduate
President and CEO:	S. Hakan BİNBAŞGİL	CEO	Graduate
Director of Internal Audit:	Eyüp ENGİN	Head of Internal Audit	Undergraduate

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**AKBANK T.A.Ş.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AT 31 MARCH 2014**

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

Executive Vice Presidents:	A. Fuat AYLA	Loans	Undergraduate
	Hülya KEFELİ	International Banking	Undergraduate
	K. Atıl ÖZUS	Financial Coordination	Undergraduate
	A. Galip TÖZGE	Consumer Banking	Graduate
	Bade SİPAHİOĞLU IŞIK	Human Resources	Graduate
	O. Mehmet SİNDEL	Payment Systems and Corporate Communication	Undergraduate
	Kerim ROTA	Treasury	Graduate
	C. Kaan GÜR	Commercial Banking	Undergraduate
	A. Hakan YÜKSEL	Corporate Banking	Undergraduate
	O. Saltık GALATALI	Private Banking	Graduate
	Turgut GÜNEY	Information Technologies	Graduate
	Orkun OĞUZ	Direct Banking	Graduate
	Bülent OĞUZ	SME's Banking	Graduate
	Ozlen SANIBELLİ	Operation	Graduate
Internal Audit Committee:	Hayri ÇULHACI	Head of the Audit Committee	Graduate
	Ş. Yaman TORUNER	Member of the Audit Committee	Undergraduate

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

According to the Board of Directors' decision dated 24 January 2014, Mehmet Hikmet Bayar has resigned from the Board membership as of 31 January 2014.

According to the Board of Directors' decision dated 7 February 2014, Cem Mengi has been elected as Board Member as of 10 February 2014 on the condition of the approval of the first General Assembly to be held, Özen Göksel has resigned from his position as Executive Board Member to continue his position as Board Member effective from 28 February 2014, and Cem Mengi has been appointed as Executive Board Member as of 10 February 2014.

During The Ordinary General Assembly Meeting of the Bank dated 28 March 2014 in the election of new Board of Directors, İ.Aydın Günter has been appointed as a Board Member in lieu of Özen Göksel.

IV. INFORMATION ON SHAREHOLDERS HAVING CONTROL SHARES:

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

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

**AKBANK T.A.Ş.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AT 31 MARCH 2014**

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

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

The Bank's core business activities include retail banking, Commercial banking and SME banking, corporate banking, private banking, foreign exchange, money markets, securities transactions (treasury transactions) and international banking services. In addition to regular banking operations, the Bank also provides insurance intermediary services as an agency of Aksigorta A.Ş. and AvivaSA Emeklilik ve Hayat A.Ş. As of 31 March 2014, the Bank has 986 branches dispersed throughout the country and 1 branch operating abroad (31 December 2013: 985 branches and 1 branch operating abroad). As of 31 March 2014, the Bank employed 16.360 people (31 December 2013: 16.249).

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

As at 31 March 2014, the Group employed 16.586 people (31 December 2013: 16.473).

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

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

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

None.

AKBANK T.A.Ş.
I. CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2014 (STATEMENT OF FINANCIAL POSITION)
(Amounts are expressed in thousands of Turkish Lira (TL)).

ASSETS	Note (Section Five)	CURRENT PERIOD (31/03/2014)			PRIOR PERIOD (31/12/2013)		
		TL	FC	Total	TL	FC	Total
I. CASH AND BALANCES WITH CENTRAL BANK	(I-a)	1.325.576	19.309.844	20.635.420	935.764	17.287.355	18.223.119
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT or (LOSS) (Net)	(I-b)	551.145	821.890	1.373.035	1.021.067	870.543	1.891.610
2.1 Trading Financial Assets		551.145	821.890	1.373.035	1.021.067	870.543	1.891.610
2.1.1 Government Debt Securities		8.263	2.217	10.480	8.701	2.167	10.868
2.1.2 Share Certificates		2.373	-	2.373	58.377	-	58.377
2.1.3 Trading Derivative Financial Assets		498.791	819.673	1.318.464	898.494	868.376	1.766.870
2.1.4 Other Marketable Securities		41.718	-	41.718	55.495	-	55.495
2.2 Financial Assets Designated at Fair Value through Profit or (Loss)		-	-	-	-	-	-
2.2.1 Government Debt Securities		-	-	-	-	-	-
2.2.2 Share Certificates		-	-	-	-	-	-
2.2.3 Loans		-	-	-	-	-	-
2.2.4 Other Marketable Securities		-	-	-	-	-	-
III. BANKS	(I-c)	412.172	4.427.563	4.839.735	201.368	5.637.731	5.839.099
IV. MONEY MARKETS		1.000.328	-	1.000.328	-	-	-
4.1 Interbank Money Market Placements		-	-	-	-	-	-
4.2 Receivables from Istanbul Stock Exchange Money Market		-	-	-	-	-	-
4.3 Receivables from Reverse Repurchase Agreements		1,000,328	-	1,000,328	-	-	-
V. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Net)	(I-d)	25.527.901	11.490.858	37.018.759	23.261.560	9.903.422	33.164.982
5.1 Share Certificates		11,160	161	11,321	11,159	161	11,320
5.2 Government Debt Securities		25,414,896	8,146,153	33,561,049	23,173,174	6,902,969	30,076,143
5.3 Other Marketable Securities		101,845	3,344,544	3,446,389	77,227	3,000,292	3,077,519
VI. LOANS and RECEIVABLES	(I-e)	76.400.762	41.968.468	118.369.230	75.531.639	42.477.866	118.009.505
6.1 Loans and Receivables		76,400,762	41,968,468	118,369,230	75,438,789	42,477,866	117,916,655
6.1.1 Loans to Bank's Risk Group	(VI)	1,276,690	860,151	2,136,841	1,562,015	806,082	2,368,097
6.1.2 Government Debt Securities		-	-	-	-	-	-
6.1.3 Other		75,124,072	41,108,317	116,232,389	73,876,774	41,671,784	115,548,558
6.2 Loans under Follow-up		1,796,317	-	1,796,317	1,676,682	-	1,676,682
6.3 Specific Provisions [-]		1,796,317	-	1,796,317	1,583,832	-	1,583,832
VII. FACTORING RECEIVABLES		-	-	-	-	-	-
VIII. HELD-TO-MATURITY SECURITIES (Net)	(I-f)	5.501.394	4.982.202	10.483.596	7.219.023	4.934.430	12.153.453
8.1 Government Debt Securities		5,501,394	4,982,202	10,483,596	7,219,023	4,934,430	12,153,453
8.2 Other Marketable Securities		-	-	-	-	-	-
IX. INVESTMENTS IN ASSOCIATES (Net)	(I-g)	3.923	-	3.923	3.923	-	3.923
9.1 Consolidated Based on Equity Method		-	-	-	-	-	-
9.2 Unconsolidated		3,923	-	3,923	3,923	-	3,923
9.2.1 Financial Investments in Associates		-	-	-	-	-	-
9.2.2 Non-Financial Investments in Associates		3,923	-	3,923	3,923	-	3,923
X. SUBSIDIARIES (Net)	(I-h)	-	-	-	-	-	-
10.1 Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
10.2 Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
XI. JOINT VENTURES (Net)		-	-	-	-	-	-
11.1 Consolidated Based on Equity Method		-	-	-	-	-	-
11.2 Unconsolidated		-	-	-	-	-	-
11.2.1 Financial Joint Ventures		-	-	-	-	-	-
11.2.2 Non-Financial Joint Ventures		-	-	-	-	-	-
XII. FINANCIAL LEASE RECEIVABLES (Net)	(I-i)	605.112	2.692.628	3.297.740	569.198	2.648.318	3.217.516
12.1 Financial Lease Receivables		760,851	3,079,403	3,840,254	709,963	3,012,978	3,722,941
12.2 Operating Lease Receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned Income [-]		155,739	386,775	542,514	140,765	364,660	505,425
XIII. HEDGING DERIVATIVE FINANCIAL ASSETS	(I-j)	439.693	6.254	445.947	582.455	47.722	630.177
13.1 Fair Value Hedge		439,693	6,254	445,947	582,455	47,722	630,177
13.2 Cash Flow Hedge		-	-	-	-	-	-
13.3 Foreign Net Investment Hedge		-	-	-	-	-	-
XIV. PROPERTY AND EQUIPMENT (Net)		831.575	2.563	834.138	848.596	2.624	851.220
XV. INTANGIBLE ASSETS (Net)		172.936	577	173.513	161.733	482	162.215
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		172,936	577	173,513	161,733	482	162,215
XVI. INVESTMENT PROPERTY (Net)	(I-k)	-	-	-	-	-	-
XVII. TAX ASSET		175.757	4.937	180.694	49.102	25.903	75.005
17.1 Current Tax Asset		-	-	-	-	-	-
17.2 Deferred Tax Asset	(I-l)	175,757	4,937	180,694	49,102	25,903	75,005
XVIII. PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(I-m)	170.778	-	170.778	34.699	-	34.699
18.1 Held for Sale Purpose		170,778	-	170,778	34,699	-	34,699
18.2 Related to Discontinued Operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(I-n)	1.319.879	89.003	1.408.882	1.133.108	92.632	1.225.740
TOTAL ASSETS		114.438.931	85.796.787	200.235.718	111.553.235	83.929.028	195.482.263

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

AKBANK T.A.Ş.
I. CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2014 (STATEMENT OF FINANCIAL POSITION)
(Amounts are expressed in thousands of Turkish Lira (TL)).

LIABILITIES	Note (Section Five)	CURRENT PERIOD (31/03/2014)			PRIOR PERIOD (31/12/2013)		
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	(II-a)	54.937.199	55.192.407	110.129.606	56.262.093	56.210.590	112.472.683
1.1 Deposits of Bank's Risk Group	(VI)	2.523.851	1.470.388	3.994.239	2.391.083	1.413.538	3.804.621
1.2 Other		52.413.348	53.722.019	106.135.367	53.871.010	54.797.052	108.668.062
II. TRADING DERIVATIVE FINANCIAL LIABILITIES	(II-b)	468.751	765.277	1.214.028	240.019	938.729	1.178.748
III. BORROWINGS	(II-c)	470.815	19.326.301	19.997.116	438.484	19.260.114	19.898.600
IV. MONEY MARKETS		9.177.585	18.972.981	28.150.564	3.509.017	19.721.734	23.230.751
4.1 Funds from Interbank Money Market		6.002	-	6.002	331.154	-	331.154
4.2 Funds from Istanbul Stock Exchange Money Market		-	-	-	-	-	-
4.3 Funds Provided Under Repurchase Agreements		9.171.583	18.972.981	28.144.564	3.177.863	19.721.734	22.899.597
V. SECURITIES ISSUED (Net)	(II-d)	3.213.192	6.536.602	9.749.794	3.139.050	5.588.792	8.727.842
5.1 Bills		1.209.231	853.647	2.062.878	923.917	-	923.917
5.2 Asset Backed Securities		-	-	-	-	-	-
5.3 Bonds		2.003.961	5.682.955	7.686.916	2.215.133	5.588.792	7.803.925
VI. FUNDS		-	-	-	-	-	-
6.1 Borrower Funds		-	-	-	-	-	-
6.2 Other		-	-	-	-	-	-
VII. MISCELLANEOUS PAYABLES		2.915.762	530.778	3.446.540	2.987.598	737.393	3.724.991
VIII. OTHER LIABILITIES	(II-e)	1.793.273	331.099	2.124.372	1.193.502	285.227	1.478.729
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. FINANCIAL LEASE PAYABLES (Net)	(II-f)	-	-	-	-	-	-
10.1 Financial Lease Payables		-	-	-	-	-	-
10.2 Operational Lease Payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred Financial Lease Expenses (-)		-	-	-	-	-	-
XI. HEDGING DERIVATIVE FINANCIAL LIABILITIES	(II-g)	-	9.365	9.365	-	63.810	63.810
11.1 Fair Value Hedge		-	9.365	9,365	-	63.810	63.810
11.2 Cash Flow Hedge		-	-	-	-	-	-
11.3 Foreign Net Investment Hedge		-	-	-	-	-	-
XII. PROVISIONS	(II-h)	1.890.722	454.970	2.345.692	1.798.972	468.603	2.267.575
12.1 General Loan Loss Provision		1.328.937	441.520	1.770.457	1.252.095	444.023	1.696.118
12.2 Restructuring Provisions		-	-	-	-	-	-
12.3 Reserve for Employee Rights		114.595	131	114.726	111.036	123	111.159
12.4 Insurance Technical Provisions (Net)		-	-	-	-	-	-
12.5 Other Provisions		447.190	13.319	460.509	435.841	24.457	460.298
XIII. TAX LIABILITY	(II-i)	466.948	64.192	531.140	243.529	60.026	303.555
13.1 Current Tax Liability		466.948	22.775	489.723	243.529	16.793	260.322
13.2 Deferred Tax Liability		-	41.417	41.417	-	43.233	43.233
XIV. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE		-	-	-	-	-	-
14.1 Held for Sale Purpose		-	-	-	-	-	-
14.2 Related to Discontinued Operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS		-	-	-	-	-	-
XVI. SHAREHOLDERS' EQUITY	(II-j)	23.107.244	(569.745)	22.537.499	22.833.450	(698.471)	22.134.979
16.1 Paid-in capital		4.000.000	-	4.000.000	4.000.000	-	4.000.000
16.2 Capital Reserves		2.281.904	(569.745)	1.712.159	2.213.524	(698.471)	1.515.053
16.2.1 Share Premium		1.700.000	-	1.700.000	1.700.000	-	1.700.000
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Marketable Securities Valuation Differences		(629.887)	(539.183)	(1.169.070)	(702.498)	(665.848)	(1.368.346)
16.2.4 Property and Equipment Revaluation Differences		47.106	-	47.106	47.106	-	47.106
16.2.5 Intangible Fixed Assets Revaluation Differences		-	-	-	-	-	-
16.2.6 Revaluation Differences of Investment Properties		-	-	-	-	-	-
16.2.7 Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures		3.729	-	3.729	2.729	-	2.729
16.2.8 Hedging Funds [Effective portion]		(244.936)	(30.562)	(275.498)	(239.705)	(32.623)	(272.328)
16.2.9 Value Increase of Assets Held for Resale		-	-	-	-	-	-
16.2.10 Other Capital Reserves		1.405.892	-	1.405.892	1.405.892	-	1.405.892
16.3 Profit Reserves		15.863.545	-	15.863.545	13.333.443	-	13.333.443
16.3.1 Legal Reserves		1.290.421	-	1.290.421	1.259.069	-	1.259.069
16.3.2 Status Reserves		-	-	-	-	-	-
16.3.3 Extraordinary Reserves		14.115.843	-	14.115.843	11.631.754	-	11.631.754
16.3.4 Other Profit Reserves		457.281	-	457.281	442.620	-	442.620
16.4 Income or (Loss)		961.701	-	961.701	3.286.398	-	3.286.398
16.4.1 Prior Years' Income or (Loss)		300.742	-	300.742	209.221	-	209.221
16.4.2 Current Year Income or (Loss)		660.959	-	660.959	3.077.177	-	3.077.177
16.5 Minority Interest	(II-l)	94	-	94	85	-	85
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		98.621.491	101.614.227	200.235.718	92.845.716	102.636.547	195.482.263

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

AKBANK T.A.S.
II. CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2014

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

INCOME AND EXPENSE ITEMS		Note	CURRENT PERIOD	PRIOR PERIOD
		(Section Five)	(01/01-31/03/2014)	(01/01-31/03/2013)
I.	INTEREST INCOME	(III-a)	3.510.907	2.895.940
1.1	Interest on loans	(III-a-1)	2.459.169	2.014.977
1.2	Interest Received from Reserve Requirements		-	-
1.3	Interest Received from Banks	(III-a-2)	8.466	9.441
1.4	Interest Received from Money Market Transactions		10.311	6.540
1.5	Interest Received from Marketable Securities Portfolio	(III-a-3)	967.932	829.282
1.5.1	Trading Financial Assets		2.014	292
1.5.2	Financial Assets at Fair Value Through Profit or (loss)		-	-
1.5.3	Available-for-sale Financial Assets		787.918	709.049
1.5.4	Held to maturity Investments		178.000	119.941
1.6	Financial Lease Income		56.306	34.084
1.7	Other Interest Income		8.723	1.616
II.	INTEREST EXPENSE	(III-b)	1.774.324	1.283.842
2.1	Interest on Deposits	(III-b-4)	1.260.098	984.470
2.2	Interest on Funds Borrowed	(III-b-1)	97.506	84.417
2.3	Interest Expense on Money Market Transactions		270.036	105.062
2.4	Interest on Securities Issued	(III-b-3)	140.735	104.974
2.5	Other Interest Expenses		5.949	4.919
III.	NET INTEREST INCOME (I - II)		1.736.583	1.612.098
IV.	NET FEES AND COMMISSIONS INCOME		524.470	559.745
4.1	Fees and Commissions Received		605.752	622.192
4.1.1	Non-cash Loans		38.298	27.708
4.1.2	Other		567.454	594.484
4.2	Fees and Commissions Paid		81.282	62.447
4.2.1	Non-cash Loans		646	471
4.2.2	Other		80.636	61.976
V.	DIVIDEND INCOME		1.231	4.113
VI.	TRADING INCOME/(LOSS) (Net)	(III-c)	(230.701)	307.672
6.1	Trading Gains / (Losses) on Securities		(27.176)	419.531
6.2	Gains / (Losses) on Derivative Financial Transactions		(735.576)	(38.457)
6.3	Foreign Exchange Gains / (Losses)		532.051	(73.402)
VII.	OTHER OPERATING INCOME	(III-d)	195.300	90.986
VIII.	TOTAL OPERATING INCOME (III+IV+V+VI+VII)		2.226.883	2.574.614
IX.	PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)	(III-e)	492.885	447.753
X.	OTHER OPERATING EXPENSES (-)	(III-f)	884.688	974.482
XI.	NET OPERATING INCOME/(LOSS) (VIII-IX-X)		849.310	1.152.379
XII.	EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER			
	INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES		-	-
XIII.	CONSOLIDATED BASED ON EQUITY METHOD		-	-
XIV.	INCOME/(LOSS) ON NET MONETARY POSITION		-	-
XV.	PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XI+...+XIV)		849.310	1.152.379
XVI.	TAX PROVISION FOR CONTINUED OPERATIONS (±)	(III-h)	188.350	279.257
16.1	Current Tax Provision		336.332	292.889
16.2	Deferred Tax Provision		(147.982)	(13.632)
XVII.	CURRENT YEAR PROFIT/LOSS FROM CONTINUED		660.960	873.122
XVIII.	INCOME FROM DISCONTINUED OPERATIONS		-	-
18.1	Income from Non-current Assets Held for Resale		-	-
18.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures		-	-
18.3	Income from Other Discontinued Operations		-	-
XIX.	EXPENSES FOR DISCONTINUED OPERATIONS (-)		-	-
19.1	Expenses for Non-current Assets Held for Resale		-	-
19.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-
19.3	Expenses for Other Discontinued Operations		-	-
XX.	PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XVIII-XIX)		-	-
XXI.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
21.1	Current Tax Provision		-	-
21.2	Deferred Tax Provision		-	-
XXII.	CURRENT YEAR PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)		-	-
XXIII.	NET INCOME/(LOSS) (XVII+XXII)	(III-i)	660.960	873.122
23.1	Income/(Loss) from the Group		660.959	873.121
23.2	Income/(Loss) from Minority Interest	(III-g)	1	1
	Earning/(Loss) per share (in TL full)		0,00165	0,00218

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

AKBANK T.A.S.
III. CONSOLIDATED OFF-BALANCE SHEET COMMITMENTS AT 31 MARCH 2014

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

	Note (Section Five)	CURRENT PERIOD (31/03/2014)			PRIOR PERIOD (31/12/2013)		
		TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET COMMITMENTS (I-III)		100.000.121	157.961.701	257.961.822	93.891.891	157.955.849	251.847.740
I. GUARANTEES AND WARRANTIES	(IV-2, 3)	14.403.580	16.780.770	31.384.350	13.049.180	17.228.728	30.277.908
1.1 Letters of Guarantee		13.314.075	7.371.449	20.685.524	11.716.391	7.469.072	19.185.463
1.1.1 Guarantees Subject to State Tender Law		266.202	1.478.851	1.745.053	287.732	1.340.785	1.628.517
1.1.2 Guarantees Given for Foreign Trade Operations		-	3.367.897	3.367.897	-	3.547.914	3.547.914
1.1.3 Other Letters of Guarantee		13.047.873	2.524.701	15.572.574	11.428.659	2.580.373	14.009.032
1.2 Bank Acceptances		-	1.580.679	1.580.679	-	1.705.986	1.705.986
1.2.1 Import Letter of Acceptance		-	1.580.679	1.580.679	-	1.705.986	1.705.986
1.2.2 Other Bank Acceptances		-	-	-	-	-	-
1.3 Letters of Credit		467	5.513.844	5.514.311	1.355	6.205.829	6.207.184
1.3.1 Documentary Letters of Credit		467	4.897.922	4.898.389	1.355	5.639.926	5.641.281
1.3.2 Other Letters of Credit		-	615.922	615.922	-	565.903	565.903
1.4 Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5 Endorsements		-	-	-	-	-	-
1.5.1 Endorsements to the Central Bank of the Republic of Turkey		-	-	-	-	-	-
1.5.2 Other Endorsements		-	-	-	-	-	-
1.6 Securities Issue Purchase Guarantees		-	-	-	-	-	-
1.7 Factoring Guarantees		-	19.326	19.326	-	23.852	23.852
1.8 Other Guarantees		40.212	2.281.261	2.321.473	59.250	1.800.260	1.859.510
1.9 Other Collaterals		1.248.826	14.211	1.263.037	1.272.184	23.729	1.295.913
II. COMMITMENTS	(IV-1)	42.903.837	8.736.844	51.640.681	41.112.347	7.588.719	48.701.066
2.1 Irrevocable Commitments		42.441.303	8.736.844	51.178.147	40.607.424	7.588.719	48.196.143
2.1.1 Asset Purchase Commitments		6.159.144	6.931.245	13.090.389	4.892.917	5.552.036	10.444.953
2.1.2 Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3 Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4 Loan Granting Commitments		5.016.135	1.498.164	6.514.299	4.887.523	1.616.081	6.503.604
2.1.5 Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6 Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7 Commitments for Cheques		5.427.295	-	5.427.295	5.051.733	-	5.051.733
2.1.8 Tax and Fund Liabilities from Export Commitments		1.358	-	1.358	1.242	-	1.242
2.1.9 Commitments for Credit Card Limits		21.774.788	-	21.774.788	21.362.853	-	21.362.853
2.1.10 Promotion Commitments for Credit Cards and Banking Services		137.978	-	137.978	130.439	-	130.439
2.1.11 Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12 Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.13 Other Irrevocable Commitments		3.924.605	307.435	4.232.040	4.280.717	420.602	4.701.319
2.2 Revocable Commitments		462.534	-	462.534	504.923	-	504.923
2.2.1 Revocable Loan Granting Commitments		462.534	-	462.534	504.923	-	504.923
2.2.2 Other Revocable Commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		42.492.704	132.444.087	174.936.791	39.730.366	133.138.402	172.868.766
3.1 Hedging Derivative Financial Instruments		1.617.838	7.922.558	9.540.396	2.640.102	9.876.850	12.516.952
3.1.1 Transactions for Fair Value Hedge		1.617.838	7.922.558	9.540.396	2.640.102	9.876.850	12.516.952
3.1.2 Transactions for Cash Flow Hedge		-	-	-	-	-	-
3.1.3 Transactions for Foreign Net Investment Hedge		-	-	-	-	-	-
3.2 Trading Transactions		40.874.866	124.521.529	165.396.395	37.090.262	123.261.552	160.351.814
3.2.1 Forward Foreign Currency Buy/Sell Transactions		5.651.785	7.520.985	13.172.770	5.498.056	6.577.166	12.075.222
3.2.1.1 Forward Foreign Currency Transactions-Buy		2.268.926	4.300.126	6.569.052	1.993.163	4.053.487	6.046.650
3.2.1.2 Forward Foreign Currency Transactions-Sell		3.382.859	3.220.859	6.603.718	3.504.893	2.523.679	6.028.572
3.2.2 Swap Transactions Related to Foreign Currency and Interest Rates		20.205.686	66.617.143	86.822.829	18.685.004	66.288.511	84.973.515
3.2.2.1 Foreign Currency Swap-Buy		5.048.701	21.036.910	26.085.611	2.810.181	21.228.640	24.038.821
3.2.2.2 Foreign Currency Swap-Sell		12.937.819	10.995.969	23.933.788	13.655.657	8.916.441	22.572.098
3.2.2.3 Interest Rate Swap-Buy		1.109.583	17.292.132	18.401.715	1.109.583	18.071.715	19.181.298
3.2.2.4 Interest Rate Swap-Sell		1.109.583	17.292.132	18.401.715	1.109.583	18.071.715	19.181.298
3.2.3 Foreign Currency, Interest rate and Securities Options		13.853.663	47.898.874	61.752.537	12.444.886	48.639.479	61.084.365
3.2.3.1 Foreign Currency Options-Buy		6.922.609	7.731.599	14.654.208	5.310.223	8.230.190	13.540.413
3.2.3.2 Foreign Currency Options-Sell		6.780.036	7.857.793	14.637.829	6.715.937	6.702.419	13.418.356
3.2.3.3 Interest Rate Options-Buy		-	16.154.741	16.154.741	-	16.853.435	16.853.435
3.2.3.4 Interest Rate Options-Sell		-	16.154.741	16.154.741	-	16.853.435	16.853.435
3.2.3.5 Securities Options-Buy		75.509	-	75.509	209.363	-	209.363
3.2.3.6 Securities Options-Sell		75.509	-	75.509	209.363	-	209.363
3.2.4 Foreign Currency Futures		-	-	-	-	-	-
3.2.4.1 Foreign Currency Futures-Buy		-	-	-	-	-	-
3.2.4.2 Foreign Currency Futures-Sell		-	-	-	-	-	-
3.2.5 Interest Rate Futures		-	-	-	-	-	-
3.2.5.1 Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2 Interest Rate Futures-Sell		-	-	-	-	-	-
3.2.6 Other		1.163.732	2.484.527	3.648.259	462.316	1.756.396	2.218.712
B. CUSTODY AND PLEDGES RECEIVED (IV-V-VI)		482.774.703	116.302.422	599.077.125	460.544.479	114.649.945	575.194.624
IV. ITEMS HELD IN CUSTODY		48.097.659	7.692.491	55.790.150	45.452.552	6.897.506	52.350.058
4.1 Customer Fund and Portfolio Balances		3.327.038	-	3.327.038	3.327.038	-	3.327.038
4.2 Investment Securities Held in Custody		14.527.312	837.448	15.364.760	14.433.403	935.571	15.368.974
4.3 Cheques Received for Collection		27.378.982	444.527	27.823.509	24.842.054	439.276	25.281.330
4.4 Commercial Notes Received for Collection		2.376.185	742.251	3.118.436	2.362.060	694.580	3.056.640
4.5 Other Assets Received for Collection		-	-	-	-	-	-
4.6 Assets Received for Public Offering		-	-	-	-	-	-
4.7 Other Items Under Custody		488.142	5.668.265	6.156.407	487.997	4.828.079	5.316.076
4.8 Custodians		-	-	-	-	-	-
V. PLEDGES RECEIVED		128.804.798	40.940.087	169.744.885	117.618.025	40.296.298	157.914.323
5.1 Marketable Securities		35.092.112	171.476	35.263.588	26.778.749	102.646	26.881.395
5.2 Guarantee Notes		869.380	402.219	1.271.599	813.436	366.230	1.179.666
5.3 Commodity		41.677	8.924	50.601	41.302	20.529	61.831
5.4 Warranty		1.437	977	2.414	1.437	953	2.390
5.5 Immovable		51.745.420	26.244.121	77.989.541	49.073.146	26.018.725	75.091.871
5.6 Other Pledged Items		41.051.211	14.111.323	55.162.534	40.906.149	13.786.261	54.692.410
5.7 Pledged Items-Depository		3.561	1.047	4.608	3.806	954	4.760
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		305.872.246	67.669.844	373.542.090	297.474.102	67.456.141	364.930.243
TOTAL OF OFF-BALANCE SHEET COMMITMENT (A+B)		582.774.824	274.264.123	857.038.947	554.436.570	272.605.794	827.042.364

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

AKBANK T.A.Ş.**IV. STATEMENT OF INCOME AND EXPENSES ACCOUNTED UNDER CONSOLIDATED SHAREHOLDERS' EQUITY
AT 31 MARCH 2014**

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

INCOME AND EXPENSES ACCOUNTED UNDER SHAREHOLDERS' EQUITY	CURRENT PERIOD (31/03/2014)	PRIOR PERIOD (31/03/2013)
I. ADDITIONS TO MARKETABLE SECURITIES VALUATION DIFFERENCES FROM AVAILABLE FOR SALE FINANCIAL ASSETS	249.095	(703.141)
II. PROPERTY AND EQUIPMENT REVALUATION DIFFERENCES	-	-
III. INTANGIBLE FIXED ASSETS REVALUATION DIFFERENCES	-	-
IV. FOREIGN EXCHANGE DIFFERENCES FROM FOREIGN CURRENCY TRANSACTIONS	11.929	(96.460)
V. PROFIT/LOSS FROM CASH FLOW HEDGE DERIVATIVE FINANCIAL ASSETS (Effective Part of Fair Value Changes)	3.848	74.941
VI. PROFIT/LOSS FROM FOREIGN INVESTMENT HEDGE DERIVATIVE FINANCIAL ASSETS (Effective Part of Fair Value Changes) (*)	(7.810)	4.471
VII. EFFECTS OF CHANGES IN ACCOUNTING POLICY AND ADJUSTMENT OF ERRORS	-	-
VIII. OTHER INCOME/EXPENSE ACCOUNTED UNDER SHAREHOLDERS' EQUITY AS PER TAS	-	-
IX. TAX RELATED TO VALUATION DIFFERENCES	(49.027)	124.746
X. NET INCOME/EXPENSE DIRECTLY ACCOUNTED UNDER SHAREHOLDERS' EQUITY (I+II+...+IX)	208.035	(595.443)
XI. CURRENT YEAR INCOME / LOSS	660.960	873.122
1.1 Net Change in Fair Value of Marketable Securities (Transfer to Profit/Loss)	26.350	357.930
1.2 Part of Cash Flow Hedge Derivative Financial Assets Reclassified and Presented on the Income Statement	(3.078)	(37.868)
1.3 Part of Foreign Investment Hedge Derivative Financial Assets Reclassified and Presented on the Income Statement	-	-
1.4 Other	637.688	553.060
XII. TOTAL ACCOUNTED INCOME / LOSS RELATED TO CURRENT PERIOD (X±XI)	868.995	277.679

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

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

AKBANK T.A.S.

V. CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 31 MARCH 2014

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

	Note (Section Five)	Paid-in Capital	Adjustment to Share Capital(*)	Share Premiums	Share Cancellation Profits	Legal Reserves	Status Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Income (Loss)	Prior Period Net Income (Loss)	Marketable Securities Value Increase Fund	Revaluation Fund	Bonus Shares from Invest. in Ass., Subs. and J.V.	Hedging Transactions	Val. Chan. in Prop. and Eq. HFS Purp./ Disc. Opr.	Total Equity Except from Minority Interest	Minority Interest	Total Shareholders' Equity	
PRIOR PERIOD																				
(31/03/2013)																				
I.	Period Opening Balance	4.000.000	1.405.892	1.700.000	-	1.213.707	-	9.115.974	242.712	3.004.910	344.264	1.673.778	47.106	236	(272.884)	-	22.475.695	73	22.475.768	
II.	Changes in Accounting Policies according to TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.1	Effects of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2	Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III.	New Balance [(I+II)]	(II-I)	4.000.000	1.405.892	1.700.000	-	1.213.707	-	9.115.974	242.712	3.004.910	344.264	1.673.778	47.106	236	(272.884)	-	22.475.695	73	22.475.768
Changes in the period																				
IV.	Increase/Decrease due to the Merger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
V.	Marketable Securities Valuation Differences	-	-	-	-	-	-	-	-	-	-	(562.513)	-	-	-	-	(562.513)	-	(562.513)	
VI.	Hedging Transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	63.530	-	63.530	-	63.530	
4.1	Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	59.953	-	59.953	-	59.953	
4.2	Foreign Investment Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	3.577	-	3.577	-	3.577	
VII.	Property and Equipment Revaluation Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VIII.	Intangible Fixed Assets Revaluation Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IX.	Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
X.	Foreign Exchange Differences	-	-	-	-	-	-	-	(7.600)	-	-	-	-	-	-	-	(7.600)	-	(7.600)	
XI.	Changes due to the Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XII.	Changes due to the Reclassification of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XIII.	Effects of Changes in Equity of Investments in Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XIV.	Capital Increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14.1	Cash Increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14.2	Internal Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XV.	Share Premium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XVI.	Share Cancellation Profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XVII.	Paid-in Capital Inflation Adjustment Difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XVIII.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XIX.	Current Year Income or (Loss)	-	-	-	-	-	-	-	-	873.121	-	-	-	-	-	-	873.121	1	873.122	
XX.	Profit distribution	-	-	-	-	37.067	-	2.333.984	8.141	(3.004.910)	55.048	-	-	-	-	-	(570.670)	-	(570.670)	
20.1	Dividends paid	-	-	-	-	-	-	-	-	(570.670)	-	-	-	-	-	-	(570.670)	-	(570.670)	
20.2	Transfers to Reserves	-	-	-	-	37.067	-	2.333.984	8.141	(2.434.240)	55.048	-	-	-	-	-	-	-	-	
20.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Period End Balance (III+IV+V+.....+XVIII+XIX+XX)		4.000.000	1.405.892	1.700.000	-	1.260.774	-	11.449.968	243.283	873.121	399.312	1.111.265	47.106	236	(209.354)	-	22.271.863	74	22.271.637	
CURRENT PERIOD																				
(31/03/2014)																				
I.	Prior Period End Balance	4.000.000	1.405.892	1.700.000	-	1.259.069	-	11.631.754	442.620	3.077.177	209.221	(1.368.346)	47.106	2.729	(272.328)	-	22.134.894	85	22.134.979	
Changes in the period																				
II.	Increase/Decrease due to the Merger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III.	Marketable Securities Valuation Differences	(II-k)	-	-	-	-	-	-	-	-	-	199.276	-	-	-	-	199.276	-	199.276	
IV.	Hedging Transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	(3.170)	-	(3.170)	-	(3.170)	
4.1	Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	3.078	-	3.078	-	3.078	
4.2	Foreign Investment Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	(6.248)	-	(6.248)	-	(6.248)	
V.	Property and Equipment Revaluation Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VI.	Intangible Fixed Assets Revaluation Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VII.	Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	1.000	-	-	1.000	-	1.000	
VIII.	Foreign Exchange Differences	-	-	-	-	-	-	-	11.929	-	-	-	-	-	-	-	11.929	-	11.929	
IX.	Changes due to the Disposal of Assets (**)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
X.	Changes due to the Reclassification of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XI.	Effects of Changes in Equity of Investments in Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XII.	Capital Increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12.1	Cash Increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8	
12.2	Internal Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8	
XIII.	Share Premium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XIV.	Share Cancellation Profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XV.	Paid-in Capital Inflation Adjustment Difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XVI.	Other (***)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XVII.	Current Year Income or (Loss)	-	-	-	-	-	-	-	-	460.959	-	-	-	-	-	-	460.959	1	460.960	
XVIII.	Profit distribution	-	-	-	-	31.352	-	2.484.089	2.732	(3.077.177)	91.521	-	-	-	-	-	(467.483)	-	(467.483)	
18.1	Dividends paid	-	-	-	-	-	-	-	-	(467.483)	-	-	-	-	-	-	(467.483)	-	(467.483)	
18.2	Transfers to Reserves	-	-	-	-	31.352	-	2.484.089	2.732	(2.609.694)	91.521	-	-	-	-	-	-	-	-	
18.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Period End Balance (I+II+III+.....+XVI+XVII+XVIII)		4.000.000	1.405.892	1.700.000	-	1.290.421	-	14.115.843	457.281	660.959	300.742	(1.169.070)	47.106	3.729	(275.498)	-	22.537.405	94	22.537.499	

(*) The amounts for the current period under "Adjustment to Share Capital" column are presented under "Other Capital Reserves" in the financial statements.

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

AKBANK T.A.Ş.**VI. CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2014**

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

	Note (Section Five)	CURRENT PERIOD (31/03/2014)	PRIOR PERIOD (31/03/2013)
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating Profit before changes in operating assets and liabilities	1.760.967	1.683.787
1.1.1	Interest received	3.392.842	3.352.699
1.1.2	Interest paid	(1.710.434)	(1.274.893)
1.1.3	Dividend received	1.231	4.113
1.1.4	Fees and commissions received	577.091	592.836
1.1.5	Other income	(112.645)	237.597
1.1.6	Collections from previously written-off loans and other receivables	131.843	90.795
1.1.7	Payments to personnel and service suppliers	(784.701)	(883.800)
1.1.8	Taxes paid	(70.242)	(327.519)
1.1.9	Other	335.982	(108.041)
1.2	Changes in operating assets and liabilities	(816.655)	(6.006.482)
1.2.1	Net decrease in trading securities	70.174	(21.232)
1.2.2	Net (increase) / decrease in fair value through profit/(loss) financial assets	-	-
1.2.3	Net increase / (decrease) in due from banks and other financial institutions	225.458	(380.383)
1.2.4	Net (increase) / decrease in loans	(876.739)	(4.295.803)
1.2.5	Net (increase) / decrease in other assets	(2.934.385)	(1.227.210)
1.2.6	Net increase / (decrease) in bank deposits	(2.172.509)	3.045.144
1.2.7	Net increase / (decrease) in other deposits	5.026.278	(2.609.281)
1.2.8	Net increase / (decrease) in funds borrowed	(242.405)	262.034
1.2.9	Net increase / (decrease) in payables	-	-
1.2.10	Net increase / (decrease) in other liabilities	87.473	(779.751)
I.	Net cash provided from banking operations	944.312	(4.322.695)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net cash provided from investing activities	(1.321.632)	4.383.708
2.1	Cash paid for acquisition of investments, associates and subsidiaries	-	-
2.2	Cash obtained from disposal of investments, associates and subsidiaries	-	-
2.3	Purchases of property and equipment	(44.087)	(20.403)
2.4	Disposals of property and equipments	5.605	844
2.5	Cash paid for purchase of investments available-for-sale	(13.608.243)	(11.734.557)
2.6	Cash obtained from sale of investments available-for-sale	10.498.409	16.059.434
2.7	Cash paid for purchase of investment securities	(6.744)	-
2.8	Cash obtained from sale of investment securities	1.770.144	-
2.9	Other	63.284	78.390
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net cash provided from financing activities	787.176	672.075
3.1	Cash obtained from funds borrowed and securities issued	2.227.685	1.285.936
3.2	Cash used for repayment of funds borrowed and securities issued	(1.193.729)	(313.000)
3.3	Issued capital instruments	-	-
3.4	Dividends paid	(246.780)	(300.861)
3.5	Payments for finance leases	-	-
3.6	Other	-	-
IV.	Effect of change in foreign exchange rate on cash and cash equivalents	47.233	26.012
V.	Net increase in cash and cash equivalents (I+II+III+IV)	457.089	759.100
VI.	Cash and cash equivalents at beginning of the year	(VI) 4.933.284	4.072.442
VII.	Cash and cash equivalents at end of the year	(VII) 5.390.373	4.831.542

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

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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 2014

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

**SECTION THREE
ACCOUNTING POLICIES**

I. EXPLANATIONS ON BASIS OF PRESENTATION:

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

The consolidated financial statements have been prepared in accordance with the “Regulation on Accounting Applications for Banks and Safeguarding of Documents” related with Banking Act numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006, which refers to “Turkish Accounting Standards” (“TAS”), put into effect by Public Oversight Accounting and Auditing Standards Authority (“KGK”), and “Turkish Financial Reporting Standards” (“TFRS”) issued by the “Turkish Accounting Standards Board” (“TASB”) and additional explanations and notes related to them and other decrees, notes and explanations related to accounting and financial reporting principles (all “Turkish Accounting Standards” or “TAS”) published by the Banking Regulation and Supervision Agency (“BRSA”). The format and content of the publicly announced consolidated financial statements and notes to these statements have been prepared in accordance with the “Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements”, published in Official Gazette no. 28337, dated 28 June 2012, and amendments to this Communiqué. The Bank maintains its books in Turkish Lira in accordance with the Banking Act, Turkish Commercial Code and Turkish Tax Legislation.

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

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

The amendments of TAS and TFRS which have entered into force as of 1 January 2014 have no material impact on the Group’s accounting policies, financial position and performance. The amendments of TAS and TFRS, except TFRS 9 Financial Instruments, which have been published as of reporting date but have not been effective yet, will have no significant impact on the accounting policies, financial condition and performance of the Group. The Group assesses the impact of TFRS 9 Financial Instruments standard.

b. Explanation for convenience translation into English:

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

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

The accounting policies and valuation principles applied in the preparation of consolidated financial statements are determined and applied in accordance with TAS and are consistent with the accounting policies applied in the annual financial statements of the year ended 31 December 2013. The aforementioned accounting policies and valuation principles are explained in Notes II to XXVIII below.

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

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

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

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

For covering foreign currency exposures arising from the foreign currency transactions, the Group uses derivatives and asset-liability balancing transactions.

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

Also the Bank applies net investment hedge to hedge the foreign currency risk arising from share premium and paid-in capital of Akbank AG, one of Bank’s subsidiaries amounting EURO 220 Million. EURO 220 Million of syndication loans used by the Bank have been classified as “hedge instruments.”

As of 31 March 2014, foreign currency denominated balances are translated into TL using the exchange rates of TL 2,15570 TL 2,96990 and TL 2,08530 for USD, EURO and Yen respectively.

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III. EXPLANATIONS ON INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES:

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

Consolidation principles for subsidiaries:

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

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

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

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

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

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

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

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

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

The Bank’s Frankfurt Branch was established on 5 April 1998 for banking operations abroad. As of 1 September 2006, the Frankfurt Branch has been converted to a 100% subsidiary of the Bank. As of 31 May 2007, shares of Akbank AG were transferred to Akbank N.V resident in the Netherlands through capital in kind. Based on restructuring of Bank’s foreign subsidiaries, Akbank NV and Akbank AG have merged in Akbank AG with the discontinuation of activities of Akbank N.V effective from 15 June 2012.

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

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

IV. EXPLANATIONS ON FORWARD TRANSACTIONS AND DERIVATIVE INSTRUMENTS:

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

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

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

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

Within the scope of cash flow hedge accounting, effective part of the fair value changes of the hedging instrument are accounted in equity under “Hedging reserves” whereas ineffective part is accounted in the income statement. At instances when cash flows relating to hedged item (interest expense) affect the income statement, profit/loss of the related hedging instrument is taken out of the equity and reflected on the income statement.

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

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

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

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

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

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

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

V. EXPLANATIONS ON INTEREST INCOME AND EXPENSE:

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

VI. EXPLANATIONS ON FEE AND COMMISSION INCOME AND EXPENSES:

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

VII. EXPLANATIONS ON FINANCIAL ASSETS:

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

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

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

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

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

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

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

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b. Financial assets available-for-sale:

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

After the recognition, financial assets available-for-sale are remeasured at fair value. Interest income arising from available-for-sale calculated with “Effective interest method” and dividend income from equity securities are reflected to income statement. “Unrealized gains and losses” arising from the difference between the amortised cost and the fair value of securities classified as available-for-sale are recognized 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.

c. Loans and Receivables:

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

If the collectability of any receivable is identified as limited or doubtful by the management through assessments and estimates, the Group provides general and specific provisions for these loans and receivables in accordance with the “Communiqué Related to Principles and Procedures on Determining the Qualifications of Banks’ Loans and Other Receivables and the Provision for These Loans and Other Receivables” and with the scope of IAS, published in the Official Gazette dated 1 November 2006, no. 26333. 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 finalized.

d. Held-to-maturity financial assets:

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to 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

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inflation rate. As disclosed in 'Inflation Indexed Bonds Manual' published by Turkish Treasury, reference index used for the real payments is determined based on the inflation rates of two months before. The estimated inflation rate used is updated during the year when necessary.

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS:

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

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

IX. EXPLANATIONS ON OFFSETTING FINANCIAL ASSETS:

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

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

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

Funds given against securities purchased under agreements to resell (“Reverse repos”) are accounted under “Receivables from reverse repurchase agreements” in the balance sheet. The difference between the purchase and resell price determined by these repurchase agreements is accrued evenly over the life of repurchase agreements using the “Effective interest method”. The Group has no securities lending transactions.

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

The Group has no discontinued operations.

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

XII. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS:

As of 31 March 2014, the Group has no goodwill.

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

Intangibles are amortized over three to five years (their estimated useful lives) using the straight-line method. The useful life of the asset is determined by assessing the expected useful time of the asset, technical, technological

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and other kinds of wear and tear and all required maintenance expenses necessary to utilize the economic benefit from the asset.

XIII. EXPLANATIONS ON PROPERTY AND EQUIPMENT:

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

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

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

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

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

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

Expenditures for the repair and renewal of property and equipment are recognized as expense. The capital expenditures incurred in order to increase the capacity of the tangible asset or to increase the future benefit of the asset are capitalized on the cost of the tangible asset. Capital expenditures include the cost components that increase the useful life, or the capacity of the asset, increase the quality of the product or decrease its costs.

XIV. EXPLANATIONS ON LEASING TRANSACTIONS:

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

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

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

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

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XV. EXPLANATIONS ON PROVISIONS AND CONTINGENT LIABILITIES:

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

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence in accordance with the periodicity principle. When the amount of the obligation cannot be reliably estimated 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.

XVI. EXPLANATIONS ON CONTINGENT ASSETS:

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

XVII. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS:

a. Employment termination benefits and vacation rights:

Obligations related to employment termination and vacation rights are accounted for in accordance with “Turkish Accounting Standard for Employee Rights” (“TAS 19”) and are classified under the “Reserve for Employee Rights” account in the balance sheet.

Under the Turkish Labor Law, the Bank and its subsidiaries operating in Turkey are required to pay a specific amount to the employees who have retired or whose employment is terminated other than the reasons specified in the Turkish Labor Law. According to the related regulation, the Bank is obliged to pay termination benefits for employees who retire, quit for their military service obligations, who have been dismissed as defined in the related regulation or who have completed at least one year of service. The reserve for employment termination benefits represents the present value of the estimated total reserve for the future probable obligation of the Group arising from this liability. In accordance with IAS 19, actuarial gains and losses are recognized in equity.

b. Retirement rights:

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

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

Following the publication of the reasoned decree of the Constitutional Court, Turkish Grand National Assembly commenced to work on a new law regarding the transfer of the members of funds to the Social Security

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Institution; the related articles of the Social Security Law (“New Law”) numbered 5754 regarding the transfer of the funds, were ratified by the TGNA General Meeting on 17 April 2008 and came into effect following the publication in the Official Gazette numbered 26870, dated 8 May 2008.

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

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

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

With respect to that, according to the technical balance sheet report as at 31 December 2013 prepared considering the related articles of the New Law regarding the transferrable benefit obligations for the non-transferrable social benefits and payments which are included in the articles of association, the Fund has no technical or actual deficit which requires a provision. Since the Bank has no legal right to hold the present value of any economic benefits available in the form of refunds from Pension Fund or reductions in future contributions to Pension Fund, no asset is recognized in the Bank’s financial statements.

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

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

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XVIII. EXPLANATIONS ON TAXATION:

a. Current tax:

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

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

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

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

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

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

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

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

b. Deferred tax:

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

Deferred tax liabilities are recognized for all resulting temporary differences whereas deferred tax assets resulting from temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deferred tax assets can be utilized. Deferred tax asset is not provided over provisions for possible risks and general loan loss provisions according to the circular of BRSA numbered BRSA.DZM.2/13/1-a-3 and dated 8 December 2004.

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

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

XIX. EXPLANATIONS ON BORROWINGS:

Derivative financial liabilities are carried at their fair values and other financial liabilities are carried at amortized cost using “Effective interest rate method” for the periods following their recognition.

XX. EXPLANATIONS ON ISSUANCE OF SHARE CERTIFICATES:

There is no security issuance as of 31 March 2014.

XXI. EXPLANATIONS ON AVALIZED DRAFTS AND ACCEPTANCES:

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

XXII. EXPLANATIONS ON GOVERNMENT GRANTS:

As of 31 March 2014 and 31 December 2013, there is no government grant for the Group.

XXIII. EXPLANATIONS ON SEGMENT REPORTING:

An operating segment is a component of an entity:

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

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

(c) for which discrete financial information is available.

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

XXIV. PROFIT RESERVES AND PROFIT APPROPRIATION:

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

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

The Ordinary General Assembly Meeting of the Bank was held on 27 March 2014. In the Ordinary General Assembly, it was decided to distribute TL 467.483 of the net income from 2013 operations amounting to TL 2.942.042 to the Bank's shareholders, Chairman and Members of the Board of Directors in form of cash dividend, to transfer TL 2.732 to special funds account under other capital reserves and to allocate TL 26.748 as legal and TL 2.445.079 as extraordinary reserves respectively.

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XXV. EARNINGS PER SHARE:

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

	Current Period 31 March 2014	Prior Period 31 March 2013
Net Profit for the Year	660.959	873.121
Average Number of Issued Common Shares (Thousand)	400.000.000	400.000.000
Earnings Per Share (Amounts presented as full TL)	0,00165	0,00218

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

No bonus shares issued in 2014 (2013: (-))

XXVI. RELATED PARTIES:

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

XXVII. CASH AND CASH EQUIVALENT ASSETS:

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

XXVIII. RECLASSIFICATIONS:

In order to be consistent with the presentation of financial statements dated 31 March 2014, there are certain reclassifications made on off-balance sheet accounts as of 31 December 2013, statement of income and expenses accounted under shareholders’ equity and cash flow statements as of 31 March 2013.

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SECTION FOUR

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP

I. EXPLANATIONS ON CAPITAL ADEQUACY RATIO:

- a. The Group’s and Bank’s capital adequacy ratio, calculated in accordance with the “Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks” which became effective as of 1 July 2012, are respectively 14,48% (31 December 2013: 14,71%) and 14,90% (31 December 2013: 14,95%). This ratio is well above the minimum ratio required by the legislation.
- b. Capital adequacy ratio has been calculated in accordance with the “Regulation on Measurement and Assessment of Capital Adequacy of Banks”, “Credit Risk Mitigation Techniques” and “Calculation of Risk-Weighted Amounts for Securitizations” Communiqués that have been published in Official Gazette no. 28337 on 28 June 2012 and became effective as of 1 July 2012 and “Regulation on Equity of Banks” that has been published in Official Gazette no. 26333 on November 1, 2006.

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

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

c. Information related to consolidated capital adequacy ratio:

	Consolidated									
	Risk Weights									
	0%	10%	20%	50%	75%	100%	150%	200%	250%	1250%
Weighted Credit Risk	-	-	1.635.387	23.638.572	21.102.797	75.528.005	3.341.621	24.943.590	1.897.575	-
Risk classifications:										
Conditional and unconditional receivables from central governments and Central Banks	50.338.362	-	-	14.533.734	-	176.550	-	-	-	-
Conditional and unconditional receivables from regional or local governments	-	-	-	46	-	-	-	-	-	-
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	-	-	-	-	-	87.368	-	-	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	-	-	8.154.396	11.770.613	-	65.620	-	-	-	-
Conditional and unconditional receivables from corporates	4.842	-	-	-	-	65.896.348	-	-	-	-
Conditional and unconditional receivables from retail portfolios	-	-	-	-	28.137.062	3.306.838	-	-	-	-
Conditional and unconditional receivables secured by mortgages	-	-	-	20.972.751	-	3.102.192	-	-	-	-
Past due receivables	-	-	-	-	-	10.039	8.972	-	-	-
Receivables defined under high risk category by BRSA	-	-	-	-	-	-	2.218.775	12.471.795	-	-
Securities collateralized by mortgages	-	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	759.030	-
Investments similar to collective investment funds	-	-	-	-	-	478.253	-	-	-	-
Other receivables	1.283.943	-	22.538	-	-	2.404.797	-	-	-	-

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	Bank									
	Risk Weights									
	0%	10%	20%	50%	75%	100%	150%	200%	250%	1250%
Weighted Credit Risk	-	-	1.579.215	22.948.007	21.017.303	68.034.384	3.328.163	24.943.590	1.897.575	-
Risk classifications:										
Conditional and unconditional receivables from central governments and Central Banks	50.196.294	-	-	14.533.734	-	176.550	-	-	-	-
Conditional and unconditional receivables from regional or local governments	-	-	-	46	-	-	-	-	-	-
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	-	-	-	-	-	87.368	-	-	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	715.661	-	7.873.539	10.389.482	-	32.403	-	-	-	-
Conditional and unconditional receivables from corporates	4.842	-	-	-	-	57.704.287	-	-	-	-
Conditional and unconditional receivables from retail portfolios	-	-	-	-	28.023.071	3.306.838	-	-	-	-
Conditional and unconditional receivables secured by mortgages	-	-	-	20.972.751	-	3.102.192	-	-	-	-
Past due receivables	-	-	-	-	-	-	-	-	-	-
Receivables defined under high risk category by BRSA	-	-	-	-	-	-	2.218.775	12.471.795	-	-
Securities collateralized by mortgages	-	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	759.030	-
Investments similar to collective investment funds	-	-	-	-	-	478.253	-	-	-	-
Other receivables	1.283.928	-	22.538	-	-	3.146.493	-	-	-	-

d. Summary information related to capital adequacy ratio:

	Bank		Consolidated	
	Current Period 31 March 2014	Prior Period 31 December 2013	Current Period 31 March 2014	Prior Period 31 December 2013
Capital Requirement for Credit Risk (Value at credit risk*0,08) (CRCR)	11.499.859	11.312.547	12.167.004	11.979.369
Capital Requirement for Market Risk (CRMR)	198.421	252.559	313.588	183.182
Capital Requirement for Operational Risk (CROR)	973.611	832.024	1.014.044	868.247
Total Capital (*)	23.595.347	23.170.989	24.421.514	23.959.927
Total Equity/((CRCR+CRMR+CROR)*12,5)*100	14,90	14,95	14,48	14,71
Additional Tier I Capital/((KRSY+PRSY+ORSY)*12,5*100)	13,80	-	13,45	-
Common Equity/((KRSY+PRSY+ORSY)*12,5*100)	13,88	-	13,53	-

(*)Total Capital calculation has been changed with the "Regulation on Equity of Banks" which has become effective as of 1 January 2014. The information given regarding the prior period, has been calculated in accordance with the abolished Regulation.

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e. Information about consolidated total capital items:

The Current period Total Capital amount has been made in accordance with the “Regulation on Equity of Banks” published in the Official Gazette No.28756 dated 5 September 2013 and has been effective as of 1 January 2014.

	Current Period 31 March 2014
COMMON EQUITY	
Paid-in capital following all debts in terms of claim in liquidation of the Bank	5.405.892
Share premium	1.700.000
Share cancellation profits	-
Reserves	15.863.545
Gains recognized in equity as per TAS	47.106
Profit	961.701
Current Period Profit	660.959
Prior Period Profit	300.742
Provisions for Possible Risks	270.000
Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures that are not recognized in Profit	3.729
Minorities' Share	94
Common Equity Before Deductions	24.252.067
Deductions from Common Equity	
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS (-).	1.343.878
Leasehold improvements (-)	56.035
Goodwill or other intangible assets and deferred tax liability related to these items (-)	31.899
Net deferred tax asset/liability (-)	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law (-)	-
Direct and indirect investments of the Bank in its own Common Equity (-)	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-).	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank (-).	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity (-).	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity (-)	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks (-)	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital (-)	-
Excess amount arising from mortgage servicing rights (-)	-
Excess amount arising from deferred tax assets based on temporary differences (-).	-
Other items to be defined by the BRSA (-)	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-
Total Deductions From Common Equity	1.431.812
Total Common Equity	22.820.255
ADDITIONAL TIER I CAPITAL	
Capital amount and related premiums corresponding to preference shares that are not included in common equity	-
Debt instruments and premiums deemed suitable by the BRSA (issued/obtained after 1.1.2014)	-
Debt instruments and premiums deemed suitable by the BRSA (issued before 1.1.2014)	-
Third parties' share in the Tier II Capital	-
Additional Tier I Capital before Deductions	-

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	Current Period 31 March 2014
Deductions from Additional Tier I Capital	
Direct and indirect investments of the Bank in its own Additional Tier I Capital (-)	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-
Portion of the total of net long positions of investments made in Additional Tier I Capital and Tier II Capital items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-
Other items to be defined by the BRSA (-)	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II is not available (-)	-
Total Deductions From Additional Tier I Capital	-
Total Additional Tier I Capital	-
Deductions from Tier I Capital	
Portion of goodwill and other intangible assets and the related deferred tax liabilities which not deducted from the Common Equity as per the 1st clause of Provisional Article 2 of the Regulation on the Equity of Banks (-)	127.598
Portion of net deferred tax assets/liabilities which is not deducted from the common equity pursuant to Paragraph 1 Provisional Article 2 of the Regulation on the Equity of Banks (-)	-
Total Tier I Capital	22.692.657
TIER IICAPITAL	
Debt instruments and premiums deemed suitable by the BRSA (issued/obtained after 1.1.2014)	-
Debt instruments and premiums deemed suitable by the BRSA (issued/obtained before 1.1.2014)	-
Sources pledged to the Bank by shareholders to be used in capital increases of the Bank	-
General Loan Loss Provisions	1.770.457
Third parties' share in the Tier II Capital	-
Tier II Capital Before Deductions	1.770.457
Deductions from Tier II Capital	
Direct and indirect investments of the Bank in its own Tier II Capital (-)	-
Portion of the total of net long positions of investments made in Common Equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-).	-
Portion of the total of net long positions of investments made in Additional Tier I and Tier II Capital items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank (-).	-
Other items to be defined by the BRSA (-)	-
Total Deductions from Tier II Capital	-
Total Tier II Capital	1.770.457
CAPITAL BEFORE DEDUCTIONS	
	24.463.114
Deductions from Capital	
Loans granted contrary to the 50th and 51th Article of the Law (-)	-
Net book value of amounts exceeding the limit mentioned in the 1st Paragraph of Article 57 of the Law and assets acquired against overdue receivables which could not be disposed of even though five years have passed since their acquisition date (-)	373
Loans granted to banks and financial institutions, including those established abroad, and to eligible shareholders of the Bank and investments made in the borrowing instruments issued by them (-)	-
Loans granted to banks and financial institutions, including those established abroad, and to eligible shareholders of the Bank and investments made in the borrowing instruments issued by them (-)	15
Other items to be defined by the BRSA (-)	41.212
Portion of the total of net long positions of investments made in Common Equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank not to be deducted from the Common Equity, Additional Tier I Capital, Tier II Capital as per the 1st clause of the Provisional Article 2 of the Regulation on the Equity of Banks. (-)	-
Portion of the total of net long positions of direct or indirect investments made in Additional Tier I and Tier II Capital items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank not to be deducted from the Additional Tier I Capital and Tier II Capital as per the 1st clause of the Provisional Article 2 of the Regulation on the Equity of Banks. (-)	-
Portion of the total of net long positions of investments made in Common Equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital, deferred tax assets based on temporary differences and mortgage servicing rights not deducted from Common Equity as per the 1st and 2nd Paragraph of the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks (-)	-
TOTAL CAPITAL	24.421.514
Amounts below the Excess Limits as per the Deduction Principles	
Amounts arising from the net long positions of investments made in Total Capital items of banks and financial institutions where the Bank owns 10% or less of the issued common share capital	-
Amounts arising from the net long positions of investments made in Tier I Capital items of banks and financial institutions where the Bank owns 10% or more of the issued common share capital	-
Amounts arising from mortgage servicing rights	-
Amounts arising from deferred tax assets based on temporary differences	-

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	Prior Period 31 December 2013
CORE CAPITAL	
Paid-in capital	4.000.000
Nominal Capital	4.000.000
Capital Commitments (-)	-
Inflation Adjustment to Share Capital	1.405.892
Share Premium	1.700.000
Share Cancellation Profits	-
Legal Reserves, Status Reserves and Extraordinary Reserves	13.164.882
Inflation Adjustment to Legal Reserves, Status Reserves and Extraordinary Reserves	-
Profit	3.286.398
Net Income for the Period	3.077.177
Prior Period Profit	209.221
Provisions for Possible Risks up to 25% of Core Capital	270.000
Profit on Disposal of Associates, Subsidiaries and Immovables to be Transferred to Share Capital	47.106
Primary Subordinated Loans up to 15% of Core Capital.	-
Minority Rights	85
Uncovered Portion of Loss with Reserves (-)	-
Net Current Period Loss	-
Prior Period Loss	-
Leasehold Improvements (-)	60.571
Intangible Assets (-)	162.215
Deferred Tax Asset Amount Exceeding 10% of Core Capital (-)	-
Limit Exceeding Amount Regarding the Third Clause of the Article 56 of the Law (-)	-
Consolidation Goodwill (net)	-
Total Core Capital	23.651.577
SUPPLEMENTARY CAPITAL	
General Provisions	1.696.118
45% of the Increase in Movables Revaluation Fund	-
45% of the Increase in Immovables Revaluation Fund	-
Bonus Shares from Investment in Associates, Subsidiaries and Joint Ventures that are not recognized in	2.729
Primary Subordinated Loans which are not considered in the calculation of Core Capital	-
Secondary Subordinated Loans	-
45% of Value Increase Fund of Financial Assets Available-For-Sale, Associates and Subsidiaries(*)	(1.368.346)
Inflation Adjustment to Capital Reserves, Profit Reserves and Prior Year’s Income or Loss (Excluding	
Inflation Adjustment to Legal Reserves, Status Reserves and Extraordinary Reserves)	-
Minority share	-
Total Supplementary Capital	330.501
CAPITAL	23.982.078
DEDUCTIONS FROM THE CAPITAL	22.151
Shareholdings in those of banks and financial organizations (both local and foreign) in which ten percent or	-
Sum of shareholdings in the banks and financial organizations (both local and domestic) in which less than	-
Credits having the nature of secondary subordinated loan to banks and financial organizations (both local	-
Loans Extended contrary to the provisions of Articles 50 and 51 of the Law	-
Net Book Value of Immovables exceeding 50% of Bank’s Equity and Immovables acquired against Bank’s	378
Securitization positions to be deducted from Equity	-
Other	21.773
TOTAL CAPITAL	23.959.927

(*) If the total amount of the items that are subject to value increase fund of marketable securities is negative, the value given in this line will be the absolute value of this amount. If the aforementioned amount is positive, the value given in this line will be 45 % of it.

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

Current Period 31 March 2014	Bank		Consolidation	
	Current Period The Considered Amount in Equity Calculation	Total Amount	Current Year The Considered Amount in Equity Calculation	Total Amount
Minorities' share in the Common Equity			94	94
Third parties' share in the Additional Tier I capital				
Third parties' share in the Tier II Capital				
Debt instruments and premiums deemed suitable by BRSA (issued before 1.1.2014)				

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

II. EXPLANATIONS ON CREDIT RISK :

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

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

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

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

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III. EXPLANATIONS ON MARKET RISK:

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

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

The following table indicates the details of the market risk calculation as of 31 March 2014, in accordance with the Market Risk Calculation principles pursuant to the Part 2 of the Second Section of the "Regulation on Measurement and Assessment of Capital Adequacy of Banks" published in the Official Gazette no. 28 337 on 28 June 2012.

Information on Market Risk:

	Balance
(I) Capital requirement for general market risk – Standard Method	71.754
(II) Capital requirement for specific risk – Standard Method	9.122
(III) Capital requirement for specific risk in securitisation positions- Standard Method	-
(IV) Capital requirement for currency risk – Standard Method	115.323
(V) Capital requirement for stocks – Standard Method	-
(VI) Capital requirement for clearing risk – Standard Method	-
(VII) Total capital requirement for market risk from options – Standard Method	3.587
(VIII) Capital requirement for counterparty credit risk - Standard Method	113.803
(IX) Total capital requirement for market risk for banks applying Risk Measurement Model	-
(X) Total capital requirement for market risk (I+II+III+IV+V+VI+VII+VIII)	313.588
(XI) Amount subject to market risk (12,5 x IX) or (12,5 x X)	3.919.853

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IV. EXPLANATIONS ON CURRENCY RISK:

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

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

	USD	EURO	Yen
Balance Sheet Evaluation Rate	2,1557 TL	2,9699 TL	2,0853 TL
1.Day bid rate	2,1898 TL	3,0072 TL	2,1351 TL
2.Day bid rate	2,1912 TL	3,0148 TL	2,1385 TL
3.Day bid rate	2,2121 TL	3,0524 TL	2,1563 TL
4.Day bid rate	2,2319 TL	3,0831 TL	2,1765 TL
5.Day bid rate	2,2370 TL	3,0823 TL	2,1775 TL

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

USD	: 2,2110 TL
EURO	: 3,0500 TL
Yen	: 2,1564 TL

As of 31 December 2013;

	USD	EURO	Yen
Balance Sheet Evaluation Rate	2,1304 TL	2,9344 TL	2,0240 TL

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

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

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Current Period – 31 March 2014	EURO	USD	Other FC(*)	Total
Assets				
Cash Equivalents and Central Bank(**)	4.466.293	11.615.395	3.228.156	19.309.844
Banks	1.324.093	3.030.228	73.242	4.427.563
Financial Assets at Fair Value through Profit or Loss (Net)	182	2.035	-	2.217
Interbank Money Market Placements	-	-	-	-
Available-for-sale Financial Assets (Net)	2.629.979	8.860.879	-	11.490.858
Loans	14.972.805	30.038.504	58.505	45.069.814
Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-
Held-to-maturity Investments (Net)	2.447.881	2.534.321	-	4.982.202
Hedging Derivative Financial Assets	-	-	-	-
Tangible Assets (Net)	743	1.820	-	2.563
Intangible Assets (Net)	561	16	-	577
Other Assets	1.412.855	1.343.008	855	2.756.718
Total Assets	27.255.392	57.426.206	3.360.758	88.042.356
Liabilities				
Bank Deposits	2.018.787	5.600.725	1.115.534	8.735.046
Foreign Currency Deposits (***)	19.160.106	24.978.521	2.318.734	46.457.361
Funds from Interbank Money Market	881.237	18.091.744	-	18.972.981
Borrowings	7.318.606	12.007.337	358	19.326.301
Marketable Securities Issued (Net)	-	6.499.429	37.173	6.536.602
Miscellaneous Payables	182.869	333.860	14.049	530.778
Hedging Derivative Financial Liabilities	-	-	-	-
Other Liabilities	177.060	182.591	7.673	367.324
Total Liabilities	29.738.665	67.694.207	3.493.521	100.926.393
Net on Balance Sheet Position	(2.483.273)	(10.268.001)	(132.763)	(12.884.037)
Net off-Balance Sheet Position (**)	3.460.092	9.371.289	117.941	12.949.322
Financial Derivative Assets	11.565.445	25.055.950	2.482.505	39.103.900
Financial Derivative Liabilities	8.105.353	15.684.661	2.364.564	26.154.578
Non-cash Loans	6.470.893	9.982.452	327.425	16.780.770
Prior Period - 31 December 2013				
Total Assets	27.876.766	55.532.473	3.064.907	86.474.146
Total Liabilities	31.427.113	66.546.407	3.871.703	101.845.223
Net on-Balance Sheet Position	(3.550.347)	(11.013.934)	(806.796)	(15.371.077)
Net off-Balance Sheet Position (**)	4.538.484	10.813.621	791.652	16.143.757
Financial Derivative Assets	11.126.996	25.388.900	2.241.730	38.757.626
Financial Derivative Liabilities	6.588.512	14.575.279	1.450.078	22.613.869
Non-cash Loans	6.718.605	10.122.593	387.530	17.228.728

(*) Of the “Other FC” total assets amounting to TL 3.360.758 (31 December 2013: TL 3.064.907), TL 71.604 is in British Pounds (31 December 2013: TL 68.979), and TL 38.372 is in Swiss Francs (31 December 2013: TL 37.611), 19.387 is in Japanese Yen (31 December 2013: TL 17.121). Of the total liabilities amounting to TL 3.493.521 (31 December 2013: TL 3.871.703) TL 1.309.078 is in British Pounds (31 December 2013: TL 1.141.166) and TL 615.785 is in Swiss Francs (31 December 2013: TL 643.150), TL 51.077 is in Japanese Yen (31 December 2013: TL 22.055).

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

(***) Of the Cash Equivalents and Central Bank TL 3.183.049 (31 December 2013: TL 2.892.268) and of the foreign currency deposits TL 1.171.423 (31 December 2013: TL 1.766.526) are precious metal deposit account in demand.

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V. EXPLANATIONS ON INTEREST RATE RISK:

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

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

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

Current Period – 31 March 2014	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash Equivalents and Central Bank	-	1,077.850	-	-	-	19,557.570	20.635.420
Banks	1,390.034	205.137	4.029	-	-	3,240.535	4.839.735
Financial Assets at Fair Value Through Profit or Loss (Net)	268.889	552.991	323.698	63.047	162.037	2,373	1.373.035
Interbank Money Market Placements	1,000.328	-	-	-	-	-	1.000.328
Available-for-sale Financial Assets (Net)	6,351.683	9,705.310	8,853.752	5,349.196	6,491.517	267.301	37.018.759
Loans	32,734.222	20,535.308	29,820.757	31,053.424	4,225.519	-	118.369.230
Held-to-maturity Investments (Net)	847.269	455.088	2,762.571	3,970.788	2,447.880	-	10.483.596
Other Assets	1,125.515	357.617	861.648	1,330.219	244.345	2,596.271	6.515.615
Total Assets	43.717.940	32.889.301	42.626.455	41.766.674	13.571.298	25.664.050	200.235.718
Liabilities							
Bank Deposits	6,703.416	2,576.918	359.415	-	-	374.248	10.013.997
Other Deposits	64,029.509	8,097.059	7,392.778	4,319.176	233.969	16,043.118	100.115.609
Funds from Interbank Money Market	12,367.273	4,476.008	3,731.951	4,309.090	3,266.244	-	28.150.566
Miscellaneous Payables	127.517	-	-	-	-	3,319.023	3.446.540
Marketable Securities Issued (Net)	750.956	883.733	1,494.447	5,553.247	1,067.411	-	9.749.794
Borrowings	1,239.400	11,927.234	6,235.035	540.220	55.227	-	19.997.116
Other Liabilities (*)	381.354	353.627	420.078	201.857	199.091	27,206.089	28.762.096
Total Liabilities	85.599.425	28.314.579	19.633.704	14.923.590	4.821.942	46.942.478	200.235.718
Balance Sheet Long Position	-	4,574.722	22,992.751	26,843.084	8,749.356	-	63.159.913
Balance Sheet Short Position	(41,881.485)	-	-	-	-	(21,278.428)	(63.159.913)
Off-balance Sheet Long Position	-	2,739.142	-	-	242.771	-	2.981.913
Off-balance Sheet Short Position	(944.135)	-	(1,183.176)	(535.037)	-	-	(2.662.348)
Total Position	(42.825.620)	7.313.864	21.809.575	26.308.047	8.992.127	(21.278.428)	319.565

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

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Prior Period - 31 December 2013	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash Equivalents and Central Bank	-	-	-	-	-	18.223.119	18.223.119
Banks	1.810.355	303.086	-	-	-	3.725.658	5.839.099
Financial Assets at Fair Value Through Profit or Loss (Net)	384.177	516.155	682.213	69.796	180.892	58.377	1.891.610
Interbank Money Market Placements	-	-	-	-	-	-	-
Available-for-sale Financial Assets (Net)	5.220.043	5.654.176	11.205.832	3.811.421	7.013.500	260.010	33.164.982
Loans	33.928.299	27.286.063	22.217.461	30.086.403	4.398.429	92.850	118.009.505
Held-to-maturity Investments (Net)	1.820.058	2.679.219	1.265.436	3.077.666	3.311.074	-	12.153.453
Other Assets	1.414.722	641.704	487.548	1.297.440	198.123	2.160.958	6.200.495
Total Assets	44.577.654	37.080.403	35.858.490	38.342.726	15.102.018	24.520.972	195.482.263
Liabilities							
Bank Deposits	7.312.938	2.935.599	485.461	-	-	687.555	11.421.553
Other Deposits	53.029.384	19.292.836	8.012.292	4.097.715	235.057	16.383.846	101.051.130
Funds from Interbank Money Market	7.703.947	3.630.120	4.911.257	2.634.366	4.351.061	-	23.230.751
Miscellaneous Payables	106.379	-	-	-	-	3.618.612	3.724.991
Marketable Securities Issued (Net)	254.519	1.203.349	625.456	5.564.222	1.080.296	-	8.727.842
Borrowings	1.932.832	11.410.559	5.940.489	558.172	56.548	-	19.898.600
Other Liabilities (*)	171.841	377.049	608.587	211.060	221.129	25.837.730	27.427.396
Total Liabilities	70.511.840	38.849.512	20.583.542	13.065.535	5.944.091	46.527.743	195.482.263
Balance Sheet Long Position	-	-	15.274.948	25.277.191	9.157.927	-	49.710.066
Balance Sheet Short Position	(25.934.186)	(1.769.109)	-	-	-	(22.006.771)	(49.710.066)
Off-balance Sheet Long Position	2.374.046	4.915.509	-	-	-	-	7.289.555
Off-balance Sheet Short Position	-	-	(129.765)	(2.919.864)	(3.356.016)	-	(6.405.645)
Total Position	(23.560.140)	3.146.400	15.145.183	22.357.327	5.801.911	(22.006.771)	883.910

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

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

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

Current Period – 31 March 2014	EURO	USD	Yen	TL
Assets	%	%	%	%
Cash Equivalents and Central Bank	-	0,02	-	-
Banks	0,55	0,23	-	12,04
Financial Assets at Fair Value Through Profit or Loss (Net)	3,16	3,92	-	12,81
Interbank Money Market Placements	-	-	-	11,98
Available-for-sale Financial Assets (Net)	3,81	3,53	-	10,90
Loans	4,34	4,71	4,66	12,30
Held-to-maturity Investments (Net)	3,00	3,42	-	11,20
Liabilities				
Bank Deposits	1,59	1,64	-	9,49
Other Deposits	1,84	2,15	0,21	8,68
Funds from Interbank Money Market	1,23	1,31	-	10,40
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued (Net)	-	4,68	-	9,80
Borrowings	1,22	1,62	-	8,32

Prior Period – 31 December 2013	EURO	USD	Yen	TL
Assets	%	%	%	%
Cash Equivalents and Central Bank	-	-	-	-
Banks	0,12	0,21	-	9,37
Financial Assets at Fair Value Through Profit or Loss (Net)	2,89	3,92	-	11,38
Interbank Money Market Placements	-	-	-	-
Available-for-sale Financial Assets (Net)	3,75	3,52	-	9,44
Loans	4,31	4,67	4,23	11,23
Held-to-maturity Investments (Net)	3,00	3,42	-	9,96
Liabilities				
Bank Deposits	1,28	1,53	-	6,55
Other Deposits	1,97	2,28	0,19	6,67
Funds from Interbank Money Market	1,65	1,20	-	6,38
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued (Net)	-	5,22	-	6,89
Borrowings	1,19	1,58	-	7,70

c. Interest rate risk related to banking book

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

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

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

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

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

Currency	Applied Shock (+/- x basis points)	Gains / Losses	Gains / Shareholders' Equity - Losses/ Shareholders' Equity
TL	-400	2.710.204	11,10%
TL	500	(2.843.814)	(11,64%)
USD	-200	187.398	0,77%
USD	200	(116.632)	(0,48%)
EURO	-200	203.666	0,83%
EURO	200	(235.731)	(0,97%)
Total (for negative shocks)		3.101.268	12,70%
Total (for positive shocks)		(3.196.177)	(13,09%)

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

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

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VII. EXPLANATIONS ON LIQUIDITY RISK:

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

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

In accordance with the “Communiqué on the Measurement and Assessment of Liquidity of the Banks” published in the Official Gazette dated 1 November 2006 No. 26333, beginning from 1 June 2007 liquidity ratio of the banks on a weekly and monthly basis should not be less than 80% for foreign currency denominated assets and liabilities, and for total assets and liabilities it should not be less than 100%. Liquidity ratios of the Bank as at 31 March 2014 and 31 December 2013 are presented below:

Current Period	First Maturity Tranche (Weekly)		Second Maturity Tranche (Monthly)	
	FC	FC+TL	FC	FC+TL
31 March 2014				
Average (%)	164,3	129,5	132,1	106,9
Maximum (%)	203,5	151,3	144,6	110,4
Minimum (%)	127,5	111,4	120,8	103,6

Prior Period	First Maturity Tranche (Weekly)		Second Maturity Tranche (Monthly)	
	FC	FC+TL	FC	FC+TL
31 December 2013				
Average (%)	158,1	140,3	120,0	109,0
Maximum (%)	244,2	190,7	136,2	120,0
Minimum (%)	109,8	108,0	108,7	100,4

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Breakdown of assets and liabilities according to their outstanding maturities:

Current Period – 31 March 2014	Demand	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Unallocated (*)	Total
Assets								
Cash Equivalents and Central Bank	19.557.570	-	1.077.850	-	-	-	-	20.635.420
Banks	3.240.535	1.390.033	205.137	4.030	-	-	-	4.839.735
Financial Assets at Fair Value Through Profit or Loss (Net)	2.373	179.651	332.355	196.151	171.427	491.078	-	1.373.035
Interbank Money Market Placements	-	1.000.328	-	-	-	-	-	1.000.328
Available-for-sale Financial Assets (Net)	267.301	437.534	7.822.186	5.039.294	9.478.463	13.973.981	-	37.018.759
Loans	-	19.090.327	17.745.105	23.226.520	40.846.514	17.460.764	-	118.369.230
Held-to-maturity Investments (Net)	-	-	-	444.731	4.384.086	5.654.779	-	10.483.596
Other Assets	269.519	889.757	119.909	964.128	2.115.393	658.161	1.498.748	6.515.615
Total Assets	23.337.298	22.987.630	27.302.542	29.874.854	56.995.883	38.238.763	1.498.748	200.235.718
Liabilities								
Bank Deposits	374.248	6.703.416	2.576.918	359.415	-	-	-	10.013.997
Other Deposits	17.152.084	62.920.543	8.097.053	7.392.778	4.319.182	233.969	-	100.115.609
Borrowings	-	241.313	1.641.661	14.088.003	3.763.843	262.296	-	19.997.116
Funds from Interbank Money Market	-	12.367.273	4.476.008	3.731.951	4.309.090	3.266.244	-	28.150.566
Marketable Securities Issued (Net)	-	331.050	883.737	1.795.973	5.671.621	1.067.413	-	9.749.794
Miscellaneous Payables	127.983	2.175.261	1.143.296	-	-	-	-	3.446.540
Other Liabilities (**)	157.674	2.166.926	448.636	565.154	2.411.184	475.023	22.537.499	28.762.096
Total Liabilities	17.811.989	86.905.782	19.267.309	27.933.274	20.474.920	5.304.945	22.537.499	200.235.718
Net Liquidity Gap	5.525.309	(63.918.152)	8.035.233	1.941.580	36.520.963	32.933.818	(21.038.751)	-
Prior Period - 31 December 2013								
Total Assets	22.633.693	24.627.404	21.211.065	33.171.160	54.459.436	37.953.821	1.425.684	195.482.263
Total Liabilities	18.514.071	71.652.638	32.276.405	25.187.591	19.247.968	6.468.611	22.134.979	195.482.263
Net Liquidity Gap	4.119.622	(47.025.234)	(11.065.340)	7.983.569	35.211.468	31.485.210	(20.709.295)	-

(*) Assets that are necessary for banking activities and that cannot be liquidated in the short-term, such as fixed and intangible assets, investments, subsidiaries, stationery, pre-paid expenses and loans under follow-up, are shown in this column.

(**) Shareholders' Equity is presented under "Other Liabilities" item in the "Unallocated" column.

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VIII. EXPLANATIONS ON SECURITIZATION POSITIONS:

None.

IX. EXPLANATIONS ON CREDIT RISK MITIGATION TECHNIQUES:

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

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

Risk classifications:	Amount(*)	Financial Guarantees	Other/Physical Guarantees	Guarantees and Credit Derivatives
Conditional and unconditional receivables from central governments and Central Banks	69.585.400	5.507.042	-	-
Conditional and unconditional receivables from regional or local governments	230	-	-	-
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	140.245	36.840	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	51.249.031	18.601.909	-	-
Conditional and unconditional receivables from corporates	85.877.071	5.245.836	-	-
Conditional and unconditional receivables from retail portfolios	56.305.445	276.613	-	-
Conditional and unconditional receivables secured by mortgages	24.891.524	3.435	-	-
Past due receivables	19.011	-	-	-
Receivables defined under high risk category by BRSA	15.449.600	-	-	-
Securities collateralized by mortgages	-	-	-	-
Securitization positions	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-
Investments similar to collective investment funds	3.494.253	3.016.000	-	-
Other receivables	4.789.128	-	-	-
Total	311.800.938	32.687.675	-	-

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

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X. EXPLANATIONS ON RISK MANAGEMENT TARGET AND POLICIES:

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

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

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

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

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

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

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

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

XII. EXPLANATIONS ON BUSINESS SEGMENTS:

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

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

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

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

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

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

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

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

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Information on business segments as of 31 March 2014 and 31 December 2013 are presented on the following tables. Explanations on business segments are prepared on the basis of data obtained from Bank Management Reporting System.

	Retail Banking	Corporate Banking and Commercial and SME Banking	Treasury	Private Banking	International Banking	Other and Unallocated	Bank's Total Activities
Current Period – 31 March 2014							
Operating Income	942.518	978.647	149.167	70.651	55.839	28.830	2.225.652
Profit from Operating Activities	153.059	574.254	60.848	49.705	37.759	(27.546)	848.079
Income from Subsidiaries	-	-	-	-	-	1.231	1.231
Profit before Tax	153.059	574.254	60.848	49.705	37.759	(26.315)	849.310
Corporate Tax	-	-	-	-	-	(188.350)	(188.350)
Minority Shares	-	-	-	-	-	(1)	(1)
Net Profit for the Period	153.059	574.254	60.848	49.705	37.759	(214.666)	660.959
Segment Assets	46.977.218	80.986.010	54.852.889	1.327.498	6.897.254	3.625.868	194.666.737
Investments in Associates	-	-	-	-	-	-	3.923
Undistributed Assets	-	-	-	-	-	-	5.565.058
Total Assets	-	-	-	-	-	-	200.235.718
Segment Liabilities	54.736.980	38.787.554	51.907.020	15.301.559	8.070.379	2.493.503	171.296.995
Undistributed Liabilities	-	-	-	-	-	-	6.401.224
Shareholders' Equity	-	-	-	-	-	-	22.537.499
Total Liabilities	-	-	-	-	-	-	200.235.718
Other Segment Items							
Capital Investment	16.426	-	941	37	-	25.527	42.931
Amortization	(43.108)	(3.391)	(686)	(661)	(125)	(216)	(48.187)
Non-cash Other Income-Expense	(162.754)	(270.547)	(53.151)	(798)	(5)	(7.385)	(494.640)
Restructuring Costs	-	-	-	-	-	-	-

	Retail Banking	Corporate Banking and Commercial and SME Banking	Treasury	Private Banking	International Banking	Other and Unallocated	Bank's Total Activities
Prior Period – 31 December 2013(*)							
Operating Income	908.009	749.512	775.463	70.887	41.550	25.080	2.570.501
Profit from Operating Activities	201.340	396.890	628.846	44.387	23.966	(147.163)	1.148.266
Income from Subsidiaries	-	-	-	-	-	4.113	4.113
Profit before Tax	201.340	396.890	628.846	44.387	23.966	(143.050)	1.152.379
Corporate Tax	-	-	-	-	-	(279.257)	(279.257)
Minority Shares	-	-	-	-	-	(1)	(1)
Net Profit for the Period	201.340	396.890	628.846	44.387	23.966	(422.308)	873.121
Segment Assets	47.307.720	79.340.202	53.184.605	1.237.150	6.488.081	3.470.108	191.027.866
Investments in Associates.	-	-	-	-	-	-	3.923
Undistributed Assets	-	-	-	-	-	-	4.450.474
Total Assets	-	-	-	-	-	-	195.482.263
Segment Liabilities	53.922.281	41.418.193	46.607.578	14.888.255	8.236.576	2.471.744	167.544.627
Undistributed Liabilities	-	-	-	-	-	-	5.802.657
Shareholders' Equity	-	-	-	-	-	-	22.134.979
Total Liabilities	-	-	-	-	-	-	195.482.263
Other Segment Items							
Capital Investment	8.176	-	384	15	-	11.061	19.636
Amortization	(23.566)	(2.013)	(397)	(358)	(74)	(14.575)	(40.983)
Non-cash Other Income-Expense	(147.006)	(220.485)	(82.970)	(168)	(8)	(1.579)	(452.216)
Restructuring Costs	-	-	-	-	-	-	-

[*]31 March 2013 amounts are used for income statement accounts.

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**SECTION FIVE
INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED
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I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS

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

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

	Current Period 31 March 2014		Prior Period 31 December 2013	
	TL	FC	TL	FC
Cash/Foreign Currency	865.379	376.907	814.114	717.563
The CBRT	459.997	18.868.934	121.630	16.569.052
Other(*)	200	64.003	20	740
Total	1.325.576	19.309.844	935.764	17.287.355

(*) As of 31 March 2014, precious metal account amounts to TL 41.665 [31 December 2013: TL 655].

2. Information related to the account of the CBRT:

	Current Period 31 March 2014		Prior Period 31 December 2013	
	TL	FC	TL	FC
Demand Unrestricted Account	27.665	-	8.475	-
Time Unrestricted Account	-	-	-	-
Time Restricted Account	-	1.077.850	-	-
Reserve Requirement	432.332	17.791.084	113.155	16.569.052
Total	459.997	18.868.934	121.630	16.569.052

3. Explanation on reserve requirements:

In accordance with the “Communiqué Regarding the Reserve Requirements no. 2005/1”, the Bank is required to maintain reserves in CBRT for TL and foreign currency liabilities. The reserve requirements can be maintained as TL, USD, EURO and standard gold.

The reserve rates for TL liabilities vary between 5% and 11,5% for TL deposits and other liabilities according to their maturities as of 31 March 2014 (31 December 2013: 5% and 11,5% for all TL liabilities). The reserve rates for foreign currency liabilities vary between 6% and 13% for deposit and other foreign currency liabilities according to their maturities as of 31 March 2014 (31 December 2013: 6% and 13% for all foreign currency liabilities).

The Bank has been required to maintain additional reserves at CBRT amounting to USD 742 million on average for approximately 3,5 years regarding a judgmental difference between the Bank and the CBRT with respect to the reserve requirements for syndication loans borrowed by Malta Branch. The Bank has met its additional reserve requirements as of 30 January 2014 and as of this date there have been no additional reserve requirements left. However, the lawsuit for the cancellation of the Central Bank’s said decision was filed with a motion for stay of execution. The 10th Division of the Administrative Court has rejected the motion for stay of execution. It is continuing to hear the case on the merits.

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

1. As of 31 March 2014, financial assets at fair value through profit or loss given as collateral/blocked amount to TL 5.191 (31 December 2013: TL 5.116); and those subject to repo transactions amount to TL (-). (31 December 2013: TL (-)).

2. Positive differences table related to trading derivative financial assets:

	Current Period 31 March 2014		Prior Period 31 December 2013	
	TL	FC	TL	FC
Forward Transactions	177.597	-	207.282	-
Swap Transactions	242.201	481.060	607.384	400.487
Futures Transactions	53.305	6.862	52.398	26.615
Options	25.688	331.751	31.430	441.274
Other	-	-	-	-
Total	498.791	819.673	898.494	868.376

c. Information on banks account:

1. Information on banks:

	Current Period 31 March 2014		Prior Period 31 December 2013	
	TL	FC	TL	FC
Banks	412.172	4.427.563	201.368	5.637.731
Domestic	412.172	185.147	201.368	114.049
Foreign	-	4.242.416	-	5.523.682
Head Quarters and Branches Abroad	-	-	-	-
Total	412.172	4.427.563	201.368	5.637.731

d. Information on available-for-sale financial assets, net values:

1. As of 31 March 2014, available-for-sale financial assets subjehict to repurchase agreements amount to TL 25.359.228 (31 December 2013: TL 19.534.511); and those given as collateral/blocked amount to TL 2.106.605 (31 December 2013: TL 3.919.373).

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

	Current Period 31 March 2014	Prior Period 31 December 2013
Debt Securities	37.753.775	34.024.190
Quoted to Stock Exchange	37.511.823	33.754.089
Not Quoted to Stock Exchange	241.952	270.101
Share Certificates	11.321	11.320
Quoted to Stock Exchange	-	-
Not Quoted to Stock Exchange	11.321	11.320
Impairment Provision (-)	746.337	870.528
Total	37.018.759	33.164.982

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e. Information related to loans:

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

	Current Period 31 March 2014		Prior Period 31 December 2013	
	Cash	Non-cash	Cash	Non-cash
Direct Loans Granted to Shareholders	-	266	250.320	378
Corporate Shareholders	-	266	250.320	378
Real Person Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	2.136.841	2.547.622	2.117.777	2.413.639
Loans Granted to Employees	97.050	-	101.100	-
Total	2.233.891	2.547.888	2.469.197	2.414.017

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

	Standard Loans and Other Receivables			Loans and Other Receivables under Close Monitoring		
	Loans and Other Receivables (Total)	Loans and Receivables with Revised Contract Terms		Loans and Other Receivables (Total)	Loans and Receivables with Revised Contract Terms	
		Extension of Repayment Plan	Other Changes		Extension of Repayment Plan	Other Changes
Non-specialized Loans	114.321.628	673.482	-	4.047.602	1.643.891	-
Business Loans	21.926.598	552.192	-	1.212.594	190.292	-
Export Loans	5.844.223	19.139	-	12.056	416	-
Import Loans	-	-	-	-	-	-
Loans Granted to Financial Sector	2.348.240	-	-	-	-	-
Consumer Loans (Including Overdraft Loans)	26.704.411	42.884	-	1.281.188	464.120	-
Credit Cards	12.672.708	-	-	1.162.178	913.040	-
Other	44.825.448	59.267	-	379.586	76.023	-
Specialized Loans	-	-	-	-	-	-
Other Receivables	-	-	-	-	-	-
Total	114.321.628	673.482	-	4.047.602	1.643.891	-

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Number of extensions	Standard loans and other receivables	Loans and other receivables under close monitoring
Extended by 1 or 2 times	669.313	1.596.833
Extended by 3,4 or 5 times	4.169	2.061
Extended by more than 5 times	-	44.997
Total	673.482	1.643.891

Extension periods	Standard loans and other receivables	Loans and other receivables under close monitoring
0 - 6 Months	145.198	183.200
6 - 12 Months	19.171	238.404
1 - 2 Years	35.751	396.988
2 - 5 Years	431.924	740.641
5 Years and over	41.438	84.658
Total	673.482	1.643.891

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

Current Period- 31.03.2014	Short-term	Medium and Long-term	Total
Consumer Loans-TL	249.852	27.097.002	27.346.854
Mortgage Loans	16.175	12.376.901	12.393.076
Automotive Loans	6.657	905.375	912.032
Consumer Loans	213.765	13.006.406	13.220.171
Other	13.255	808.320	821.575
Consumer Loans- Indexed to FC	-	35.519	35.519
Mortgage Loans	-	34.244	34.244
Automotive Loans	-	-	-
Consumer Loans	-	54	54
Other	-	1.221	1.221
Consumer Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards-TL	10.745.748	2.013.797	12.759.545
With Installment	4.402.017	2.013.797	6.415.814
Without Installment	6.343.731	-	6.343.731
Consumer Credit Cards-FC	18.093	-	18.093
With Installment	6.705	-	6.705
Without Installment	11.388	-	11.388
Personnel Loans-TL	3.573	51.129	54.702
Mortgage Loans	0	1.255	1.255
Automotive Loans	6	105	111
Consumer Loans	3.567	49.761	53.328
Other	-	8	8
Personnel Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	40.966	1.134	42.100
With Installment	15.874	1.134	17.008
Without Installment	25.092	-	25.092
Personnel Credit Cards-FC	248	-	248
With Installment	110	-	110
Without Installment	138	-	138
Credit Deposit Account-TL (Real Person)	548.524	-	548.524
Credit Deposit Account-FC (Real Person)	-	-	-
Total Consumer Loans	11.607.004	29.198.581	40.805.585

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Prior Period – 31.12.2013	Short-term	Medium and Long-term	Total
Consumer Loans-TL	74.979	27.093.914	27.168.893
Mortgage Loans	2.135	12.552.324	12.554.459
Automotive Loans	636	992.941	993.577
Consumer Loans	67.723	12.728.122	12.795.845
Other	4.485	820.527	825.012
Consumer Loans- Indexed to FC	-	38.165	38.165
Mortgage Loans	-	36.837	36.837
Automotive Loans	-	-	-
Consumer Loans	-	77	77
Other	-	1.251	1.251
Consumer Loans-FC	-	11.808	11.808
Mortgage Loans	-	11.808	11.808
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards-TL	11.320.667	2.205.250	13.525.917
With Installment	5.035.137	2.205.250	7.240.387
Without Installment	6.285.530	-	6.285.530
Consumer Credit Cards-FC	22.247	-	22.247
With Installment	11.861	-	11.861
Without Installment	10.386	-	10.386
Personnel Loans-TL	1.483	55.116	56.599
Mortgage Loans	-	1.080	1.080
Automotive Loans	-	158	158
Consumer Loans	1.483	53.868	55.351
Other	-	10	10
Personnel Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	42.634	1.524	44.158
With Installment	18.567	1.524	20.091
Without Installment	24.067	-	24.067
Personnel Credit Cards-FC	343	-	343
With Installment	205	-	205
Without Installment	138	-	138
Credit Deposit Account-TL (Real Person)	468.128	-	468.128
Credit Deposit Account-FC (Real Person)	-	-	-
Total Consumer Loans	11.930.481	29.405.777	41.336.258

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

Current Period – 31.03.2014	Short-term	Medium and Long-term	Total
Commercial Installment Loans-TL	518.691	4.967.059	5.485.750
Mortgage Loans	545	125.206	125.751
Automotive Loans	7.355	175.180	182.535
Consumer Loans	495.624	4.548.326	5.043.950
Other	15.167	118.347	133.514
FC Indexed Commercial Installment Loans	26.006	119.756	145.762
Mortgage Loans	-	12.727	12.727
Automotive Loans	1.277	28.846	30.123
Consumer Loans	74	53.967	54.041
Other	24.655	24.216	48.871
Commercial Installment Loans-FC	818	255.554	256.372
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	818	255.554	256.372
Corporate Credit Cards-TL	999.851	13.227	1.013.078
With Installment	385.794	13.227	399.021
Without Installment	614.057	-	614.057
Corporate Credit Cards-FC	1.822	-	1.822
With Installment	48	-	48
Without Installment	1.774	-	1.774
Credit Deposit Account-TL (Legal Person)	558.697	-	558.697
Credit Deposit Account-FC (Legal person)	-	-	-
Total	2.105.885	5.355.596	7.461.481

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Prior Period – 31.12.2013	Short-term	Medium and Long-term	Total
Commercial Installment Loans-TL	87.079	5.365.443	5.452.522
Mortgage Loans	1.162	147.568	148.730
Automotive Loans	1.000	240.777	241.777
Consumer Loans	76.445	4.851.425	4.927.870
Other	8.472	125.673	134.145
FC Indexed Commercial Installment Loans	11.202	152.801	164.003
Mortgage Loans	-	13.520	13.520
Automotive Loans	75	41.094	41.169
Consumer Loans	74	70.392	70.466
Other	11.053	27.795	38.848
Commercial Installment Loans-FC	-	279.110	279.110
Mortgage Loans	-	-	0
Automotive Loans	-	-	0
Consumer Loans	-	-	0
Other	-	279.110	279.110
Corporate Credit Cards-TL	1.084.576	14.225	1.098.801
With Installment	508.836	14.225	523.061
Without Installment	575.740	-	575.740
Corporate Credit Cards-FC	1.865	-	1.865
With Installment	226	-	226
Without Installment	1.639	-	1.639
Credit Deposit Account-TL (Legal Person)	465.343	-	465.343
Credit Deposit Account-FC (Legal person)	-	-	-
Total	1.650.065	5.811.579	7.461.644

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

	Current Period 31 March 2014	Prior Period 31 December 2013
Domestic Loans	116.971.563	116.445.272
Foreign Loans	1.397.667	1.471.383
Total	118.369.230	117.916.655

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

7. Specific provisions accounted for loans:

	Current Period 31 March 2014	Prior Period 31 December 2013
Loans and Receivables with Limited Collectibility	345.903	342.385
Loans and Receivables with Doubtful Collectibility	565.011	492.160
Uncollectible Loans and Receivables	885.403	749.287
Total	1.796.317	1.583.832

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

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

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Current Period: 31 March 2014			
(Gross Amounts Before Specific Provisions)	27.855	50.862	31.625
Restructured Loans and Other Receivables	26.703	42.347	30.412
Rescheduled Loans and Other Receivables	1.152	8.515	1.213
Prior Period: 31 December 2013			
(Gross Amounts Before Specific Provisions)	22.617	34.908	28.903
Restructured Loans and Other Receivables	21.845	33.566	28.541
Rescheduled Loans and Other Receivables	772	1.342	362

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

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Prior Period End Balance: 31 December 2013			
Additions (+)	386.393	5.868	3.364
Transfers from Other Categories of Non-performing Loans (+)	-	328.983	223.169
Transfers to Other Categories of Non-Performing Loans (-)	328.983	223.169	-
Collections (-) (*)	53.755	38.058	174.520
Write-offs (-)	137	773	8.747
Corporate and Commercial Loans	4	80	5.745
Retail Loans	67	67	955
Credit Cards	66	626	2.047
Other	-	-	-
Balance at the End of the Period	345.903	565.011	885.403
Specific Provisions (-)	345.903	565.011	885.403
Net Balance	-	-	-

(*) The Bank has collected a non-performing commercial loan by acquiring the property subject to loan guarantee from judicial sale. In the prior year, the Bank had allocated specific provision by 100% after taking the related guarantees into account for his loan. The property acquired with an amount of TL 140 million, has been reclassified to “Property and equipment held for sale and related to discontinued operations”.

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

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Current Period: 31 March 2014			
Balance at the End of the Period	2.240	33.993	22.896
Specific Provision (-)	2.240	33.993	22.896
Net Balance on Balance Sheet	-	-	-
Prior Period: 31 December 2013			
Balance at the End of the Period	27.107	6.135	154.261
Specific Provision (-)	27.107	6.135	61.411
Net Balance	-	-	92.850

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

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

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Current Period (Net): 31 March 2014			
Loans granted to corporate entities and real persons (Gross)	345.903	565.011	885.403
Specific Provision (-)	345.903	565.011	885.403
Loans granted to corporate entities and real persons (Net)	-	-	-
Banks (Gross)	-	-	-
Specific Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances (Gross)	-	-	-
Specific Provision (-)	-	-	-
Other Loans and Advances (Net)	-	-	-
Prior Period (Net): 31 December 2013			
Loans granted to corporate entities and real persons (Gross)	342.385	492.160	842.137
Specific Provisions Amount(-)	342.385	492.160	749.287
Loans granted to corporate entities and real persons (Net)	-	-	92.850
Banks (Gross)	-	-	-
Specific Provisions Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances (Gross)	-	-	-
Specific Provisions Amount (-)	-	-	-
Other Loans and Advances (Net)	-	-	-

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

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

10. Information on the write-off policy:

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

f. Held-to-maturity investments:

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

	Current Period 31 March 2014		Prior Period 31 December 2013	
	TL	FC	TL	FC
Given as collateral/blocked	133.858	2.046.433	1.910.954	1.964.710
Subject to repurchase agreements	4.265.511	2.605.601	4.178.386	2.886.067
Total	4.399.369	4.652.034	6.089.340	4.850.777

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

	Current Period 31 March 2014	Prior Period 31 December 2013
Government Bonds	9.728.900	11.403.933
Treasury Bills	-	-
Other Government Debt Securities	754.696	749.520
Total	10.483.596	12.153.453

3. Information on Held-to-maturity investments:

	Current Period 31 March 2014	Prior Period 31 December 2013
Debt Securities	10.486.692	12.153.453
Quoted to Stock Exchange	10.486.692	12.153.453
Not Quoted to Stock Exchange	-	-
Impairment Provision (-)	3.096	-
Total	10.483.596	12.153.453

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

	Current Period 31 March 2014	Prior Period 31 December 2013
Balance at the Beginning of the Period	12.153.453	3.637.468
Foreign Currency Differences on Monetary Assets	57.647	172.739
Purchases During Year(*)	6.744	9.969.319
Disposals Through Sales and Redemptions (**)	1.770.144	1.788.154
Impairment Provision (-)	3.096	-
Change in Amortized Cost	38.992	162.081
Balance at the End of the Period	10.483.596	12.153.453

(*) The Bank has reclassified debt securities of the nominal value of thousands TL 4.863.357, thousands EURO 721.540 and thousands USD 1.092.397 from available-for-sale portfolio to held-to-maturity portfolio due to change in the intention to hold such securities in the prior period. Reclassified debt securities have a fair value of TL 5.398.459, thousands EURO 815.927 and thousands USD 1.189.524 respectively as of reclassification date. Valuation differences of these securities which have been accounted under equity before, are being amortized using effective interest method over the remaining maturity.

g. Information on investments in associates (Net):

1. Non-consolidated associates:

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

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

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

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

The financial figures have been obtained from the financial statements dated 31 December 2013.

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/Loss	Fair Value
1	35.583	22.332	19.380	511	14	2.644	1.247	-
2	100.413	83.442	52.127	2.546	-	32.665	33.184	-

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

	Current Period 31 March 2014	Prior Period 31 December 2013
Balance at the Beginning of the Period	3.923	3.923
Movements During the Period		
Purchases	-	-
Bonus Shares and Contributions to Capital	-	-
Dividends from Current Year Income	-	-
Sales/Liquidation	-	-
Revaluation Increase	-	-
Revaluation/Impairment	-	-
Balance at the End of the Period	3.923	3.923
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

2. Consolidated subsidiaries within the current period: None.

h. Information on subsidiaries (Net):

1. Information on shareholders' equity of major subsidiaries:

The amounts below are obtained from the 31 March 2014 financial data which were subject to the regulations of the related companies.

	Akbank Securities	Ak Portfolio Management	Ak Portfolio Management	Akbank AG	Akbank (Dubai) Limited
Paid in Capital	175.007	46.802	2.000	296.990	2.243
Share Premium	-	-	-	469.996	-
Reserves	244.926	22.642	6.979	248.821	2.314
Profit/Loss	56.717	51.208	5.360	21.356	8.865
<i>Net Current Period Profit</i>	13.102	3.725	2.092	21.356	632
<i>Prior Year Profit/Loss</i>	43.615	47.483	3.268	-	8.233
Development Cost of Operating Lease (-)	351	464	-	72	-
Goodwill or Other Intangible Assets and Deferred Tax Liability related to these items (-)	100	28	20	112	-
Total Common Equity	475.707	119.896	14.222	1.036.530	13.422
Total Additional Tier I Capital	-	-	-	-	-
Portion of Goodwill and Other Intangible Assets and Related Deferred Tax Liabilities not deducted from the Common Equity as per the 1 st Clause of Provisional Article 2 of the "Regulation on the Equity of Banks" (-)	399	113	82	449	-
Total Tier I Capital	475.800	120.047	14.237	1.036.530	13.422
Tier II Capital	11.390	-	-	-	-
CAPITAL	487.190	120.047	14.237	1.036.530	13.422
Deductions From Capital	-	-	-	-	-
TOTAL CAPITAL	487.190	120.047	14.237	1.036.530	13.422

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

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2. Non-consolidated subsidiaries: None.
3. Consolidated subsidiaries:
- 3(i). Information about consolidated subsidiaries:

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

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

The financial figures have been obtained from the financial statements as at 31 March 2014 prepared in accordance with local regulations.

	Total Assets	Shareholders’ Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/Loss	Fair Value
1	3.712.311	476.650	22.116	62.150	-	13.102	11.213	-
2	250.117	120.652	1.535	11.329	1.622	3.725	7.402	-
3	29.454	14.339	600	732	-	2.092	1.271	-
4	9.805.440	1.037.163	1.304	88.689	7.686	21.356	16.205	-
5	14.200	13.422	29	-	-	632	15	-

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

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3(ii). Movement schedule for consolidated subsidiaries:

	Current Period 31 March 2014	Prior Period 31 December 2013
Balance at the Beginning of the Period	879.821	582.944
Movements During the Period		
Additions (*)	49.993	190.933
Bonus Shares and Contributions to Capital(**)	1.000	-
Dividends from Current Year Income	-	-
Sales/Liquidation	-	-
Revaluation Increase	-	-
Revaluation/Impairment	-	-
Additions to Consolidation	-	-
Increase/decrease due to foreign exchange valuation of foreign subsidiaries	7.810	105.944
Balance at the End of the Period	938.624	879.821
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

(*) The amount shown in the “Additions” line of current period is due to the increase of TL 50.000 of Aklease’s share capital. TL 140.940 of the amount shown in the “Additions” line of prior period is due to the increase of thousands EURO 50.000 of Akbank AG’s share capital. TL 49.993 of it is due to the increase of TL 50.000 of Aklease’s share capital.

(**) The amount shown in the “Bonus Shares and Contributions to Capital” line of current period is due to the increase of TL 1.000 of Ak Portföy Yönetimi A.Ş. share capital.

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

Subsidiaries	Current Period 31 March 2014	Prior Period 31 December 2013
Banks	649.056	641.246
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	221.074	171.081
Finance Companies	-	-
Other Financial Subsidiaries	68.494	67.494

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

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i. Information on finance lease receivables (Net):

	Current Period 31 March 2014		Prior Period 31 December 2013	
	Gross	Net	Gross	Net
2014	1.084.073	1.102.133	1.330.612	1.350.612
2015	780.859	786.111	698.834	706.316
2016	625.638	498.041	565.975	401.154
2017	449.601	299.840	401.865	270.214
2018	322.113	218.831	280.303	191.107
2019 and following years	577.970	392.784	445.352	298.113
Total	3.840.254	3.297.740	3.722.941	3.217.516

j. Information on the Hedging Derivative Financial Assets:

	Current Period 31 March 2014		Prior Period 31 December 2013	
	TL	FC	TL	FC
Fair Value Hedge	439.693	6.254	582.455	47.722
Cash Flow Hedge	-	-	-	-
Net Investment Hedge Abroad	-	-	-	-
Total	439.693	6.254	582.455	47.722

The Bank's transactions subject to fair value hedge accounting as of 31 March 2014 are as follows:

- The Group hedges certain part of its fixed rate TL denominated mortgage portfolio against fair value risk arising from the fluctuations in the market interest rates and certain part of its foreign currency denominated borrowings from the fluctuations in the foreign exchange rates with cross currency swaps. The fair value change of the hedged item since the beginning of hedge accounting is TL (73.223).
- The Group hedges certain part of its fixed rate TL denominated available for sale government bonds against fair value risk arising from the fluctuations in the market interest rates and certain part of its foreign currency denominated borrowings from the fluctuations in the foreign exchange rates with cross currency swaps. The fair value change of the hedged item since the beginning of hedge accounting is TL (53.526) and this amount has been reclassified from equity to income statement.
- The Group hedges certain part of its fixed rate FC denominated available-for-sale investment securities against fair value changes due to interest rate fluctuations with interest rate swap transactions. The change in the fair value of the hedged item since the beginning of hedge accounting is TL 24.051 and this amount has been reclassified from equity to income statement.
- The Group applies fair value hedge to hedge the foreign currency risk arising from share premium and paid-in-capital of Akbank AG, one of Bank's subsidiaries amounting EURO 220 million. EURO 220 million of syndication loans used by the Bank have been classified as "hedge instruments."

As of 31 March 2014 fair value hedge transactions as stated above have been proven to be effective.

In addition, information about discontinued hedge accounting relations arising from the expiration, execution or sale of the hedging instrument; hedge relationship becoming ineffective or discontinuance of the hedge relationship as a result of being revoked by the Bank is as follows;

- As of 31 March 2014, related to fair value hedge transactions, the remaining net amount after amortization of the fair value change of the hedged item since the hedged items, since the beginning of hedge accounting, is TL 759.

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- As of 31 March 2014, related to cash flow hedge transactions, the remaining net amount in equity after amortization of the fair value change of the hedged items, since the beginning of hedge accounting, is TL [125.862].

k. Information on the investment properties: None.

l. Information on deferred tax asset :

The Group’s deferred tax asset as of 31 March 2014 amounts to TL 180.694 (31 December 2013: TL 75.005). Provisional differences subject to deferred tax calculation result from mainly the differences between the book values, tax values and debts of fixed assets and financial assets, and provision for employee rights.

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

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

	Current Period 31 March 2014	Prior Period 31 December 2013
Cost	171.314	34.958
Accumulated Depreciation (-)	536	259
Net Book Value	170.778	34.699

	Current Period 31 March 2014	Prior Period 31 December 2013
Net Book Value	34.699	15.048
Additions(*)	141.156	31.351
Disposals (-), net	4.789	11.577
Depreciation (-)	288	123
Closing Net Book Value	170.778	34.699

n. Information on other assets:

Other assets amount to TL 1.408.882 (31 December 2013: TL 1.225.740) on the balance sheet and do not exceed 10% of the total assets, excluding the off-balance sheet commitments.

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II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES

a. Information on deposits:

1. Information on maturity structure of the deposits:

There are no seven-day notification deposits.

1(i). Current Period – 31 March 2014:

	Demand	Up to 1 Month	1 – 3 Months	3 – 6 Months	6 Months – 1 Year	1 Year and Over	Cumulative	Total
Saving Deposits	3.946.383	6.897.324	21.591.196	819.927	488.064	671.960	105.083	34.519.937
Foreign Currency Deposits	6.784.505	8.614.860	13.854.262	4.201.248	4.951.057	6.875.561	4.445	45.285.938
Residents in Turkey	5.342.621	7.914.877	12.919.702	853.695	823.431	2.936.281	4.338	30.794.945
Residents Abroad	1.441.884	699.983	934.560	3.347.553	4.127.626	3.939.280	107	14.490.993
Public Sector Deposits	914.121	7.644	103.694	12.739	3.516	4.093	-	1.045.807
Commercial Deposits	4.213.593	5.924.322	3.824.886	301.399	64.087	85.907	-	14.414.194
Other Institutions Deposits	155.560	260.457	2.703.076	302.222	240.604	16.390	-	3.678.309
Gold Vault	1.137.922	10.483	7.947	15.071	-	-	-	1.171.423
Bank Deposits	374.248	940.254	6.099.672	2.042.206	554.971	2.647	-	10.013.998
The CBRT	-	-	-	-	-	-	-	-
Domestic Banks	9.316	495.384	548.444	-	20.053	-	-	1.073.197
Foreign Banks	106.497	444.870	5.551.228	2.042.206	534.918	2.647	-	8.682.366
Special Finance Institutions	258.435	-	-	-	-	-	-	258.435
Other	-	-	-	-	-	-	-	-
Total	17.526.332	22.655.344	48.184.733	7.694.812	6.302.299	7.656.558	109.528	110.129.606

1(ii). Prior period - 31 December 2013:

	Demand	Up to 1 Month	1 – 3 Months	3 – 6 Months	6 Months – 1 Year	1 Year and Over	Cumulative	Total
Saving Deposits	3.898.691	8.444.283	18.763.388	942.910	578.295	1.338.972	111.187	34.077.726
Foreign Currency Deposits	6.147.478	9.776.778	13.455.160	3.889.872	5.718.467	7.036.572	5.933	46.030.260
Residents in Turkey	4.800.035	9.574.413	11.845.562	1.038.317	928.421	2.895.980	5.822	31.088.550
Residents Abroad	1.347.443	202.365	1.609.598	2.851.555	4.790.046	4.140.592	111	14.941.710
Public Sector Deposits	761.362	17.976	100.940	12.591	3.805	3.809	-	900.483
Commercial Deposits	4.787.640	5.484.776	5.595.179	210.466	73.448	120.796	-	16.272.305
Other Institutions Deposits	140.922	136.103	1.044.701	404.079	132.594	145.431	-	2.003.830
Gold Vault	1.722.852	3.914	8.435	26.889	4.436	-	-	1.766.526
Bank Deposits	687.555	2.105.221	6.511.411	1.590.562	526.804	-	-	11.421.553
The CBRT	-	-	-	-	-	-	-	-
Domestic Banks	12.341	1.345.098	7.205	-	16.034	-	-	1.380.678
Foreign Banks	348.749	760.123	6.504.206	1.590.562	510.770	-	-	9.714.410
Special Finance Institutions	326.465	-	-	-	-	-	-	326.465
Other	-	-	-	-	-	-	-	-
Total	18.146.500	25.969.051	45.479.214	7.077.369	7.037.849	8.645.580	117.120	112.472.683

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2. Information on saving deposits insurance:

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

	Under the Guarantee of Deposit Insurance		Exceeding the Limit of Deposit Insurance	
	Current Period 31 March 2014	Prior Period 31 December 2013	Current Period 31 March 2014	Prior Period 31 December 2013
Saving Deposits	16.926.984	16.560.665	17.592.953	17.007.941
Foreign Currency Saving Deposits	6.100.497	6.104.124	15.838.602	14.291.268
Other Deposits in the Form of Saving Deposits	-	-	-	-
Foreign Branches' Deposits under Foreign Authorities' Insurance	-	-	-	-
Off-shore Banking Regions' Deposits under Foreign Authorities' Insurance	-	-	-	-

2(ii). Saving deposits of real persons which are not under the guarantee of saving deposit insurance fund:

	Current Period 31 March 2014	Prior Period 31 December 2013
Foreign Branches' Deposits and other accounts	-	-
Saving Deposits and Other Accounts of Controlling Shareholders and Deposits of their Mother, Father, Spouse, Children in care	-	-
Saving Deposits and Other Accounts of President and Members of Board of Directors, CEO and Vice Presidents and Deposits of their Mother, Father, Spouse and Children in care	1.035.603	1.021.540
Saving Deposits and Other Accounts in Scope of the Property Holdings Derived from Crime Defined in Article 282 of Turkish Criminal Law no:5237 dated 26.09.2004	-	-
Saving Deposits in Deposit Banks Established in Turkey solely to Engage in Off-shore Banking Activities	-	-

b. Information on trading derivative financial liabilities:

Table of negative differences for trading derivative financial liabilities:

	Current Period 31 March 2013		Prior Period 31 December 2013	
	TL	FC	TL	FC
Forward Transactions	139.232	-	142.013	-
Swap Transactions	295.090	428.424	56.809	553.996
Futures Transactions	915	11.053	22.001	9.311
Options	13.514	325.800	19.196	375.422
Other	-	-	-	-
Total	448.751	765.277	240.019	938.729

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c. Information on borrowings:

1. Information on banks and other financial institutions:

	Current Period 31 March 2014		Prior Period 31 December 2013	
	TL	FC	TL	FC
Borrowings from the CBRT	-	-	-	-
From Domestic Bank and Institutions	526.543	383.848	457.357	426.991
From Foreign Banks, Institutions and Funds	144.272	18.942.453	181.129	18.833.123
Total	670.815	19.326.301	638.486	19.260.114

2. Information on maturity structure of borrowings:

	Current Period 31 March 2014		Prior Period 31 December 2013	
	TL	FC	TL	FC
Short-term	541.896	13.770.046	545.268	13.470.434
Medium and Long-term	128.919	5.556.255	93.218	5.789.680
Total	670.815	19.326.301	638.486	19.260.114

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

d. Information on securities issued (Net):

	Current Period 31 March 2014		Prior Period 31 December 2013	
	TL	FC	TL	FC
Bank bills	1.209.231	853.647	923.917	-
Bonds	2.003.961	5.682.955	2.215.133	5.588.792
Total	3.213.192	6.536.602	3.139.050	5.588.792

The Bank has a bond issuance program (Global Medium Term Note Program) valued USD 3 Billion from which the Bank's subsidiary Ak Finansal Kiralama A.Ş. can also make issuance from.

e. Information on other foreign liabilities:

Other foreign liabilities amount to TL 2.124.372 (31 December 2013: TL 1.478.729) and do not exceed 10% of the total balance sheet excluding off-balance sheet commitments.

f. Information on financial leasing agreements: None.

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g. Information on the Hedging Derivative Financial Liabilities:

	Current Period		Prior Period	
	31 March 2014		31 December 2013	
	TL	FC	TL	FC
Fair value Hedge	-	9.365	-	63.810
Cash Flow Hedge	-	-	-	-
Net investment Hedge	-	-	-	-
Total	-	9.365	-	63.810

h. Information on provisions:

1. Information on general provisions:

	Current Period		Prior Period	
	31 March 2014		31 December 2013	
General Provisions	1.770.457		1.696.118	
Provisions for Group I. Loans and Receivables	1.435.830		1.403.027	
- Additional Provision for loans with extended payment period	21.760		20.850	
Provisions for Group II. Loans and Receivables	175.153		138.423	
- Additional Provision for loans with extended payment period	50.063		45.731	
Provisions for Non-cash Loans	107.557		105.108	
Other	51.917		49.560	

2. Information on reserve for employment termination benefits:

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

The amount payable consists of one month's salary limited to a maximum of TL 3.438,22 (in full TL amount) (31 December 2013: TL 3.254,44 (in full TL amount)) for each year of service. This liability is legally not funded and there is no funding requirement.

The reserve has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of its employees. TAS 19 requires actuarial valuation methods to be developed to estimate the enterprise's obligation for such benefits. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	Current Period	Prior Period
	31 March 2014	31 December 2013
Discount Rate (%)	4,43	4,43
Rate for the Probability of Retirement (%)	94,25	94,25

The principal actuarial assumption is that the current maximum liability will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. The amount of TL 3.438,22 (1 January 2013: TL 3.125,01) effective from 1 January 2014 has been taken into consideration in calculating the reserve for employee termination benefits.

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

	Current Period 31 March 2014	Prior Period 31 December 2013
Balance at the Beginning of the Period	59.720	58.620
Provisions Recognized During the Period	10.187	28.221
Paid During the Period	(8.496)	(27.121)
Balance at the End of the Period.	61.411	59.720

As of 31 March 2014, the Bank has allocated vacation liability amounting to TL 53.315 (31 December 2013: TL 51.439).

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

As of 31 March 2014, the provision related to foreign currency differences of foreign indexed loans amounts to TL 22.085 (31 December 2013: TL 1.442), which is offset with the balance of foreign currency indexed loans in these financial statements.

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

Provision for non-cash loans that are non-funded and non-transformed into cash as of 31 March 2014 is amounting to TL 50.008 (31 December 2013: TL 52.027)

5. Information on other provisions:

5(i). Information on general reserves for possible risks: TL 270.000 (31 December 2013: 270.000 TL).

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

The Bank has provisions for credit cards and banking services promotion activities amounting to TL 115.087 (31 December 2013: TL 113.443).

i. Explanations on tax liability :

1. Explanations on tax liability:

Tax calculations of the Group are explained in Note XVIII of Section Three. As of 31 March 2014, the corporate tax liability after the deduction of temporary taxes paid is TL 294.096 (31 December 2013: TL 74.369).

1(i). Information on taxes payable:

	Current Period 31 March 2014	Prior Period 31 December 2013
Corporate Taxes Payable	294.096	74.369
Taxation on Marketable Securities	88.578	68.545
Property Tax	1.746	1.488
Banking Insurance Transaction Tax (BITT)	68.871	60.005
Foreign Exchange Transaction Tax	-	-
Value Added Tax Payable	9.299	10.204
Other	25.149	43.035
Total	487.739	257.646

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1(ii). Information on premium payables:

	Current Period 31 March 2014	Prior Period 31 December 2013
Social Security Premiums – Employee	48	46
Social Security Premiums – Employer	97	94
Bank Social Aid Pension Fund Premium- Employee	7	6
Bank Social Aid Pension Fund Premium – Employer	8	6
Pension Fund Membership Fees and Provisions – Employee	-	-
Pension Fund Membership Fees and Provisions – Employer	-	-
Unemployment Insurance – Employee	607	839
Unemployment Insurance – Employer	1.184	1.650
Other	33	35
Total	1.984	2.676

2. Information on deferred tax liability:

As of 31 March 2014, the deferred tax liability of the Group amounts to TL 41.417 (31 December 2013: TL 43.233). An explanation about the net deferred tax asset is given in Note I-n of Section Five.

j. Information on shareholders’ equity:

1. Presentation of paid-in capital:

	Current Period 31 March 2014	Prior Period 31 December 2013
Common Stock	4.000.000	4.000.000
Preferred Stock	-	-

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

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

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

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

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

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

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

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

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k. Information on marketable securities value increase fund:

	Current Period 31 March 2014		Prior Period 31 December 2013	
	TL	FC	TL	FC
From Investments in Associates, Subsidiaries, and Joint Ventures	-	-	-	-
Valuation Difference	(629.887)	(539.183)	(702.498)	(665.848)
Foreign Currency Differences	-	-	-	-
Total	(629.887)	(539.183)	(702.498)	(665.848)

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III. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED INCOME STATEMENT

a. Information on interest income:

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

	Current Period 31 March 2014		Prior Period 31 March 2013	
	TL	FC	TL	FC
Short-term Loans	789.121	31.212	683.158	41.522
Medium and Long-term Loans	1.164.709	463.271	926.736	358.728
Interest on Loans Under Follow-Up	10.856	-	4.833	-
Premiums Received from the Resource	-	-	-	-
Utilization Support Fund	-	-	-	-
Total	1.964.686	494.483	1.614.727	400.250

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

2. Information on interest income on banks:

	Current Period 31 March 2014		Prior Period 31 March 2013	
	TL	FC	TL	FC
From the CBRT	-	-	-	-
From Domestic Banks	6.912	319	7.611	443
From Foreign Banks	-	1.235	296	1.091
From Headquarters and Branches Abroad	-	-	-	-
Total	6.912	1.554	7.907	1.534

3. Information on interest income on marketable securities:

	Current Period 31 March 2014		Prior Period 31 March 2013	
	TL	FC	TL	FC
From Trading Financial Assets	1.967	47	266	26
From Financial Assets at Fair Value through Profit or Loss	-	-	-	-
From Available-for-sale Financial Assets	658.518	129.400	587.611	121.438
From Held-to-maturity Investments	134.253	43.747	119.941	-
Total	794.738	173.194	707.818	121.464

As stated in Section Three disclosure VII, the Bank has inflation indexed (CPI) government bonds in its available-for sale and held-to-maturity portfolios with semi-annual fixed real coupon rates and a maturity of 5 to 10 years. As disclosed in 'Inflation Indexed Bonds Manual' published by Turkish Treasury, reference index used for the actual payments is determined based on the inflation rates of two months before. The Bank determines the estimated inflation rates in line with this. In this context, as of 31 March 2014, valuation of such assets is made according to estimated annual inflation rate of 9.00 %. If valuation of these securities indexed to the CPI had been done by the reference index valid through 31 March 2014, the Bank's equity securities valuation differences would decrease by TL 33 million, net profit would increase by TL 40 million and be TL 701 million.

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

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b. Information on interest expense:

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

	Current Period 31 March 2014		Prior Period 31 March 2013	
	TL	FC	TL	FC
Banks	14.149	82.676	10.300	73.256
The CBRT	-	-	-	-
Domestic Banks	10.829	2.536	5.525	2.114
Foreign Banks	3.320	80.140	4.775	71.142
Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	681	-	861
Total	14.149	83.357	10.300	74.117

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

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

3. Information on interest expense given to securities issued:

	Current Period 31 March 2014		Prior Period 31 March 2013	
	TL	FC	TL	FC
Interest expense on securities issued	70.526	70.209	52.638	52.336

4. Maturity structure of the interest expense on deposits:

There are no deposits with 7-days notification deposits.

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

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Prior Period - 31.03.2013	Demand Deposit	Time Deposits					Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 Year and Over	
TL							
Bank Deposits	-	26.945	31.899	1.772	1.923	-	62.539
Saving Deposits	51	104.699	348.009	14.584	12.536	15.931	495.810
Public Sector Deposits	1	347	3.303	76	412	77	4.216
Commercial Deposits	215	78.659	104.123	3.306	4.783	1.304	192.390
Other Deposits	5	4.651	16.014	863	12.369	2.865	36.767
Total	272	215.301	503.348	20.601	32.023	20.177	791.722
FC							
Foreign Currency Deposits	1.499	32.885	67.307	5.355	21.592	31.263	159.901
Bank Deposits	-	6.040	21.555	2.754	2.474	18	32.841
Precious Metals Deposits	-	-	-	6	-	-	6
Total	1.499	38.925	88.862	8.115	24.066	31.281	192.748
Grand Total	1.771	254.226	592.210	28.716	56.089	51.458	984.470

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

	Current Period 31 March 2014	Prior Period 31 March 2013
Profit	482.466.861	39.571.658
Income From Capital Market Transactions	144.193	548.952
Income From Derivative Financial Transactions (*)	2.814.063	1.262.567
Foreign Exchange Gains	479.508.605	37.760.139
Loss (-)	482.697.562	39.263.986
Loss from Capital Market Transactions	171.369	129.421
Loss from Derivative Financial Transactions (*)	3.549.639	1.301.024
Foreign Exchange Loss	478.976.554	37.833.541
Total (Net)	(230.701)	307.672

(*) The net profit resulting from the foreign exchange differences related to derivative financial transactions is TL (-) 516.919 (31 March 2013: TL 104.582).

d. Explanations on other operating income:

“Other Operating Income” in the Income Statement mainly consists of collections from receivables for which provisions were provided in prior periods and from profit on property sales.

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

	Current Period 31 March 2014	Prior Period 31 March 2013
Specific Provisions for Loans and Other Receivables	380.871	262.153
III. Group Loans and Receivables	343.712	240.047
IV. Group Loans and Receivables	32.908	14.860
V. Group Loans and Receivables	4.251	7.246
General Provision Expenses	77.672	106.992
Provision Expense for Possible Risks	-	-
Marketable Securities Impairment Expense	26.781	37.793
Financial Assets at Fair Value through Profit or Loss	24	39
Available-for-sale Financial Assets	26.757	37.754
Investments in Associates, Subsidiaries and Held-to-maturity Securities Value Decrease	3.585	39.374
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Held-to-maturity Investments	3.585	39.374
Other	3.976	1.441
Total	492.885	447.753

f. Information related to other operating expenses:

	Current Period 31 March 2014	Prior Period 31 March 2013
Personnel Expenses	365.873	361.744
Reserve for Employee Termination Benefits	1.755	4.463
Bank Social Aid Provision Fund Deficit Provision	-	-
Impairment Expenses of Fixed Assets	-	-
Depreciation Expenses of Fixed Assets	32.986	30.473
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expenses	-	-
Amortization Expenses of Intangible Assets	14.913	10.489
Impairment Expenses of Equity Participations for Which Equity Method is Applied	-	-
Impairment Expenses of Assets Held for Resale	-	-
Depreciation Expenses of Assets Held for Resale	288	21
Impairment Expenses of Fixed Assets Held for Sale	-	-
Other Operating Expenses	340.480	321.492
Operational Leasing Expenses	39.219	33.590
Maintenance Expenses	3.748	3.980
Advertisement Expenses	16.190	34.938
Other Expenses	281.323	248.984
Loss on Sales of Assets	73	405
Other (*)	128.320	245.315
Total	884.688	974.482

(*) The investigation initiated by the Competition Board on November 2011 in accordance with Law No. 4054 on the Protection of Competition against 12 banks and 2 firms in the financial services industry, including the Bank, to determine whether the 4th clause of the aforementioned Law was violated through agreements limiting competition has been finalized and the Competition Board has decided for an administrative fine amounting to TL 172.165. The prior period balance in the “Other” line includes the provision amounting to TL 129.124 (Three-fourth of the subject administrative fine in accordance with framework of 17th clause of Misdemeanor Law).

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g. Information on income/loss from minority interest:

	Current Period	Prior Period
	31 March 2014	31 December 2013
Income/(loss) from minority interest	1	1

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

As of 31 March 2014, the Group has a current tax expense of TL 336.332 and deferred tax expense of TL 147.982. The amount of deferred tax income that occurred due to the temporary differences is TL 53.733 and deferred tax expense is TL 6.808; the amounts of deferred tax income occurred due to the closing of temporary differences is TL 104.709 and deferred tax expense is TL 3.652 respectively.

The Bank has no discontinued operations.

i. Explanation on current period net profit and loss:

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

j. Other figures on profit and loss statement:

"Other Fee and Commission Income" in the Income Statement mainly consists of commissions received from credit card, mutual fund and common stock transactions.

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

a. Explanations on off-balance sheet commitments:

1. Type and amount of irrevocable commitments: TL 13.090.389 asset purchase commitments (31 December 2013: TL 10.444.953), TL 21.774.788 commitment for credit card limits (31 December 2013: TL 21.362.853) and TL 5.427.295 commitments for cheque books (31 December 2013: TL 5.051.733).

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

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

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

	Current Period 31 March 2014	Prior Period 31 December 2013
Bank Acceptance Loans	1.580.679	1.705.986
Letters of Credit	5.514.311	6.207.184
Other Commitments and Contingencies	3.603.836	3.179.275
Total	10.698.826	11.092.445

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

	Current Period 31 March 2014	Prior Period 31 December 2013
Revocable Letters of Guarantee	425.704	470.540
Irrevocable Letters of Guarantee	10.996.649	11.177.820
Letters of Guarantee Given in Advance	2.547.030	2.620.959
Guarantees Given to Customs	4.225.645	2.761.667
Other Letters of Guarantee	2.490.496	2.154.477
Total	20.685.524	19.185.463

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

	Current Period 31 March 2014	Prior Period 31 December 2013
Non-cash Loans Given against Cash Loans	2.569.540	1.808.542
With Original Maturity of 1 Year or Less Than 1 Year	2.032.579	1.329.228
With Original Maturity of More Than 1 Year	536.961	479.314
Other Non-cash Loans	28.814.810	28.469.366
Total	31.384.350	30.277.908

4. Mutual Funds :

As of 31 March 2014, the Group is the founder of 54 mutual funds (31 December 2013: 51 mutual funds) with a unaudited total fund value of TL 2.845.537 (31 December 2013: TL 2.982.884). The shares of the mutual funds established in accordance with the Capital Markets Board legislation are kept dematerialized by Istanbul Settlement and Custody Bank, Inc.

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

Information on cash and cash equivalents:

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

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

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

	Current Period 31 March 2014	Prior Period 31 March 2013
Cash	2.600.510	1.896.814
Cash, Foreign Currency and Other	1.531.782	1.393.924
Demand Deposits in Banks (*)	1.068.728	502.890
Cash Equivalents	2.332.774	2.175.628
Interbank Money Market Placements	-	-
Time Deposits in Banks	1.810.690	1.386.514
Marketable Securities	522.084	789.114
Total Cash and Cash Equivalents	4.933.284	4.072.442

(*) The restricted demand accounts are not included.

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

	Current Period 31 March 2014	Prior Period 31 March 2013
Cash	1.966.990	1.737.783
Cash, Foreign Currency and Other	1.264.824	1.165.743
Demand Deposits in Banks (*)	702.166	572.040
Cash Equivalents	3.423.383	3.093.759
Interbank Money Market Placements	1.000.000	640.000
Time Deposits in Banks	1.392.937	1.880.874
Marketable Securities	1.030.446	572.885
Total Cash and Cash Equivalents	5.390.373	4.831.542

(*) The restricted demand accounts are not included.

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

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

1. Current Period – 31 March 2014:

Group’s Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Group		Other Real and Legal Persons that have been included in the Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	-	-	2.368.097	2.414.017	-	-
Balance at the End of the Period	-	-	2.136.841	2.547.888	-	-
Interest and Commission Income Received	-	-	41.235	296	-	-

2. Prior Period -31 December 2013:

Group’s Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Group		Other Real and Legal Persons that have been included in the Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	-	-	2.090.840	327.121	9	-
Balance at the End of the Period	-	-	2.368.097	2.414.017	-	-
Interest and Commission Income Received[*]	-	-	31.539	485	-	-

[*] Represents 31 March 2013 values.

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

Group’s Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Group		Other Real and Legal Persons that have been included in the Risk Group	
	Current Period 31 March 2014	Prior Period 31 December 2013	Current Period 31 March 2014	Prior Period 31 December 2013	Current Period 31 March 2014	Prior Period 31 December 2013
Deposit						
Balance at the Beginning of the Period	-	-	1.809.565	2.389.225	1.995.056	1.729.420
Balance at the End of the Period	-	-	1.966.498	1.809.565	2.027.741	1.995.056
Interest on Deposits[*]	-	-	36.778	27.622	29.119	21.093

[*] Prior period balances represent 31 March 2013 amounts.

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

**AKBANK T.A.Ş.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AT 31 MARCH 2014**

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

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

Group’s risk group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Group		Other Real and Legal Persons that have been included in the Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
	31 March 2014	31 December 2013	31 March 2014	31 December 2013	31 March 2014	31 December 2013
Transactions at Fair Value Through Profit or Loss						
Beginning of the Period	-	-	2.626.534	2.177.864	-	-
Balance at the End of the Period	-	-	2.589.417	2.626.534	-	-
Total Income/Loss(*)	-	-	(3.181)	(8.246)	-	-
Transactions for Hedging Purposes						
Beginning of the Period	-	-	-	-	-	-
Balance at the End of the Period	-	-	-	-	-	-
Total Income/Loss(*)	-	-	-	-	-	-

(*)Prior period balances represent 31 March 2013 amounts.

Figures presented in the table above show the total of “sale” and “purchase” amounts of the related transactions. Accordingly, as a result of the nature of these transactions, the difference between the “sale” and “purchase” transactions affects the net exposure of the Group. As of 31 March 2014, the net exposure for direct and indirect shareholders of the Group is TL 3.237 (31 December 2013: TL 6.775).

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

As of 31 March 2014 benefits provided to the Group’s key management amount to TL 6.999 (31 March 2013: 6.175).

VII. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS

TL 252,2 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.

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PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY
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AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 2014

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

**SECTION SIX
OTHER EXPLANATIONS**

I. OTHER EXPLANATIONS

None.

**SECTION SEVEN
EXPLANATIONS ON AUDITOR’S REVIEW REPORT**

I. EXPLANATIONS ON AUDITOR’S REVIEW REPORT

The consolidated financial statements for the period ended 31 March 2014 have been reviewed by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member firm of Ernst&Young Global Limited). The auditor’s review report dated 30 April 2014 is presented preceding the consolidated financial statements.

II. EXPLANATIONS AND NOTES PREPARED BY INDEPENDENT AUDITORS

None.