

**AKBANK T.A.Ş.**

**PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL  
STATEMENTS AND RELATED DISCLOSURES  
AT 31 DECEMBER 2015 TOGETHER WITH  
AUDIT REPORT**

**(Convenience translation of publicly announced unconsolidated  
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. of Section three)**

Independent auditor report

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

**Report on the Unconsolidated Financial Statements**

We have audited the accompanying unconsolidated balance sheet of Akbank T.A.Ş. ("the Bank") as at December 31, 2015 and the related unconsolidated income statement, unconsolidated statement of income and expense items accounted under shareholders' equity, unconsolidated statement of cash flows and unconsolidated statement of changes in shareholders' equity for the year then ended and a summary of significant accounting policies and other explanatory notes to the financial statements.

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

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

**Independent Auditor's responsibility**

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

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

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

**Basis of Qualified Opinion**

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

**Qualified Opinion**

In our opinion, except for the effect of the matter referred in the preceding paragraph on the unconsolidated financial statements, the accompanying unconsolidated financial statements the financial statement presents fairly, in all material respects, the financial position of Akbank T.A.Ş. as at December 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with the prevailing accounting principles and standards set out as in accordance with BRSA Accounting and Reporting Legislation.

**Reports on arising from other regulatory requirements**

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

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

**Additional paragraph for convenience translation to English**

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

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

Damla Harman, SMMM  
Partner

İstanbul, 2 February 2016

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

**THE UNCONSOLIDATED FINANCIAL REPORT OF  
AKBANK T.A.Ş. AS OF  
31 DECEMBER 2015**

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The unconsolidated 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 BANK
- **Section Two** - UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- **Section Three** - EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- **Section Four** - INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK
- **Section Five** - EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
- **Section Six** - OTHER EXPLANATIONS
- **Section Seven** - EXPLANATIONS ON INDEPENDENT AUDITOR'S REPORT

The accompanying audited unconsolidated 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, and the related appendices and interpretations on these, and are independently audited.

2 February 2016

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

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

Name-Surname / Title : Türker TUNALI / Senior Vice President  
Phone No : (0 212) 385 55 55  
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## AKBANK T.A.Ş.

### NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2015

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

## SECTION ONE GENERAL INFORMATION ABOUT THE BANK

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

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

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

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

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

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

<u>Title</u>	<u>Name</u>	<u>Responsibility</u>	<u>Education</u>
<b>Chairman:</b>	Suzan SABANCI DİNÇER	Chairman and Executive Board Member	Graduate
<b>Honorary Chairman,</b>		Honorary Chairman,	
<b>Board Member, Consultant:</b>	Erol SABANCI	Board Member and Consultant	Undergraduate
<b>Board of Directors:</b>	Hayri ÇULHACI	Vice Chairman and Executive Board Member	Graduate
	Cem MENĞİ	Executive Board Member	Undergraduate
	Ş. Yaman TÖRÜNER	Board Member	Undergraduate
	A. Aykut DEMİRAY	Board Member	Undergraduate
	I. Aydın GÜNTER	Board Member	Undergraduate
	Emre DERMAN	Board Member	Graduate
	Can PEKER	Board Member	PhD
<b>President and CEO:</b>	S. Hakan BİNBAŞĞIL	Board Member and CEO	Graduate
<b>Head of Internal Audit:</b>	S. Hakan BİNBAŞĞIL	CEO	Graduate
<b>Executive Vice Presidents:</b>	Eyüp ENGIN	Head of Internal Audit	Undergraduate
	A. Fuat AYLA	Credit Allocation	Undergraduate
	K. Atıl ÖZUS	Financial Coordination	Undergraduate
	Kerim ROTA	Treasury	Graduate
	C. Kaan GÜR	Commercial Banking	Undergraduate
	Turgut GÜNEY	Technology and Operation	Graduate
	Orkun OĞUZ	Direct Banking	Graduate
	Bülent OĞUZ	SME Banking	Graduate
	H.Burcu CİVELEK YÜCE	Human Resources and Strategy	Graduate
	Ege GÜLTEKİN	Credit Monitoring and Follow-up	Graduate
	A.Özer İŞFENDİYAROĞLU	Consumer and Private Banking	Graduate
	Levent ÇELEBİOĞLU	Corporate and Investment Banking	Undergraduate
	Hayri ÇULHACI	Head of the Audit Committee	Graduate
<b>Internal Audit Committee:</b>	Ş. Yaman TÖRÜNER	Member of the Audit Committee	Undergraduate

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

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

**AKBANK T.A.Ş.**

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2015**

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

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

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

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

As of 8 May 2015, Corporate Banking Unit's Executive Vice President Alper Hakan Yüksel has resigned from his position. Corporate Banking Unit is continuing its operations as Corporate and Investment Banking and Levent Çelebioğlu has been appointed as the new established Unit's Executive Vice President as of the same date.

As of 30 June 2015, Corporate Communication Unit's Executive Vice President Mehmet Sindel and Private Banking Unit's Executive Vice President Saltık Galatalı have resigned from their positions. Consumer Banking and Payment Systems Unit has merged with Private Banking Unit and Corporate Communications Unit and is continuing its operations as Consumer and Private Banking Unit as of the same date.

As of, 31 July 2015, International Banking Unit's Executive Vice President Hülya Kefeli has resigned from her position. International Banking Unit has merged with Treasury Unit as of the same date.

As of 28 August 2015, Operation Unit's Executive Vice President Özlen Sanıbelli has resigned from her position. Information Technologies Unit has merged with Operation Unit and is continuing its operations as Technology and Operation Unit as of the same date.

**IV. INFORMATION ON SHAREHOLDERS HAVING CONTROL SHARES:**

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

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

The Bank's core business activities include consumer and private banking, commercial banking, SME banking, corporate and investment 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 December 2015, the Bank has 901 branches dispersed throughout the country and 1 branch operating abroad (31 December 2014: 990 branches and 1 branch operating abroad). As of 31 December 2015 the Bank employed 14.050 people (31 December 2014: 16.305). Decrease in the Bank's personnel is caused by the transfer of private security guards to an outsource firm.

**AKBANK T.A.Ş.**
**I. UNCONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2015 (STATEMENT OF FINANCIAL POSITION)**

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

ASSETS	Note (Section Five)	CURRENT PERIOD (31/12/2015)			PRIOR PERIOD (31/12/2014)		
		TL	FC	Total	TL	FC	Total
<b>I. CASH AND BALANCES WITH CENTRAL BANK</b>	<b>(I-a)</b>	<b>2.165.780</b>	<b>23.307.643</b>	<b>25.473.423</b>	<b>3.518.600</b>	<b>16.921.441</b>	<b>20.440.041</b>
<b>II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT or LOSS (Net)</b>	<b>(I-b)</b>	<b>818.288</b>	<b>1.909.624</b>	<b>2.727.912</b>	<b>550.537</b>	<b>856.473</b>	<b>1.407.010</b>
2.1 Trading Financial Assets		818.288	1.909.624	2.727.912	550.537	856.473	1.407.010
2.1.1 Government Debt Securities		1.548	107	1.655	2.705	2.491	5.196
2.1.2 Equity Securities		-	-	-	68	-	68
2.1.3 Trading Derivative Financial Assets		806.782	1.909.517	2.716.299	547.764	853.982	1.401.746
2.1.4 Other Marketable Securities		9.958	-	9.958	-	-	-
2.2 Financial Assets at Fair Value through Profit or Loss		-	-	-	-	-	-
2.2.1 Government Debt Securities		-	-	-	-	-	-
2.2.2 Equity Securities		-	-	-	-	-	-
2.2.3 Loans		-	-	-	-	-	-
2.2.4 Other Marketable Securities		-	-	-	-	-	-
<b>III. BANKS</b>	<b>(I-c)</b>	<b>1.556.559</b>	<b>6.301.738</b>	<b>7.858.297</b>	<b>394.111</b>	<b>4.361.986</b>	<b>4.756.097</b>
<b>IV. MONEY MARKETS</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>700.215</b>	<b>-</b>	<b>700.215</b>
4.1 Interbank Money Market Placements		-	-	-	-	-	-
4.2 Istanbul Stock Exchange Money Market Placements		-	-	-	-	-	-
4.3 Receivables from Reverse Repurchase Agreements		-	-	-	700.215	-	700.215
<b>V. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Net)</b>	<b>(I-d)</b>	<b>19.586.578</b>	<b>21.873.129</b>	<b>41.459.707</b>	<b>21.409.138</b>	<b>16.662.333</b>	<b>38.071.471</b>
5.1 Equity Securities		12.671	115.958	128.629	12.162	161	12.323
5.2 Government Debt Securities		19.376.723	15.929.478	35.306.201	21.283.380	11.154.528	32.437.908
5.3 Other Marketable Securities		197.184	5.827.693	6.024.877	113.596	5.507.644	5.621.240
<b>VI. LOANS and RECEIVABLES</b>	<b>(I-e)</b>	<b>92.888.955</b>	<b>48.874.528</b>	<b>141.763.483</b>	<b>86.195.794</b>	<b>39.782.190</b>	<b>125.977.984</b>
6.1 Loans and Receivables		92.741.642	48.874.528	141.616.170	86.044.468	39.782.190	125.826.658
6.1.1 Loans to Bank's Risk Group	<b>(VII)</b>	2.603.899	1.383.311	3.987.210	1.884.626	1.121.385	3.006.011
6.1.2 Government Debt Securities		-	-	-	-	-	-
6.1.3 Other		90.137.743	47.491.217	137.628.960	84.159.842	38.660.805	122.820.647
6.2 Loans under Follow-up		3.373.323	-	3.373.323	2.330.155	-	2.330.155
6.3 Specific Provisions [-]		3.226.010	-	3.226.010	2.178.829	-	2.178.829
<b>VII. FACTORING RECEIVABLES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII. HELD-TO-MATURITY SECURITIES (Net)</b>	<b>(I-f)</b>	<b>5.184.561</b>	<b>5.503.681</b>	<b>10.688.242</b>	<b>5.790.449</b>	<b>5.009.456</b>	<b>10.799.905</b>
8.1 Government Debt Securities		5.184.561	5.503.681	10.688.242	5.790.449	5.009.456	10.799.905
8.2 Other Marketable Securities		-	-	-	-	-	-
<b>IX. INVESTMENTS IN ASSOCIATES (Net)</b>	<b>(I-g)</b>	<b>3.923</b>	<b>-</b>	<b>3.923</b>	<b>3.923</b>	<b>-</b>	<b>3.923</b>
9.1 Associates Consolidated Based on Equity Method		-	-	-	-	-	-
9.2 Unconsolidated Associates		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
<b>X. SUBSIDIARIES (Net)</b>	<b>(I-h)</b>	<b>347.316</b>	<b>1.003.425</b>	<b>1.350.741</b>	<b>287.325</b>	<b>619.905</b>	<b>907.230</b>
10.1 Financial Subsidiaries		347.316	1.003.425	1.350.741	287.325	619.905	907.230
10.2 Non-Financial Subsidiaries		-	-	-	-	-	-
<b>XI. JOINT VENTURES (Net)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
11.1 Joint Ventures Consolidated Based on Equity Method		-	-	-	-	-	-
11.2 Unconsolidated Joint Ventures		-	-	-	-	-	-
11.2.1 Financial Joint Ventures		-	-	-	-	-	-
11.2.2 Non-Financial Joint Ventures		-	-	-	-	-	-
<b>XII. FINANCIAL LEASE RECEIVABLES (Net)</b>	<b>(I-i)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
12.1 Financial Lease Receivables		-	-	-	-	-	-
12.2 Operating Lease Receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned Income [-]		-	-	-	-	-	-
<b>XIII. HEDGING DERIVATIVE FINANCIAL ASSETS</b>	<b>(I-j)</b>	<b>648.858</b>	<b>-</b>	<b>648.858</b>	<b>284.135</b>	<b>-</b>	<b>284.135</b>
13.1 Fair Value Hedge		648.858	-	648.858	284.135	-	284.135
13.2 Cash Flow Hedge		-	-	-	-	-	-
13.3 Foreign Net Investment Hedge		-	-	-	-	-	-
<b>XIV. PROPERTY AND EQUIPMENT (Net)</b>	<b>(I-k)</b>	<b>788.655</b>	<b>1.746</b>	<b>790.401</b>	<b>858.420</b>	<b>1.768</b>	<b>860.188</b>
<b>XV. INTANGIBLE ASSETS (Net)</b>	<b>(I-l)</b>	<b>220.664</b>	<b>-</b>	<b>220.664</b>	<b>226.855</b>	<b>9</b>	<b>226.864</b>
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		220.664	-	220.664	226.855	9	226.864
<b>XVI. INVESTMENT PROPERTY (Net)</b>	<b>(I-m)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XVII. TAX ASSET</b>		<b>132.508</b>	<b>13.676</b>	<b>146.184</b>	<b>10.041</b>	<b>1.608</b>	<b>11.649</b>
17.1 Current Tax Asset		-	-	-	-	-	-
17.2 Deferred Tax Asset	<b>(I-n)</b>	132.508	13.676	146.184	10.041	1.608	11.649
<b>XVIII. PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (Net)</b>	<b>(I-o)</b>	<b>179.537</b>	<b>-</b>	<b>179.537</b>	<b>158.294</b>	<b>-</b>	<b>158.294</b>
18.1 Held for Sale Purpose		179.537	-	179.537	158.294	-	158.294
18.2 Related to Discontinued Operations		-	-	-	-	-	-
<b>XIX. OTHER ASSETS</b>	<b>(I-p)</b>	<b>929.214</b>	<b>568.402</b>	<b>1.497.616</b>	<b>796.735</b>	<b>48.879</b>	<b>845.614</b>
<b>TOTAL ASSETS</b>		<b>125.451.396</b>	<b>109.357.592</b>	<b>234.808.988</b>	<b>121.184.572</b>	<b>84.266.048</b>	<b>205.450.620</b>

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

**AKBANK T.A.S.**
**I. UNCONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2015 (STATEMENT OF FINANCIAL POSITION)**

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

LIABILITIES	Note (Section Five)	CURRENT PERIOD (31/12/2015)			PRIOR PERIOD (31/12/2014)		
		TL	FC	Total	TL	FC	Total
<b>I. DEPOSITS</b>	<b>(II-a)</b>	<b>68.696.386</b>	<b>70.266.111</b>	<b>138.962.497</b>	<b>65.603.145</b>	<b>47.770.256</b>	<b>113.373.401</b>
1.1 Deposits of Bank's Risk Group	(VII)	2.552.668	2.182.629	4.735.297	2.465.830	1.415.992	3.881.822
1.2 Other		66.143.718	68.063.482	134.207.200	63.137.315	46.354.264	109.491.579
<b>II. TRADING DERIVATIVE FINANCIAL LIABILITIES</b>	<b>(II-b)</b>	<b>479.349</b>	<b>967.525</b>	<b>1.446.874</b>	<b>225.223</b>	<b>682.763</b>	<b>907.986</b>
<b>III. FUNDS BORROWED</b>	<b>(II-c)</b>	<b>193.130</b>	<b>23.520.208</b>	<b>23.713.338</b>	<b>301.761</b>	<b>20.686.965</b>	<b>20.988.726</b>
<b>IV. MONEY MARKETS</b>		<b>6.169.189</b>	<b>16.659.919</b>	<b>22.829.108</b>	<b>4.430.973</b>	<b>23.009.630</b>	<b>27.440.603</b>
4.1 Funds from Interbank Money Market		-	-	-	-	-	-
4.2 Funds from Istanbul Stock Exchange Money Market		-	-	-	-	-	-
4.3 Funds Provided Under Repurchase Agreements		6.169.189	16.659.919	22.829.108	4.430.973	23.009.630	27.440.603
<b>V. SECURITIES ISSUED (Net)</b>	<b>(II-d)</b>	<b>3.182.038</b>	<b>8.084.029</b>	<b>11.266.067</b>	<b>3.055.236</b>	<b>6.460.607</b>	<b>9.515.843</b>
5.1 Bills		1.545.846	892.932	2.438.778	1.485.525	769.015	2.254.540
5.2 Asset Backed Securities		-	-	-	-	-	-
5.3 Bonds		1.636.192	7.191.097	8.827.289	1.569.711	5.691.592	7.261.303
<b>VI. FUNDS</b>		-	-	-	-	-	-
6.1 Borrower Funds		-	-	-	-	-	-
6.2 Other		-	-	-	-	-	-
<b>VII. MISCELLANEOUS PAYABLES</b>		<b>3.508.887</b>	<b>952.862</b>	<b>4.461.749</b>	<b>2.845.919</b>	<b>451.454</b>	<b>3.297.373</b>
<b>VIII. OTHER LIABILITIES</b>	<b>(II-e)</b>	<b>1.350.110</b>	<b>118.766</b>	<b>1.468.876</b>	<b>1.319.540</b>	<b>127.756</b>	<b>1.447.296</b>
<b>IX. FACTORING PAYABLES</b>		-	-	-	-	-	-
<b>X. FINANCIAL LEASE PAYABLES (Net)</b>	<b>(II-f)</b>	<b>63.970</b>	-	<b>63.970</b>	<b>109.431</b>	-	<b>109.431</b>
10.1 Financial Lease Payables		82.124	-	82.124	141.198	-	141.198
10.2 Operating Lease Payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred Financial Lease Expenses ( - )		18.154	-	18.154	31.767	-	31.767
<b>XI. HEDGING DERIVATIVE FINANCIAL LIABILITIES</b>	<b>(II-g)</b>	-	<b>157.528</b>	<b>157.528</b>	-	<b>105.952</b>	<b>105.952</b>
11.1 Fair Value Hedge		-	157.528	157.528	-	105.952	105.952
11.2 Cash Flow Hedge		-	-	-	-	-	-
11.3 Foreign Net Investment Hedge		-	-	-	-	-	-
<b>XII. PROVISIONS</b>	<b>(II-h)</b>	<b>2.471.640</b>	<b>694.086</b>	<b>3.165.726</b>	<b>2.090.849</b>	<b>551.983</b>	<b>2.642.832</b>
12.1 General Loan Loss Provisions		1.856.322	688.380	2.544.702	1.581.266	541.678	2.122.944
12.2 Restructuring Provisions		-	-	-	-	-	-
12.3 Reserve for Employee Benefits		187.178	-	187.178	124.445	-	124.445
12.4 Insurance Technical Provisions (Net)		-	-	-	-	-	-
12.5 Other Provisions		428.140	5.706	433.846	385.138	10.305	395.443
<b>XIII. TAX LIABILITY</b>	<b>(II-i)</b>	<b>593.181</b>	<b>10.897</b>	<b>604.078</b>	<b>501.330</b>	<b>8.021</b>	<b>509.351</b>
13.1 Current Tax Liability		593.181	10.897	604.078	501.330	8.021	509.351
13.2 Deferred Tax Liability		-	-	-	-	-	-
<b>XIV. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS</b>		-	-	-	-	-	-
14.1 Held for Sale Purpose		-	-	-	-	-	-
14.2 Related to Discontinued Operations		-	-	-	-	-	-
<b>XV. SUBORDINATED LOANS</b>		-	-	-	-	-	-
<b>XVI. SHAREHOLDERS' EQUITY</b>	<b>(II-j)</b>	<b>27.199.518</b>	<b>(510.341)</b>	<b>26.689.177</b>	<b>25.253.297</b>	<b>(141.471)</b>	<b>25.111.826</b>
16.1 Paid-in capital		4.000.000	-	4.000.000	4.000.000	-	4.000.000
16.2 Capital Reserves		2.438.167	(510.341)	1.927.826	2.923.097	(141.471)	2.781.626
16.2.1 Share Premium		1.700.000	-	1.700.000	1.700.000	-	1.700.000
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Marketable Securities Valuation Differences	(II-k)	(627.540)	(485.221)	(1.112.761)	(181.747)	(112.073)	(293.820)
16.2.4 Property and Equipment Revaluation Differences		47.106	-	47.106	47.106	-	47.106
16.2.5 Intangible Assets Revaluation Differences		-	-	-	-	-	-
16.2.6 Investment Properties Revaluation Differences		-	-	-	-	-	-
16.2.7 Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures		4.895	-	4.895	4.895	-	4.895
16.2.8 Hedging Funds (Effective portion)		(35.257)	(25.120)	(60.377)	(53.049)	(29.398)	(82.447)
16.2.9 Value Increase of Assets Held for Sale		-	-	-	-	-	-
16.2.10 Other Capital Reserves		1.348.963	-	1.348.963	1.405.892	-	1.405.892
16.3 Profit Reserves		17.766.503	-	17.766.503	15.170.522	-	15.170.522
16.3.1 Legal Reserves		1.282.027	-	1.282.027	1.245.067	-	1.245.067
16.3.2 Status Reserves		-	-	-	-	-	-
16.3.3 Extraordinary Reserves		16.372.097	-	16.372.097	13.823.484	-	13.823.484
16.3.4 Other Profit Reserves		112.379	-	112.379	101.971	-	101.971
16.4 Income or (Loss)		2.994.848	-	2.994.848	3.159.678	-	3.159.678
16.4.1 Prior Periods' Income or (Loss)		-	-	-	-	-	-
16.4.2 Current Period Income or (Loss)		2.994.848	-	2.994.848	3.159.678	-	3.159.678
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>113.907.398</b>	<b>120.901.590</b>	<b>234.808.988</b>	<b>105.736.704</b>	<b>99.713.916</b>	<b>205.450.620</b>

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



**AKBANK T.A.Ş.****II. UNCONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2015**

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

INCOME AND EXPENSE ITEMS		Note (Section Five)	CURRENT PERIOD (01/01-31/12/2015)	PRIOR PERIOD (01/01-31/12/2014)
<b>I.</b>	<b>INTEREST INCOME</b>	<b>(III-a)</b>	<b>15.247.388</b>	<b>14.093.863</b>
1.1	Interest on Loans	<b>(III-a-1)</b>	11.991.681	10.303.447
1.2	Interest on Reserve Requirements		58.992	2.915
1.3	Interest on Banks	<b>(III-a-2)</b>	50.154	8.939
1.4	Interest on Money Market Transactions		93.883	34.491
1.5	Interest on Marketable Securities Portfolio	<b>(III-a-3)</b>	3.021.903	3.706.507
1.5.1	Trading Financial Assets		275	434
1.5.2	Financial Assets at Fair Value Through Profit or Loss		-	-
1.5.3	Available-for-sale Financial Assets		2.378.916	3.014.965
1.5.4	Held- to- maturity Investments		642.712	691.108
1.6	Financial Lease Income		-	-
1.7	Other Interest Income		30.775	37.564
<b>II.</b>	<b>INTEREST EXPENSE</b>	<b>(III-b)</b>	<b>7.909.944</b>	<b>7.172.591</b>
2.1	Interest on Deposits	<b>(III-b-4)</b>	5.979.397	5.316.381
2.2	Interest on Funds Borrowed	<b>(III-b-1)</b>	401.517	326.327
2.3	Interest Expense on Money Market Transactions		812.641	926.412
2.4	Interest on Securities Issued	<b>(III-b-3)</b>	681.358	570.729
2.5	Other Interest Expenses		35.031	32.742
<b>III.</b>	<b>NET INTEREST INCOME (I - II)</b>		<b>7.337.444</b>	<b>6.921.272</b>
<b>IV.</b>	<b>NET FEES AND COMMISSIONS INCOME</b>		<b>2.354.254</b>	<b>2.358.780</b>
4.1	Fees and Commissions Received		2.821.774	2.753.364
4.1.1	Non-cash Loans		179.395	155.910
4.1.2	Other		2.642.379	2.597.454
4.2	Fees and Commissions Paid		467.520	394.584
4.2.1	Non-cash Loans		868	667
4.2.2	Other		466.652	393.917
<b>V.</b>	<b>DIVIDEND INCOME</b>	<b>(III-c)</b>	<b>13.337</b>	<b>27.552</b>
<b>VI.</b>	<b>TRADING INCOME / (LOSS) (Net)</b>	<b>(III-d)</b>	<b>54.812</b>	<b>(110.723)</b>
6.1	Trading Gains / (Losses) on Securities		211.903	707.037
6.2	Gains / (Losses) on Derivative Financial Transactions		(529.940)	(1.352.142)
6.3	Foreign Exchange Gains / (Losses)		372.849	534.382
<b>VII.</b>	<b>OTHER OPERATING INCOME</b>	<b>(III-e)</b>	<b>603.839</b>	<b>607.066</b>
<b>VIII.</b>	<b>TOTAL OPERATING INCOME (III+IV+V+VI+VII)</b>		<b>10.363.686</b>	<b>9.803.947</b>
<b>IX.</b>	<b>PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)</b>	<b>(III-f)</b>	<b>2.322.200</b>	<b>2.053.317</b>
<b>X.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	<b>(III-g)</b>	<b>4.213.815</b>	<b>3.712.664</b>
<b>XI.</b>	<b>NET OPERATING INCOME/(LOSS) (VIII-IX-X)</b>		<b>3.827.671</b>	<b>4.037.966</b>
<b>XII.</b>	<b>EXCESS AMOUNT RECORDED AS</b>			
	<b>INCOME AFTER MERGER</b>		-	-
<b>XIII.</b>	<b>INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD</b>		-	-
<b>XIV.</b>	<b>INCOME/(LOSS) ON NET MONETARY POSITION</b>		-	-
<b>XV.</b>	<b>PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XI+...+XIV)</b>		<b>3.827.671</b>	<b>4.037.966</b>
<b>XVI.</b>	<b>TAX PROVISION FOR CONTINUED OPERATIONS (±)</b>	<b>(III-i)</b>	<b>832.823</b>	<b>878.288</b>
16.1	Current Tax Provision		806.798	1.039.327
16.2	Deferred Tax Provision		26.025	(161.039)
<b>XVII.</b>	<b>CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XV±XVI)</b>		<b>2.994.848</b>	<b>3.159.678</b>
<b>XVIII.</b>	<b>INCOME FROM DISCONTINUED OPERATIONS</b>		-	-
18.1	Income from Non-current Assets Held for Sale		-	-
18.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures		-	-
18.3	Income from Other Discontinued Operations		-	-
<b>XIX.</b>	<b>EXPENSES FOR DISCONTINUED OPERATIONS (-)</b>		-	-
19.1	Expenses for Non-current Assets Held for Sale		-	-
19.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-
19.3	Expenses for Other Discontinued Operations		-	-
<b>XX.</b>	<b>PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XVIII-XIX)</b>		-	-
<b>XXI.</b>	<b>TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>		-	-
21.1	Current Tax Provision		-	-
21.2	Deferred Tax Provision		-	-
<b>XXII.</b>	<b>CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)</b>		-	-
<b>XXIII.</b>	<b>NET INCOME/(LOSS) (XVII+XXII)</b>	<b>(III-k)</b>	<b>2.994.848</b>	<b>3.159.678</b>
	Earnings per share (in full TL)		0,00749	0,00790

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

**AKBANK T.A.S.**
**III. UNCONSOLIDATED OFF-BALANCE SHEET COMMITMENTS AS OF 31 DECEMBER 2015**

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

	Note (Section Five)	CURRENT PERIOD (31/12/2015)			PRIOR PERIOD (31/12/2014)		
		TL	FC	Total	TL	FC	Total
<b>A. OFF-BALANCE SHEET COMMITMENTS (I+II+III)</b>		<b>97.042.850</b>	<b>225.281.018</b>	<b>322.323.868</b>	<b>86.440.890</b>	<b>164.804.370</b>	<b>251.245.260</b>
<b>I. GUARANTEES AND WARRANTIES</b>	<b>(IV-a-2, 3)</b>	<b>13.762.203</b>	<b>18.913.025</b>	<b>32.675.228</b>	<b>14.835.627</b>	<b>18.116.064</b>	<b>32.951.691</b>
1.1 Letters of Guarantee		11.862.428	10.764.100	22.626.528	13.274.640	9.169.549	22.444.189
1.1.1 Guarantees Subject to State Tender Law		489.460	1.799.894	2.289.354	303.407	1.575.448	1.878.855
1.1.2 Guarantees Given for Foreign Trade Operations		-	4.114.385	4.114.385	-	3.458.994	3.458.994
1.1.3 Other Letters of Guarantee		11.372.968	4.849.821	16.222.789	12.971.233	4.135.107	17.106.340
1.2 Bank Acceptances		-	933.230	933.230	-	1.131.505	1.131.505
1.2.1 Import Letter of Acceptance		-	933.230	933.230	-	1.131.505	1.131.505
1.2.2 Other Bank Acceptances		-	-	-	-	-	-
1.3 Letters of Credit		396	5.326.265	5.326.661	-	5.904.981	5.904.981
1.3.1 Documentary Letters of Credit		396	4.846.143	4.846.539	-	5.362.816	5.362.816
1.3.2 Other Letters of Credit		-	480.122	480.122	-	542.165	542.165
1.4 Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5 Endorsements		-	-	-	-	-	-
1.5.1 Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2 Other Endorsements		-	-	-	-	-	-
1.6 Purchase Guarantees for Securities Issued		-	-	-	-	-	-
1.7 Factoring Guarantees		-	22.866	22.866	-	22.745	22.745
1.8 Other Guarantees		115.520	1.852.899	1.968.419	76.813	1.870.893	1.947.706
1.9 Other Collaterals		1.783.859	13.665	1.797.524	1.484.174	16.391	1.500.565
<b>II. COMMITMENTS</b>	<b>(IV-a-1)</b>	<b>35.082.215</b>	<b>12.341.070</b>	<b>47.423.285</b>	<b>38.732.972</b>	<b>13.433.516</b>	<b>52.166.488</b>
2.1 Irrevocable Commitments		34.577.080	12.341.070	46.918.150	38.346.513	13.433.516	51.780.029
2.1.1 Asset Purchase Commitments		2.190.531	2.963.600	5.154.131	2.533.905	7.214.306	9.748.211
2.1.2 Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3 Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4 Loan Granting Commitments		5.643.211	4.333.444	9.976.655	5.397.158	1.723.655	7.120.813
2.1.5 Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6 Commitments for Reserve Requirements		-	-	-	-	-	-
2.1.7 Commitments for Cheque Payments		5.764.751	-	5.764.751	5.409.062	-	5.409.062
2.1.8 Tax and Fund Liabilities from Export Commitments		2.956	-	2.956	2.196	-	2.196
2.1.9 Commitments for Credit Card Limits		17.672.898	-	17.672.898	21.109.490	-	21.109.490
2.1.10 Commitments for Credit Cards and Banking Services Promotions		95.366	-	95.366	126.962	-	126.962
2.1.11 Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12 Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.13 Other Irrevocable Commitments		3.207.367	5.044.026	8.251.393	3.767.740	4.495.555	8.263.295
2.2 Revocable Commitments		505.135	-	505.135	386.459	-	386.459
2.2.1 Revocable Loan Granting Commitments		505.135	-	505.135	386.459	-	386.459
2.2.2 Other Revocable Commitments		-	-	-	-	-	-
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>(IV-b)</b>	<b>48.198.432</b>	<b>194.026.923</b>	<b>242.225.355</b>	<b>32.872.291</b>	<b>133.254.790</b>	<b>166.127.081</b>
3.1 Hedging Derivative Financial Instruments		1.228.638	11.197.395	12.426.033	871.688	8.754.550	9.626.238
3.1.1 Fair Value Hedges		1.228.638	11.197.395	12.426.033	871.688	8.754.550	9.626.238
3.1.2 Cash Flow Hedges		-	-	-	-	-	-
3.1.3 Foreign Net Investment Hedges		-	-	-	-	-	-
3.2 Trading Derivative Financial Instruments		46.969.794	182.829.528	229.799.322	32.000.603	124.500.240	156.500.843
3.2.1 Forward Foreign Currency Buy/Sell Transactions		6.128.480	8.958.219	15.086.699	4.072.104	4.952.130	9.024.234
3.2.1.1 Forward Foreign Currency Transactions-Buy		2.647.607	4.845.645	7.493.252	1.889.739	2.578.466	4.468.205
3.2.1.2 Forward Foreign Currency Transactions-Sell		3.480.873	4.112.574	7.593.447	2.182.365	2.373.664	4.556.029
3.2.2 Swap Transactions Related to Foreign Currency and Interest Rates		29.738.415	104.406.055	134.144.470	20.001.968	67.094.608	87.096.576
3.2.2.1 Foreign Currency Swap-Buy		11.246.658	28.538.905	39.785.563	4.509.779	22.111.132	26.620.911
3.2.2.2 Foreign Currency Swap-Sell		15.671.757	20.415.368	36.087.125	13.173.023	8.912.914	22.085.937
3.2.2.3 Interest Rate Swap-Buy		1.410.000	27.725.891	29.135.891	1.159.583	18.035.281	19.194.864
3.2.2.4 Interest Rate Swap-Sell		1.410.000	27.725.891	29.135.891	1.159.583	18.035.281	19.194.864
3.2.3 Foreign Currency, Interest Rate and Securities Options		10.274.802	58.882.918	69.157.720	7.776.789	46.175.887	53.952.676
3.2.3.1 Foreign Currency Options-Buy		4.938.312	7.023.471	11.961.783	3.802.404	5.939.815	9.742.219
3.2.3.2 Foreign Currency Options-Sell		5.336.490	6.753.791	12.090.281	3.974.385	5.754.002	9.728.387
3.2.3.3 Interest Rate Options-Buy		-	22.552.828	22.552.828	-	17.241.035	17.241.035
3.2.3.4 Interest Rate Options-Sell		-	22.552.828	22.552.828	-	17.241.035	17.241.035
3.2.3.5 Securities Options-Buy		-	-	-	-	-	-
3.2.3.6 Securities Options-Sell		-	-	-	-	-	-
3.2.4 Foreign Currency Futures		-	-	-	-	-	-
3.2.4.1 Foreign Currency Futures-Buy		-	-	-	-	-	-
3.2.4.2 Foreign Currency Futures-Sell		-	-	-	-	-	-
3.2.5 Interest Rate Futures		-	-	-	-	-	-
3.2.5.1 Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2 Interest Rate Futures-Sell		-	-	-	-	-	-
3.2.6 Other		828.097	10.582.336	11.410.433	149.742	6.277.615	6.427.357
<b>B. CUSTODY AND PLEDGES RECEIVED (IV+V+VI)</b>		<b>611.006.886</b>	<b>159.670.572</b>	<b>770.677.458</b>	<b>554.544.585</b>	<b>130.774.658</b>	<b>685.319.243</b>
<b>IV. ITEMS HELD IN CUSTODY</b>		<b>26.860.299</b>	<b>11.806.667</b>	<b>38.666.966</b>	<b>48.966.169</b>	<b>10.755.475</b>	<b>59.721.644</b>
4.1 Customer Fund and Portfolio Balances		2.820.657	-	2.820.657	2.883.149	-	2.883.149
4.2 Investment Securities Held in Custody		5.230.194	818.636	6.048.830	12.796.644	957.671	13.754.315
4.3 Cheques Received for Collection		14.928.116	876.770	15.804.886	29.969.396	690.016	30.659.412
4.4 Commercial Notes Received for Collection		3.395.579	1.454.631	4.850.210	2.828.122	1.084.489	3.912.611
4.5 Other Assets Received for Collection		-	-	-	-	-	-
4.6 Assets Received for Public Offering		-	-	-	-	-	-
4.7 Other Items Under Custody		485.753	8.656.630	9.142.383	488.858	8.023.299	8.512.157
4.8 Custodians		-	-	-	-	-	-
<b>V. PLEDGES RECEIVED</b>		<b>201.367.218</b>	<b>48.499.397</b>	<b>249.866.615</b>	<b>157.707.934</b>	<b>40.898.480</b>	<b>198.606.414</b>
5.1 Marketable Securities		93.300.273	443.023	93.743.296	59.432.194	128.592	59.560.786
5.2 Guarantee Notes		737.605	408.356	1.145.961	738.869	279.498	1.018.367
5.3 Commodity		-	34.884	34.884	6.000	27.541	33.541
5.4 Warranty		-	-	-	-	-	-
5.5 Immovables		78.442.536	35.614.821	114.057.357	63.812.173	29.788.502	93.600.675
5.6 Other Pledged Items		28.886.804	11.998.313	40.885.117	33.718.698	10.674.347	44.393.045
5.7 Pledged Items-Depository		-	-	-	-	-	-
<b>VI. ACCEPTED BILL, GUARANTEES AND WARRANTIES</b>		<b>382.779.369</b>	<b>99.364.508</b>	<b>482.143.877</b>	<b>347.870.482</b>	<b>79.120.703</b>	<b>426.991.185</b>
<b>TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)</b>		<b>708.049.736</b>	<b>384.951.590</b>	<b>1.093.001.326</b>	<b>640.985.475</b>	<b>295.579.028</b>	<b>936.564.503</b>

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

**AKBANK T.A.Ş.****IV. UNCONSOLIDATED STATEMENT OF INCOME AND EXPENSES ACCOUNTED UNDER SHAREHOLDERS' EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2015**

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

<b>INCOME AND EXPENSES ACCOUNTED UNDER SHAREHOLDERS' EQUITY</b>	<b>CURRENT PERIOD (31/12/2015)</b>	<b>PRIOR PERIOD (31/12/2014)</b>
<b>I. ADDITIONS TO MARKETABLE SECURITIES VALUATION DIFFERENCES FROM AVAILABLE- FOR- SALE FINANCIAL ASSETS</b>	<b>(1.023.676)</b>	<b>1.326.993</b>
<b>II. PROPERTY AND EQUIPMENT REVALUATION DIFFERENCES</b>	-	-
<b>III. INTANGIBLE ASSETS REVALUATION DIFFERENCES</b>	-	-
<b>IV. TRANSLATION DIFFERENCES FROM FOREIGN CURRENCY TRANSACTIONS</b>	-	-
<b>V. PROFIT/LOSS FROM CASH FLOW HEDGE DERIVATIVE FINANCIAL ASSETS (Effective Portion)</b>	<b>27.588</b>	<b>26.651</b>
<b>VI. PROFIT/LOSS FROM FOREIGN NET INVESTMENT HEDGE DERIVATIVE FINANCIAL ASSETS (Effective Portion)</b>	-	-
<b>VII. EFFECTS OF CHANGES IN ACCOUNTING POLICY AND CORRECTIONS</b>	-	-
<b>VIII. OTHER INCOME/EXPENSE ACCOUNTED UNDER SHAREHOLDERS' EQUITY AS PER TAS</b>	<b>(63.783)</b>	<b>(5.785)</b>
<b>IX. TAX RELATED TO VALUATION DIFFERENCES</b>	<b>211.974</b>	<b>(269.572)</b>
<b>X. NET INCOME/EXPENSE DIRECTLY ACCOUNTED UNDER SHAREHOLDERS' EQUITY (I+II+...+IX)</b>	<b>(847.897)</b>	<b>1.078.287</b>
<b>XI. CURRENT PERIOD INCOME / LOSS</b>	<b>2.994.848</b>	<b>3.159.678</b>
11.1 Net Change in Fair Value of Marketable Securities (Transfer to Profit/Loss)	16.286	567.312
11.2 Part of Cash Flow Hedge Derivative Financial Assets Reclassified and Presented on the Income Statement	(22.070)	(21.321)
11.3 Part of Foreign Net Investment Hedge Derivative Financial Assets Reclassified and Presented on the Income Statement	-	-
11.4 Other	3.000.632	2.613.687
<b>XII. TOTAL INCOME / LOSS ACCOUNTED FOR THE PERIOD (X±XI)</b>	<b>2.146.951</b>	<b>4.237.965</b>

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

**AKBANK T.A.S.**

**V. UNCONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2015**

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

	Note (Section Five)	Paid-in Capital	Adjustment to Share Capital(*)	Share Premiums	Share Cancellation Profits	Legal Reserves	Status Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Income (Loss)	Prior Period Net Income (Loss)	Marketable Securities Value Increase Fund	Revaluation Fund	Bonus Shares from Invest. in Ass., Subs. and J.V.	Hedging Transactions	Val. Chan. in Prop. and Eq. HFS Purp./ Disc. Opr.	Total Shareholders' Equity
<b>PRIOR PERIOD</b>																	
<b>(31/12/2014)</b>																	
I.	Beginning Balance	4.000.000	1.405.892	1.700.000	-	1.218.319	-	11.378.405	103.867	2.942.042	-	(1.355.414)	47.106	2.729	(103.768)	-	21.339.178
II.	Corrections and Accounting Policy Changes Made According to TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted Beginning Balance (I+II)	(II-I)	4.000.000	1.405.892	1.700.000	-	1.218.319	-	11.378.405	103.867	2.942.042	-	(1.355.414)	47.106	2.729	(103.768)	21.339.178
<b>Changes in the period</b>																	
IV.	Increase/Decrease due to Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Marketable Securities Valuation Differences	-	-	-	-	-	-	-	-	-	-	1.061.594	-	-	-	-	1.061.594
VI.	Hedging transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	21.321	-	21.321
4.2	Foreign Net Investment Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	21.321	-	21.321
VI.	Property and Equipment Revaluation Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Intangible Assets Revaluation Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Intangible Assets Revaluation Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	2.166	-	-	2.166
X.	Translation Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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 Issuance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Share Cancellation Profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII.	Other	-	-	-	-	-	-	-	(4.628)	-	-	-	-	-	-	-	(4.628)
XIX.	Current Year Income or (Loss)	-	-	-	-	-	-	-	-	3.159.678	-	-	-	-	-	-	3.159.678
XX.	Profit Distribution	-	-	-	-	26.748	-	2.445.079	2.732	(2.942.042)	-	-	-	-	-	-	(467.483)
20.1	Dividends paid	-	-	-	-	26.748	-	2.445.079	2.732	(467.483)	-	-	-	-	-	-	(467.483)
20.2	Transfers to Reserves	-	-	-	-	26.748	-	2.445.079	2.732	(2.474.559)	-	-	-	-	-	-	-
20.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Ending Balance (III+IV+V+...+XVIII+XIX+XX)</b>		<b>4.000.000</b>	<b>1.405.892</b>	<b>1.700.000</b>	<b>-</b>	<b>1.245.067</b>	<b>-</b>	<b>13.823.484</b>	<b>101.971</b>	<b>3.159.678</b>	<b>-</b>	<b>(293.820)</b>	<b>47.106</b>	<b>4.895</b>	<b>(82.447)</b>	<b>-</b>	<b>25.111.826</b>
<b>CURRENT PERIOD</b>																	
<b>(31/12/2015)</b>																	
I.	Prior Period End Balance	4.000.000	1.405.892	1.700.000	-	1.245.067	-	13.823.484	101.971	3.159.678	-	(293.820)	47.106	4.895	(82.447)	-	25.111.826
<b>Changes in the period</b>																	
II.	Increase/Decrease due to Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Marketable Securities Valuation Differences	-	-	-	-	-	-	-	-	-	-	(818.941)	-	-	-	-	(818.941)
IV.	Hedging transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	22.070	-	22.070
4.1	Cash flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	22.070	-	22.070
4.2	Foreign Net Investment Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Property and Equipment Revaluation Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Intangible Assets Revaluation Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Translation Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Changes due to the disposal of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Changes due to the reclassification of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Effects of changes in equity of investments in associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Capital Increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1	Cash Increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2	Internal Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Share Issuance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Share Cancellation Profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Other	-	-	-	-	-	-	-	(51.026)	-	-	-	-	-	-	-	(51.026)
XVII.	Current Year Income or (Loss)	-	-	-	-	-	-	-	-	2.994.848	-	-	-	-	-	-	2.994.848
XVIII.	Profit Distribution	-	-	-	-	36.960	-	2.548.613	4.505	(3.159.678)	-	-	-	-	-	-	(569.600)
18.1	Dividends paid	-	-	-	-	36.960	-	2.548.613	4.505	(569.600)	-	-	-	-	-	-	(569.600)
18.2	Transfers to Reserves	-	-	-	-	36.960	-	2.548.613	4.505	(2.590.078)	-	-	-	-	-	-	-
18.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Ending Balance (I+II+III+...+XVI+XVII+XVIII)</b>		<b>4.000.000</b>	<b>1.405.892</b>	<b>1.700.000</b>	<b>-</b>	<b>1.282.027</b>	<b>-</b>	<b>16.372.097</b>	<b>55.450</b>	<b>2.994.848</b>	<b>-</b>	<b>(1.112.761)</b>	<b>47.106</b>	<b>4.895</b>	<b>(60.377)</b>	<b>-</b>	<b>26.689.177</b>

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

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

**AKBANK T.A.Ş.****VI. UNCONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2015**

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

	Note (Section Five)	CURRENT PERIOD (31/12/2015)	PRIOR PERIOD (31/12/2014)
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>			
<b>1.1</b>	Operating Profit before changes in operating assets and liabilities	2.186.137	5.801.289
<b>1.1.1</b>	Interest received	14.430.792	14.324.092
<b>1.1.2</b>	Interest paid	(7.868.389)	(7.128.002)
<b>1.1.3</b>	Dividend received	13.337	27.552
<b>1.1.4</b>	Fees and commissions received	2.773.653	2.651.209
<b>1.1.5</b>	Other income	(1.115.167)	(133.639)
<b>1.1.6</b>	Collections from previously written-off loans and other receivables	674.604	564.506
<b>1.1.7</b>	Payments to personnel and service suppliers	(3.819.188)	(3.332.651)
<b>1.1.8</b>	Taxes paid	(737.563)	(1.090.067)
<b>1.1.9</b>	Other	<b>(VI-b)</b> 2.165.942	(81.711)
<b>1.2</b>	Changes in operating assets and liabilities	1.582.108	(2.720.008)
<b>1.2.1</b>	Net decrease in trading securities	(6.400)	56.536
<b>1.2.2</b>	Net (increase) / decrease in fair value through profit/(loss) financial assets	-	-
<b>1.2.3</b>	Net (increase) / decrease in due from banks and other financial institutions	3.563	(41.112)
<b>1.2.4</b>	Net (increase) / decrease in loans	(17.295.051)	(16.497.792)
<b>1.2.5</b>	Net (increase) / decrease in other assets	(5.478.126)	(2.185.883)
<b>1.2.6</b>	Net increase / (decrease) in bank deposits	(6.988.103)	5.536.044
<b>1.2.7</b>	Net increase / (decrease) in other deposits	27.914.098	7.563.956
<b>1.2.8</b>	Net increase / (decrease) in funds borrowed	2.714.662	2.865.518
<b>1.2.9</b>	Net increase / (decrease) in payables	-	-
<b>1.2.10</b>	Net increase / (decrease) in other liabilities	<b>(VI-b)</b> 717.465	(17.275)
<b>I.</b>	Net cash provided from banking operations	3.768.245	3.081.281
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>II.</b>	Net cash provided from investing activities	(4.293.668)	(3.256.387)
<b>2.1</b>	Cash paid for acquisition of investments, associates and subsidiaries	(358.121)	(49.993)
<b>2.2</b>	Cash obtained from disposal of investments, associates and subsidiaries	-	-
<b>2.3</b>	Purchases of property and equipment	(154.127)	(198.313)
<b>2.4</b>	Disposals of property and equipment	20.363	6.781
<b>2.5</b>	Cash paid for purchase of investments available-for-sale	(25.245.551)	(24.738.695)
<b>2.6</b>	Cash obtained from sale of investments available-for-sale	20.331.322	19.932.055
<b>2.7</b>	Cash paid for purchase of investment securities	-	(1.728)
<b>2.8</b>	Cash obtained from sale of investment securities	1.112.446	1.793.506
<b>2.9</b>	Other	-	-
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>III.</b>	Net cash provided from financing activities	1.087.802	884.252
<b>3.1</b>	Cash obtained from funds borrowed and securities issued	13.674.071	8.519.503
<b>3.2</b>	Cash used for repayment of funds borrowed and securities issued	(11.936.377)	(7.084.253)
<b>3.3</b>	Issued equity instruments	-	-
<b>3.4</b>	Dividends paid	(569.600)	(467.483)
<b>3.5</b>	Payments for finance leases	(80.292)	(83.515)
<b>3.6</b>	Other	-	-
<b>IV.</b>	Effect of change in foreign exchange rate on cash and cash equivalents	781.802	60.210
<b>V.</b>	Net increase in cash and cash equivalents (I+II+III+IV)	1.344.181	769.356
<b>VI.</b>	Cash and cash equivalents at beginning of the period	<b>(VI-a)</b> 4.808.291	4.038.935
<b>VII.</b>	Cash and cash equivalents at end of the period	<b>(VI-a)</b> 6.152.472	4.808.291

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

**AKBANK T.A.Ş.****VII. PROFIT APPROPRIATION STATEMENT**

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

	<b>CURRENT PERIOD</b> <b>(31/12/2015)</b>	<b>PRIOR PERIOD</b> <b>(31/12/2014)</b>
<b>I. DISTRIBUTION OF CURRENT YEAR INCOME</b>		
1.1	3.827.671	4.037.966
1.2	832.823	878.288
1.2.1	806.798	1.039.327
1.2.2	-	-
1.2.3	26.025	(161.039)
<b>A.</b>	<b>2.994.848</b>	<b>3.159.678</b>
1.3	-	-
1.4	-	-
1.5	-	-
<b>B.</b>	<b>2.994.848</b>	<b>3.159.678</b>
1.6	-	200.000
1.6.1	-	200.000
1.6.2	-	-
1.6.3	-	-
1.6.4	-	-
1.6.5	-	-
1.7	-	-
1.8	-	-
1.9	-	369.600
1.9.1	-	369.600
1.9.2	-	-
1.9.3	-	-
1.9.4	-	-
1.9.5	-	-
1.10	-	36.960
1.11	-	-
1.12	-	2.548.613
1.13	-	-
1.14	-	4.505
<b>II. DISTRIBUTION OF RESERVES</b>		
2.1	-	-
2.2	-	-
2.3	-	-
2.3.1	-	-
2.3.2	-	-
2.3.3	-	-
2.3.4	-	-
2.3.5	-	-
2.4	-	-
2.5	-	-
<b>III. EARNINGS PER SHARE (*)</b>		
3.1	0,007	0,008
3.2	0,7	0,8
3.3	-	-
3.4	-	-
<b>IV. DIVIDEND PER SHARE</b>		
4.1	-	0,001
4.2	-	0,1
4.3	-	-
4.4	-	-

(\*) Amounts are expressed in TL.

**NOTES:****[1]** Authorized body for profit appropriation of the current period is the General Assembly. On the preparation date of these financial statements, yearly ordinary meeting of the General Assembly has not been held yet.**[2]** Profit appropriation is being done according to unconsolidated financial statements.

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

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

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**SECTION THREE  
ACCOUNTING POLICIES**

**I. EXPLANATIONS ON BASIS OF PRESENTATION:**

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

The unconsolidated financial statements are prepared within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Act numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA"), and in case where a specific regulation is not made by BRSA, "Turkish Accounting Standards" ("TAS") and "Turkish Financial Reporting Standards" ("TFRS") and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority ("POA"). The format and content of the publicly announced unconsolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements", published in Official Gazette 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 unconsolidated 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 unconsolidated financial statements in conformity with TAS requires the use of certain critical accounting estimates by the Bank management to exercise its judgment on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates, which include the fair value calculations of financial instruments and impairments of financial assets are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the income statement. Assumptions and estimates that are used in the preparation of the accompanying financial statements are explained in the following related disclosures.

The amendments of TAS and TFRS which have entered into force as of 1 January 2015 have no material impact on the Bank's accounting policies, financial position and performance. The amendments of TAS and TFRS, except TFRS 9 Financial Instruments (2011 Version) and TAS 27 Separate Financial Statements, will have no impact on the accounting policies, financial condition and performance of the Bank. The Bank 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 unconsolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in these unconsolidated financial statements. Accordingly, these unconsolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

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

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

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

The Bank's core business activities include consumer and private banking, commercial banking, SME banking, corporate and investment banking, foreign exchange, money markets, securities transactions (Treasury transactions) and international banking services. By nature, the Bank's activities are principally related to the use of financial instruments. As the main funding source, the Bank accepts deposits from customers for various periods and invests these funds in high quality assets with high interest margins. Other than deposits, the Bank's most important funding sources are equity, marketable securities issued, money market borrowings and mostly borrowings from foreign financial institutions. The Bank 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 Bank's exposure to liquidity risk, interest rate risk, currency risk and credit risk while increasing profitability and strengthening the Bank'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.

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". Foreign currency denominated subsidiaries, which are accounted with acquisition cost method, are translated with the foreign exchange rates prevailing at the acquisition date.

As of 31 December 2015, foreign currency denominated balances are translated into TL using the exchange rates of TL 2,8800, TL 3,1422 and TL 2,3864 for USD, EURO and Yen respectively.

**III. EXPLANATIONS ON INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES:**

Investments in associates and subsidiaries are accounted in accordance with the "Turkish Accounting Standard on Separate Financial Statements" ("TAS 27") in the unconsolidated financial statements and measured in the financial statements with their costs. Dividends are recognized in the income statement when the right to receive the dividend is obtained.

**IV. EXPLANATIONS ON FORWARD TRANSACTIONS AND DERIVATIVE INSTRUMENTS:**

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

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

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

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

An embedded derivative shall be separated from host contract 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 (combined) instrument is not measured at fair value with changes in fair value recognised in profit or loss

If an embedded derivative is separated, the host contract shall be accounted for under IAS 39 if it is a financial instrument, and in accordance with other appropriate Standards if it is not a financial instrument.

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**V. EXPLANATIONS ON INTEREST INCOME AND EXPENSE:**

Interest income and expenses are recognized in the income by using the "Effective interest method". The Bank 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 Bank 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 Bank 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 Bank has no financial assets designated as financial assets at fair value through profit or loss.

**b. Financial assets available-for-sale:**

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

After the recognition, financial assets available-for-sale are remeasured at fair value. Interest income arising from available-for-sale calculated with "Effective interest method" and dividend income from equity securities are reflected to income statement. "Unrealized gains and losses" arising from the difference between the amortized cost and the fair value of securities classified as available-for-sale are recognized in the account of "Marketable securities valuation differences" under shareholders' equity, unless these assets are impaired, collected, sold, or disposed of. When these securities are collected or disposed of, the related fair value differences accumulated in the shareholders' equity are transferred to the income statement. Available-for-sale equity securities that have a quoted market price in an active market and whose fair values can be reliably measured are carried at fair value. Available-for-sale equity securities that do not have a quoted market price in an active market and whose fair values cannot be reliably measured are carried at cost, less provision for impairment.

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

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**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 Bank 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" published in the Official Gazette dated 1 November 2006, no.26333.If a receivable is collected which is provisioned in the same year, it is deducted from the "Special Provisions Loans and Other Receivables". Provision expenses are accounted under "Provision for Loan Losses and Other Receivables" in the income statement and deducted from the net income of the period. If a receivable is collected which is provisioned in the same year, it is deducted from the "Provision for Loan Losses and Other Receivables". If there is a subsequent collection from a receivable which has already been provisioned in previous years, the recovery amount is classified under "Other Operating Income". Uncollectible receivables are written-off after all the legal procedures are finalized.

**d. Held-to-maturity financial assets:**

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

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

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

**VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS:**

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

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

**IX. EXPLANATIONS ON OFFSETTING FINANCIAL ASSETS:**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Bank 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.

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**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 Bank 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 Bank has no securities lending transactions.

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

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

The Bank has no discontinued operations.

**XII. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS:**

The Bank has no goodwill.

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

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

**XIII. EXPLANATIONS ON PROPERTY AND EQUIPMENT:**

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

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

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

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

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

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

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

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**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 impairment in value of the leased asset, an impairment 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 Bank does not provide financial leasing services as a "Lessor".

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

**XV. EXPLANATIONS ON PROVISIONS AND CONTINGENT LIABILITIES:**

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

Provisions are recognized when the Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence in accordance with the periodicity principle.

A liability is recognized as a contingent liability where a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of more than one events not wholly within the control of the Bank; or a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability and disclosed in the footnotes.

**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, 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").

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 Bank arising from this liability. In accordance with TAS 19, actuarial gains and losses are recognized in equity.

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**b. Retirement rights:**

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

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

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

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

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

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

With respect to that, according to the technical balance sheet report as at 31 December 2015 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.

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**XVIII. EXPLANATIONS ON TAXATION:**

**a. Current tax:**

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 Bank 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.

Deferred tax assets and liabilities are presented as net in the financial statements.

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

**XIX. EXPLANATIONS ON BORROWINGS:**

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

**XX. EXPLANATIONS ON ISSUANCE OF SHARE CERTIFICATES:**

There is no share certificate issuance in 2015.

**XXI. EXPLANATIONS ON AVALIZED DRAFTS AND ACCEPTANCES:**

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

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**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2015**

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**XXII. EXPLANATIONS ON GOVERNMENT GRANTS:**

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

**XXIII. EXPLANATIONS ON SEGMENT REPORTING:**

An operating segment is a component of an entity:

- 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),
- 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
- for which discrete financial information is available.

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

**XXIV. PROFIT RESERVES AND PROFIT APPROPRIATION:**

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

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

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

**XXV. EARNINGS PER SHARE:**

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

	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
Net Profit for the Year	2.994.848	3.159.678
Average Number of Issued Common Shares (Thousand)	400.000.000	400.000.000
<b>Earnings Per Share (Amounts presented as full TL)</b>	<b>0,00749</b>	<b>0,00790</b>

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. In case bonus shares are distributed after the balance sheet date but before the preparation of the financial statements, earnings per share is calculated considering the new number of shares.

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

**XXVI. RELATED PARTIES:**

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

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**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 December 2015, there are certain reclassifications made on income statement and cash flow statement of 31 December 2014.



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

**I. EXPLANATIONS ON CAPITAL ADEQUACY RATIO:**

**a.** The 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, is % 14,58 (31 December 2014: 15,16%). This ratio is well above the minimum ratio required by the legislation.

**b.** Capital adequacy ratio has been calculated in accordance with the "Regulation on Measurement and Assessment of Capital Adequacy of Banks", "Credit Risk Mitigation Techniques" and "Calculation of Risk-Weighted Amounts for Securitizations" Communiqués that have been published in Official Gazette no. 28756 on 5 September 2013 and became effective as of 1 July 2012 and "Regulation on Equity of Banks" that has been published in Official Gazette no. 28337 on June 28, 2012.

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 the Bank's capital adequacy ratio and Bank's equity calculation.

**c. Information related to capital adequacy ratio:**

Weighted Credit Risk	Risk Weights									
	0%	10%	20%	50%	75%	100%	150%	200%	250%	1250%
<b>Weighted Credit Risk</b>	-	-	<b>1.861.848</b>	<b>30.944.569</b>	<b>22.601.744</b>	<b>100.662.815</b>	<b>8.518.560</b>	<b>14.862.974</b>	<b>1.026.195</b>	-
<b>Risk classifications:</b>										
Conditional and unconditional receivables from central governments and Central Banks	48.444.148	-	168.608	21.996.703	-	1.265	-	-	-	-
Conditional and unconditional receivables from regional or local governments	-	-	-	48	-	-	-	-	-	-
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	-	-	-	-	-	21.692	-	-	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	878.472	-	9.114.843	21.197.194	-	82.338	-	-	-	-
Conditional and unconditional receivables from corporates	-	-	-	-	-	91.004.202	1.308	-	-	-
Conditional and unconditional receivables from retail portfolios	-	-	-	-	30.135.659	3.064.311	-	-	-	-
Conditional and unconditional receivables secured by mortgages	-	-	-	18.695.193	-	2.271.921	-	-	-	-
Past due receivables	-	-	-	-	-	147.314	-	-	-	-
Receivables defined under high risk category by BRSA	-	-	-	-	-	-	5.677.732	7.431.487	410.478	-
Securities collateralized by mortgages	-	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-	271.086	-	-	-	-
Other receivables	1.440.307	-	25.788	-	-	3.798.686	-	-	-	-

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**d. Summary information related to capital adequacy ratio:**

	<b>Current Period 31 December 2015</b>	<b>Prior Period 31 December 2014</b>
Capital Requirement for Credit Risk (Amount subject to credit risk*0,08) (CRCR)	14.438.296	13.196.610
Capital Requirement for Market Risk (CRMRI)	301.959	150.850
Capital Requirement for Operational Risk (CROR)	1.143.676	973.611
Total Capital	28.954.803	27.132.960
Total Capital/ ((CRCR+CRMRI+CROR) * 12,5)*100	14,58	15,16
Additional Tier I Capital/((CRCR+CRMRI+CROR) *12,5)*100	13,46	14,04
Common Equity/(CRCR+CRMRI+CROR) *12,5)*100	13,52	14,13

**e. Information about total capital items:**

	<b>Current Period 31 December 2015</b>	<b>Prior Period 31 December 2014</b>
<b>COMMON EQUITY</b>		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	5.405.892	5.405.892
Share premium	1.700.000	1.700.000
Share cancellation profits	-	-
Reserves	17.766.503	15.170.522
Gains recognized in equity as per TAS	47.106	47.106
Profit	2.994.848	3.159.678
Current Period Profit	2.994.848	3.159.678
Prior Period Profit	-	-
Provisions for Possible Risks	200.000	200.000
Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures that are not recognized in Profit	4.895	4.895
<b>Common Equity Before Deductions</b>	<b>28.119.244</b>	<b>25.688.093</b>
<b>Deductions from Common Equity</b>		
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS (-)	1.169.690	293.820
Leasehold improvements(-)	34.857	52.222
Goodwill or other intangible assets and deferred tax liability related to these items (-)	78.249	40.996
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 (-)	-	-
<b>Total Deductions From Common Equity</b>	<b>1.282.796</b>	<b>387.038</b>
<b>Total Common Equity</b>	<b>26.836.448</b>	<b>25.301.055</b>
<b>ADDITIONAL TIER I CAPITAL</b>		
Capital amount and related premiums corresponding to preference shares that are not included in common equity	-	-
Debt instruments and premiums deemed suitable by BRSA (issued/obtained after 1.1.2014)	-	-
Debt instruments and premiums deemed suitable by BRSA (issued before 1.1.2014)	-	-
<b>Additional Tier I Capital before Deductions</b>	<b>-</b>	<b>-</b>

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	<b>Current Period 31 December 2015</b>	<b>Prior Period 31 December 2014</b>
<b>Deductions from Additional Tier I Capital</b>		
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 Capital is not available (-)	-	-
<b>Total Deductions From Additional Tier I Capital</b>	<b>-</b>	<b>-</b>
<b>Total Additional Tier I Capital</b>	<b>-</b>	<b>-</b>
<b>DEDUCTIONS FROM TIER I CAPITAL</b>		
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 (-)	117.374	163.983
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 (-)	-	-
<b>Total Tier I Capital</b>	<b>26.719.074</b>	<b>25.137.072</b>
<b>TIER II CAPITAL</b>		
Debt instruments and premiums deemed suitable by the BRSA (issued/obtained after 1.1.2014)	-	-
Debt instruments and premiums deemed suitable by the BRSA (issued/obtained before 1.1.2014)	-	-
Sources pledged to the Bank by shareholders to be used in capital increases of the Bank	-	-
General Loan Loss Provisions	2.255.984	2.026.237
<b>Tier II Capital Before Deductions</b>	<b>2.255.984</b>	<b>2.026.237</b>
<b>DEDUCTIONS FROM TIER II CAPITAL</b>		
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 (-)	-	-
<b>Total Deductions from Tier II Capital</b>	<b>-</b>	<b>-</b>
<b>Total Tier II Capital</b>	<b>2.255.984</b>	<b>2.026.237</b>
<b>CAPITAL BEFORE DEDUCTIONS</b>	<b>28.975.058</b>	<b>27.163.309</b>
<b>Deductions from Capital</b>		
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(-)	75	218
Loans granted to banks and financial institutions, including those established abroad, and to eligible shareholders of the Bank and investments made in the borrowing instruments issued by them (-)	-	-
Amounts to be deducted from equity as per the 2nd Clause of Article 20 of the Regulation on Measurement and Evaluation of Capital Adequacy of Banks (-)	171	26
Other items to be defined by the BRSA (-)	20.009	30.105
Portion of the total of net long positions of investments made in Common Equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank not to be deducted from the Common Equity, Additional Tier I Capital, Tier II Capital as per the 1st clause of the Provisional Article 2 of the Regulation on the Equity of Banks. (-)	-	-
Portion of the total of net long positions of direct or indirect investments made in Additional Tier I and Tier II Capital items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank not to be deducted from the Additional Tier I Capital and Tier II Capital as per the 1st clause of the Provisional Article 2 of the Regulation on the Equity of Banks. (-)	-	-
Portion of the total of net long positions of investments made in Common Equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital, deferred tax assets based on temporary differences and mortgage servicing rights not deducted from Common Equity as per the 1st and 2nd Paragraph of the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks (-)	-	-
<b>TOTAL CAPITAL</b>	<b>28.954.803</b>	<b>27.132.960</b>
<b>Amounts below the Excess Limits as per the Deduction Principles</b>		
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	342.155	193.442

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

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

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

**h. The approach used to evaluate the internal capital requirement for the purpose of evaluating its adequacy for the current and future operations within the internal capital adequacy process:**

In parallel with the Bank's preparation of yearly business plan and 3 year strategic plan, the legal and internal capital adequacy requirements are evaluated prospectively. In the legal capital requirement calculations the credit risk within the first pillar block, the market risk and the operational risk are included, whereas in internal capital requirement calculations, the second pillar concepts such as interest rate risk of banking accounts, concentration risk and business risk, reputational risk, model risk, trade risk are included in addition to first pillar blocks.

In addition to normal planning conditions, legal and capital adequacy ratio are also evaluated under stress conditions. Capital adequacy calculations are performed under two different stress scenarios being mild and strong. Within the scope of stress scenarios the effect of these variables on credit cost and market risk factors (FX currency, interest rate etc.) is modelled after forecasting macroeconomic variables.. The effect of stress scenarios on equity, income, risk weighted assets and capital adequacy is calculated.

**II. EXPLANATIONS ON CREDIT RISK:**

- a.** 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.Business Unit.

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.

The Bank considers loans that have overdue principal and interest payments and are classified as 2nd Group according to the "Communiqué on "Determining the Quality of Loans and Other Receivables by Banks and Procedures and Principles of Provisions to be made" as "past due loans."

Loans that have overdue principal and interest payments for more than 90 days after the maturity date or the debtor of which are deemed unworthy by the Bank are considered "impaired loans."

The Bank calculates general loan loss provision for "past due loans" and special provision for "impaired loans" according to the Communiqué on "Determining the Quality of Loans and Other Receivables by Banks and Procedures and Principles of Provisions to be made"

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<b>Risk Classifications</b>	<b>Current Period Risk Amount (*)</b>	<b>Average Risk Amount</b>
Conditional and unconditional receivables from central governments and Central Banks	76.240.746	72.372.481
Conditional and unconditional receivables from regional or local governments	240	236
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	38.727	55.430
Conditional and unconditional receivables from multilateral development banks	-	-
Conditional and unconditional receivables from international organizations	-	-
Conditional and unconditional receivables from banks and brokerage houses	58.358.976	63.305.253
Conditional and unconditional receivables from corporates	111.064.453	105.188.484
Conditional and unconditional receivables from retail portfolios	55.575.640	56.981.332
Conditional and unconditional receivables secured by mortgages	21.498.672	19.984.356
Past due receivables	147.314	148.989
Receivables defined under high risk category by BRSA	13.519.697	15.194.267
Securities collateralized by mortgages	-	-
Securitization positions	-	-
Short-term receivables from banks, brokerage houses and corporate	-	-
Investments similar to collective investment funds	278.802	1.411.323
Other receivables	5.264.781	5.081.640
<b>Total</b>	<b>341.988.048</b>	<b>339.723.791</b>

(\*) The figures represent total risk amounts before Credit Risk Mitigation and before credit conversion factor.

- b.** Control limits exist on forward transaction and option agreements and other positions that are held in terms of similar other agreements. Credit risk born out of these types of instruments is managed together with market risk.
- c.** The risks of the forward, option and other similar type agreements are followed regularly and as deemed necessary based on the credit risk, the risks are tried to be minimized.
- d.** Non-cash loans turned into cash loans are included in the same risk group as overdue cash loans which are not collected upon maturity. Credit risk management is applied for all positions involving counterparty risk. Rescheduled or restructured loans are followed in their relevant groups until all receivables from the loans are collected. Monitoring also continues until the receivables from the loans are completely collected.

The Bank considers that long-term commitments are more exposed to credit risk than short-term commitments, and points such as defining risk limits for long-term risks and obtaining collateral are treated in a wider extent than short-term risks.

- e.** The Bank's banking activities in foreign countries and credit transactions do not constitute an important risk in terms of the related countries' economic conditions and activities of customers and companies.

When considered within the financial activities of other financial institutions, the Bank as an active participant in the national and international banking market is not exposed to significant credit risk concentration.

As seen in the Bank's balance sheet, the ratio of loans under follow-up to total loans is as low as % 2,3 (31 December 2014: 1,8%).

- f.**
  1. The proportion of the Bank's top 100 and 200 cash loan customers' in total cash loans is % 30 and % 37 respectively. (31 December 2014: 26% and 31%).
  2. The proportion of the Bank's top 100 and 200 customers' non-cash loan balances in total non-cash loans is 59% and 68%. (31 December 2014: 63% and 72%)
  3. The proportion of the Bank's top 100 and 200 customers' cash and non-cash loan balances in total balance sheet assets and non-cash loans is 17% and 22% respectively. (31 December 2014: 19% and 24%)
- g.** The Bank provided a general loan loss provision amounting to TL 2.544.702 (31 December 2014: TL 2.122.944).

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**h. Information on loan types and provisions:**

<b>Current Period - 31 December 2015</b>	<b>Commercial Loans</b>	<b>Consumer Loans</b>	<b>Credit Cards</b>	<b>Total</b>
Standard Loans	98.162.314	26.821.142	11.723.535	<b>136.706.991</b>
Close Monitoring Loans	2.249.269	1.853.129	806.781	<b>4.909.179</b>
Loans Under Follow-up	1.016.088	1.184.274	1.172.961	<b>3.373.323</b>
Specific Provision (-)	868.775	1.184.274	1.172.961	<b>3.226.010</b>
<b>Total</b>	<b>100.558.896</b>	<b>28.674.271</b>	<b>12.530.316</b>	<b>141.763.483</b>

As of 31 December 2015, the Bank has set 100% specific provision amounting to TL 59 million after taking the collaterals into consideration for one of its non-performing commercial loans amounting to TL 206 million.

<b>Prior Period - 31 December 2014</b>	<b>Commercial Loans</b>	<b>Consumer Loans</b>	<b>Credit Cards</b>	<b>Total</b>
Standard Loans	80.088.100	29.426.001	12.039.233	<b>121.553.334</b>
Close Monitoring Loans	1.835.940	1.573.038	864.346	<b>4.273.324</b>
Loans Under Follow-up	751.403	685.612	893.140	<b>2.330.155</b>
Specific Provision (-)	600.077	685.612	893.140	<b>2.178.829</b>
<b>Total</b>	<b>82.075.366</b>	<b>30.999.039</b>	<b>12.903.579</b>	<b>125.977.984</b>

As of 31 December 2014, the Bank has set 100% specific provision amounting to TL 55 million after taking the collaterals into consideration for one of its non-performing commercial loans amounting to TL 206 million

**i. Information on the movement of provision for loan and other receivables of the Bank:**

	<b>Commercial Loans</b>	<b>Consumer Loans</b>	<b>Credit Cards</b>	<b>Total</b>
<b>1 January 2015</b>	<b>600.077</b>	<b>685.612</b>	<b>893.140</b>	<b>2.178.829</b>
Transferred during the period	585.733	787.671	650.058	<b>2.023.462</b>
Collection	(182.014)	(230.670)	(221.620)	<b>(634.304)</b>
Write-off(*)	(135.021)	(58.339)	(148.617)	<b>(341.977)</b>
<b>31 December 2015</b>	<b>868.775</b>	<b>1.184.274</b>	<b>1.172.961</b>	<b>3.226.010</b>

(\*) TL 248,5 million of the Bank's non-performing loan portfolio has been sold to Girişim Varlık Yönetimi A.Ş. at a price of TL 40.3 million. Specific provision previously allocated for this amount, is shown under "Write-off" in the above table.

	<b>Commercial Loans</b>	<b>Consumer Loans</b>	<b>Credit Cards</b>	<b>Total</b>
<b>1 January 2014</b>	<b>451.010</b>	<b>449.485</b>	<b>683.337</b>	<b>1.583.832</b>
Transferred during the period	450.783	548.660	704.622	<b>1.704.065</b>
Collection	(143.719)	(173.701)	(203.725)	<b>(521.145)</b>
Write-off(*)	(157.997)	(138.832)	(291.094)	<b>(587.923)</b>
<b>31 December 2014</b>	<b>600.077</b>	<b>685.612</b>	<b>893.140</b>	<b>2.178.829</b>

(\*) 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 and TL 250,5 million of the Bank's non-performing loan portfolio has been sold to Efes Varlık Yönetimi A.Ş. at a price of TL 41 million. Specific provision previously allocated for this amount, is shown under "Write-off" in the above table.

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**j. Information on debt securities, treasury bills and other eligible bills:**

<b>Current Period - 31 Aralık 2015</b>	<b>Trading Financial Assets</b>	<b>Available-for-Sale Financial Assets</b>	<b>Held-to-Maturity Securities</b>	<b>Total</b>
<b>Moody's Rating</b>				
Aaa	-	-	-	-
A1, A2, A3	-	-	-	-
Baa1, Baa2, Baa3	1.655	40.959.285	10.688.242	<b>51.649.182</b>
Ba1	-	101.166	-	<b>101.166</b>
Ba2	-	-	-	-
<b>Toplam</b>	<b>1.655</b>	<b>41.060.451</b>	<b>10.688.242</b>	<b>51.750.348</b>

<b>Prior Period - 31 Aralık 2014</b>	<b>Trading Financial Assets</b>	<b>Available-for-Sale Financial Assets</b>	<b>Held-to-Maturity Securities</b>	<b>Total</b>
<b>Moody's Rating</b>				
Aaa	-	16.368	-	<b>16.368</b>
A1, A2, A3	-	-	-	-
Baa1, Baa2, Baa3	5.196	37.552.190	10.799.905	<b>48.357.291</b>
Ba1	-	81.574	-	<b>81.574</b>
Ba2	-	119.107	-	<b>119.107</b>
<b>Toplam</b>	<b>5.196</b>	<b>37.769.239</b>	<b>10.799.905</b>	<b>48.574.340</b>

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**k. Profile on significant risks in significant regions:**

Current Period	Risk Categories (* )																
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Total
<b>31 December 2015</b>																	
Domestic	76.063.029	48	27.007	-	-	15.030.834	87.821.882	33.338.424	20.620.877	147.314	13.507.875	-	-	-	278.802	3.914.879	250.750.971
European Union Countries	168.608	-	258	-	-	23.031.210	3.321.951	17.964	341.906	-	7.021	-	-	-	-	161	26.889.079
OECD Countries(**)	-	-	-	-	-	1.495.571	204.431	2.744	2.258	-	1.078	-	-	-	-	-	1.706.082
Off- Shore Regions	-	-	-	-	-	579.036	3.061	514	264	-	104	-	-	-	-	-	582.979
USA, Canada	-	-	-	-	-	1.809.676	114.616	4.304	3.398	-	1.238	-	-	-	-	-	1.933.232
Other Countries	-	-	25	-	-	597.857	796.226	16.184	4.023	-	2.381	-	-	-	-	-	1.416.696
Investment and associates, subsidiaries and joint ventures	-	-	-	-	-	4.279.974	-	-	-	-	-	-	-	-	-	1.349.741	5.629.715
Undistributed Assets / Liabilities***	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>76.231.637</b>	<b>48</b>	<b>27.290</b>	<b>-</b>	<b>-</b>	<b>46.824.158</b>	<b>92.262.167</b>	<b>33.380.134</b>	<b>20.972.726</b>	<b>147.314</b>	<b>13.519.697</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>278.802</b>	<b>5.264.781</b>	<b>288.908.754</b>
<b>Prior Period</b>	<b>Risk Categories (* )</b>																
<b>31 December 2014</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>Total</b>
Domestic	65.411.293	43	32.761	-	-	9.288.346	72.661.476	36.037.999	16.928.574	151.326	16.983.803	-	-	-	289.909	3.384.148	221.169.678
European Union Countries	155.782	-	244	-	-	31.269.670	1.106.839	21.112	168.193	-	5.561	-	-	-	-	161	32.727.562
OECD Countries(**)	-	-	-	-	-	2.403.590	144.640	4.930	1.456	-	1.341	-	-	-	-	-	2.555.957
Off- Shore Regions	-	-	-	-	-	594.898	7	24.580	45	-	139	-	-	-	-	-	619.669
USA, Canada	-	-	-	-	-	1.328.291	127.448	4.763	3.012	-	1.603	-	-	-	-	-	1.465.117
Other Countries	-	-	23	-	-	468.104	307.793	15.163	4.414	-	1.820	-	-	-	-	-	797.317
Investment and associates, subsidiaries and joint ventures	-	-	-	-	-	3.373.529	-	-	-	-	-	-	-	-	-	906.229	4.279.758
Undistributed Assets / Liabilities***	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>65.567.075</b>	<b>43</b>	<b>33.028</b>	<b>-</b>	<b>-</b>	<b>48.726.428</b>	<b>74.348.203</b>	<b>36.108.547</b>	<b>17.105.694</b>	<b>151.326</b>	<b>16.994.267</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>289.909</b>	<b>4.290.538</b>	<b>263.615.058</b>

(\* ) Stands for the risk categories listed in "Regulations on Measurement and Assessment of Capital Adequacy Ratios of Banks."

- |                                                                                                        |                                                                        |
|--------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| 1. Conditional and unconditional receivables from central governments and Central Banks                | 9. Conditional and unconditional receivables secured by mortgages      |
| 2. Conditional and unconditional receivables from regional or local governments                        | 10. Past due receivables                                               |
| 3. Conditional and unconditional receivables from administrative bodies and non-commercial enterprises | 11. Receivables defined under high risk category by BRSA               |
| 4. Conditional and unconditional receivables from multilateral development banks                       | 12. Securities collateralized by mortgages                             |
| 5. Conditional and unconditional receivables from international organizations                          | 13. Securitization positions                                           |
| 6. Conditional and unconditional receivables from banks and brokerage houses                           | 14. Short-term receivables from banks, brokerage houses and corporates |
| 7. Conditional and unconditional receivables from corporates                                           | 15. Investments similar to collective investment funds                 |
| 8. Conditional and unconditional receivables from retail portfolios                                    | 16. Other receivables                                                  |

(\*\*) EU countries, OECD countries other than USA and Canada

(\*\*\*) Assets and liabilities that are not distributed according to a consistent principle



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**I. Risk Profile according to sectors and counterparties:**

31 December 2015	Risk Classifications (*)																TL	FC	Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16			
Agricultural	1	-	3	-	-	-	58.973	174.704	56.587	-	12.801	-	-	-	-	-	301.630	1.439	303.069
Farming and raising livestock	1	-	3	-	-	-	45.201	105.570	34.637	-	11.434	-	-	-	-	-	196.846	-	196.846
Forestry	-	-	-	-	-	-	13.251	67.965	21.524	-	1.151	-	-	-	-	-	102.452	1.439	103.891
Fishing	-	-	-	-	-	-	521	1.169	426	-	216	-	-	-	-	-	2.332	-	2.332
Manufacturing	13	-	318	-	-	-	34.050.162	3.072.747	2.342.893	-	46.936	-	-	-	-	-	18.502.324	21.010.745	39.513.069
Mining	-	-	-	-	-	-	1.439.519	72.617	66.763	-	555	-	-	-	-	-	372.030	1.207.424	1.579.454
Production	13	-	315	-	-	-	20.801.240	2.961.800	2.224.301	-	45.851	-	-	-	-	-	14.851.201	11.182.319	26.033.520
Electricity, Gas, Water	-	-	3	-	-	-	11.809.403	38.330	51.829	-	530	-	-	-	-	-	3.279.093	8.621.002	11.900.095
Construction	-	-	855	-	-	-	11.573.480	892.909	2.463.080	-	10.997	-	-	-	-	-	7.268.994	7.672.327	14.941.321
Services	3.365	37	16.139	-	-	42.993.740	40.848.262	10.505.948	6.804.967	147.314	250.662	-	-	-	-	1.357.874	41.666.430	61.261.878	102.928.308
Wholesale and Retail Trade	52	9	98	-	-	86.548	16.517.028	8.264.452	5.134.642	-	160.540	-	-	-	-	-	24.483.961	5.679.408	30.163.369
Hotel,Food,Beverage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services	133	-	29	-	-	-	2.275.358	386.813	595.961	147.314	13.225	-	-	-	-	-	1.525.814	1.893.019	3.418.833
Transportation and	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Telecommunication	3.058	-	7	-	-	-	6.328.832	955.487	310.184	-	18.160	-	-	-	-	-	2.061.464	5.554.264	7.615.728
Financial Institutions	3	3	352	-	-	42.904.080	12.080.984	10.255	82.765	-	1.332	-	-	-	-	-	1.356.050	10.495.890	45.939.934
Real Estate and Lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services	-	-	14	-	-	-	1.442.924	55.938	133.723	-	4.153	-	-	-	-	-	463.131	1.173.621	1.636.752
Self employment Service	-	-	48	-	-	-	497.379	122.997	51.164	-	14.195	-	-	-	-	-	236.167	449.616	685.783
Education Service	96	-	1.892	-	-	-	194.720	83.782	116.340	-	2.737	-	-	-	-	-	360.453	39.114	399.567
Health and social Services	23	25	13.699	-	-	3.112	1.511.037	626.224	380.188	-	36.320	-	-	-	-	1.824	2.039.550	532.902	2.572.452
Other	76.228.258	11	9.975	-	-	3.830.418	5.731.290	18.733.826	9.305.199	-	13.198.301	-	-	-	-	278.802	3.906.907	101.916.965	29.306.022
<b>Total</b>	<b>76.231.637</b>	<b>48</b>	<b>27.290</b>	<b>-</b>	<b>-</b>	<b>46.824.158</b>	<b>92.262.167</b>	<b>33.380.134</b>	<b>20.972.726</b>	<b>147.314</b>	<b>13.519.697</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>278.802</b>	<b>5.264.781</b>	<b>169.656.343</b>	<b>119.252.411</b>	<b>288.908.754</b>

(\*)Stands for the risk categories listed in "Regulations on Measurement and Assessment of Capital Adequacy Ratios of Banks."

- |                                                                                                        |                                                                        |
|--------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| 1. Conditional and unconditional receivables from central governments and Central Banks                | 9. Conditional and unconditional receivables secured by mortgages      |
| 2. Conditional and unconditional receivables from regional or local governments                        | 10. Past due receivables                                               |
| 3. Conditional and unconditional receivables from administrative bodies and non-commercial enterprises | 11. Receivables defined under high risk category by BRSA               |
| 4. Conditional and unconditional receivables from multilateral development banks                       | 12. Securities collateralized by mortgages                             |
| 5. Conditional and unconditional receivables from international organizations                          | 13. Securitization positions                                           |
| 6. Conditional and unconditional receivables from banks and brokerage houses                           | 14. Short-term receivables from banks, brokerage houses and corporates |
| 7. Conditional and unconditional receivables from corporates                                           | 15. Investments similar to collective investment funds                 |
| 8. Conditional and unconditional receivables from retail portfolios                                    | 16. Other receivables                                                  |

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**m. Term distribution of risks with term structure:**

31 December 2015 Risk Categories	Time to Maturity					Total
	1 month	1-3 months	3-6 months	6-12 months	Over 1 year	
Conditional and unconditional receivables from central governments and Central Banks	6.042.938	24.333.844	69.755	410.506	45.374.594	-
Conditional and unconditional receivables from regional or local governments	-	-	-	-	48	-
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	6.034	2.110	523	1.990	16.633	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	12.309.043	2.111.699	2.516.916	2.553.218	27.333.282	-
Conditional and unconditional receivables from corporates	3.934.976	5.494.686	10.137.440	16.242.648	56.452.417	-
Conditional and unconditional receivables from retail portfolios	653.195	8.700.566	5.029.186	3.978.654	15.018.533	-
Conditional and unconditional receivables secured by mortgages	295.869	718.396	1.152.480	2.283.051	16.522.930	-
Past due receivables	-	-	-	-	-	147.314
Receivables defined under high risk category by BRSA	-	-	-	-	13.519.697	-
Securities collateralized by mortgages	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-
Investments similar to collective investment funds	8.175	270.627	-	-	-	-
Other Receivables	-	-	-	-	-	5.264.781
<b>Total</b>	<b>23.250.230</b>	<b>41.631.928</b>	<b>18.906.300</b>	<b>25.470.067</b>	<b>174.238.134</b>	<b>5.412.095</b>

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**n. Explanations regarding risk categories mentioned in 6th clause of Capital Adequacy Measurement and Evaluation Communiqué:**

Ratings given by Fitch Ratings are used in determining risk weight class of the counterparties. Countries' credit note is considered all risk class of receivables from central governments and Central Banks. The ratings of Fitch Ratings are used for Banks and Corporate Receivables asset class and are limited to receivables that have counterparties abroad. If the risk weight class solely consists of receivables from central governments and central banks, the credit ratings of the countries are taken into account. As of 6 November 2012, Fitch Ratings has increased Turkey's long-term foreign currency credit note from BB+ to BBB-. After the increase, the ratings of Fitch are also used for foreign currency bonds issued by Turkish Treasury and other foreign currency risks that are related to the Turkish central management. Below are the Credit Quality Degrees corresponding to Fitch Ratings.

<b>Ratings to be matched</b>	<b>Credit Quality Degrees</b>	<b>Fitch</b>
<b>Ratings of long-term credits</b>	1	AAA and AA-
	2	A+ and A-
	3	BBB+ and BBB-
	4	BB+ and BB-
	5	B+ and B-
	6	CCC+ and below
<b>Ratings of short-term credits</b>	1	F1+ and F1
	2	F2
	3	F3
	4	Below F3
	5	---
	6	---
<b>Long-term securitization position ratings</b>	1	AAA and AA-
	2	A+ and A-
	3	BBB+ and BBB-
	4	BB+ and BB-
	5	B+ and below
<b>Short-term securitization position ratings</b>	1	F1+ and F1
	2	F2
	3	F3
	Others	Below F3
<b>Matchings regarding collective investment institutes</b>	1	AAA and AA-
	2	A+ and A-
	3	BBB+ and BBB-
	4	BB+ and BB-
	5	B+ and B-
	6	CCC+ and below

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**Risk Amounts according to Risk Weights:**

Risk Weights	0%	10%	20%	50%	75%	100%	150%	200%	250%	1250%	Deducted from Equity
Amount Before Credit											
Risk Mitigation	56.384.021	-	13.297.984	54.754.102	43.740.238	107.211.404	5.679.040	7.431.487	410.478	-	20.255
Amount After Credit											
Risk Mitigation	50.762.927	-	9.309.239	61.889.137	30.135.658	100.662.815	5.679.040	7.431.487	410.478	-	20.255

**o. Miscellaneous Information regarding Important Sectors or Counterparty Type:**

Methods related to impairment and provisions and notes related to past due and impaired receivables are provided in Note 2-a of Section Four

Sectors/Counterparties	Loans(*)			
	Impaired Receivables	Past Due Receivables	Impairment	Provisions
Agricultural	10.693	968	19	10.693
Farming and raising livestock	9.407	856	17	9.407
Forestry	1.257	112	2	1.257
Fishing	29	-	0	29
Manufacturing	203.030	968.186	28.421	203.030
Mining	5.828	18.624	777	5.828
Production	193.943	69.680	2.014	193.943
Electricity, Gas, Water	3.259	879.882	25.630	3.259
Construction	58.069	126.322	3.715	58.069
Services	874.681	252.234	6.914	727.368
Wholesale and retail trade	568.200	178.062	4.873	568.200
Hotel, Food, Beverage services	226.590	32.331	896	79.277
Transportation and Telecommunication	46.949	21.856	513	46.949
Financial Institutions	729	2.483	50	729
Real Estate and Lending Service	2.616	107	3	2.616
Self employment service	2.858	574	21	2.858
Education Service	2.412	4.604	92	2.412
Health and social services	24.327	12.217	466	24.327
Other	2.226.850	1.006.856	84.911	2.226.850
<b>Total</b>	<b>3.373.323</b>	<b>2.354.566</b>	<b>123.980</b>	<b>3.226.010</b>

(\*) Breakdown of cash loans

**p. Information related to Impairment and Loan Loss Provisions:**

	Opening Balance	Provisions provided during the period	Provision Reversals	Other Adjustments (*)	Closing Balance
Special Provisions	2.178.829	2.023.462	(634.304)	(341.977)	3.226.010
General Provisions	2.122.944	421.758	-	-	2.544.702

(\*) Presents the Write-Offs and Sales from Loans under Follow-up portfolio..

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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 December 2015, in accordance with the Market Risk Calculation principles pursuant to the Part 2 of the Second Section of the "Regulation on Measurement and Assessment of Capital Adequacy of Banks" published in the Official Gazette no. 28337 on 28 June 2012.

**a. Information related to Market Risk:**

	<b>Balance</b>
(I) Capital requirement for general market risk – Standard Method	85.711
(II) Capital requirement for specific risk – Standard Method	15.245
(III) Capital requirement for specific risk in securitization positions- Standard Method	-
(IV) Capital requirement for currency risk – Standard Method	52.183
(V) Capital requirement for stocks – Standard Method	-
(VI) Capital requirement for clearing risk – Standard Method	171
(VII) Capital requirement for market risk from options – Standard Method	2.889
(VIII) Capital requirement for counterparty credit risk - Standard Method	145.760
(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)	301.959
(XI) Amount subject to market risk (12,5 x IX) or (12,5 x X)	3.774.488

**b. Average Market Risk Table of Calculated Market Risk for Period Ends:**

Table below shows the calculated average and the maximum and the minimum level of market risk amount as of month ends

	<b>Current Period</b>			<b>Prior Period</b>		
	<b>31 December 2015</b>			<b>31 December 2014</b>		
	<b>Average</b>	<b>Maximum</b>	<b>Minimum</b>	<b>Average</b>	<b>Maximum</b>	<b>Minimum</b>
Interest Rate Risk	93.511	100.072	72.689	64.320	82.806	50.473
Share Certificates Risk	178	31	230	1.541	217	467
Currency Risk	43.955	118.808	46.269	11.866	84.774	-
Commodity Risk	-	-	-	-	-	-
Settlement Risk	69	142	47	2	-	-
Option Risk	1.788	689	412	5.725	4.577	1.354
Counterparty Credit Risk	134.878	168.912	104.838	82.108	138.271	46.572
<b>Total Amount Subject to Risk</b>	<b>274.379</b>	<b>388.654</b>	<b>224.485</b>	<b>165.562</b>	<b>310.645</b>	<b>98.866</b>

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**c. Information related to counterparty credit risk:**

The counterparty credit risk is calculated via "Fair Value Valuation Method" mentioned in the Communiqué on "Regulation on Measurement and Assessment of Capital Adequacy of Banks" published in the Official Gazette No. 28337 on June 28, 2012 and entered into force as of July 1, 2012 and its annex "Derivative financial instruments, repurchase transactions, securities or commodities lending or borrowing transactions, Long Settlement Transactions with Counterparty Credit Risk in Credit Securities Transactions."

Counterparty credit risk is the sum of potential credit risk amounts and positively valued replacement costs. Limit allocations regarding operations are determined by taking into consideration the maximum risk amounts. The compliance with the limits are controlled on transaction basis. Limits are regularly viewed and within this process the changes in the counterparty credit ratings are also taken into consideration. Internal capital is provided for counterparty credit risks.

Agreements of International Swaps and Derivatives Association (ISDA), Credit Support Annex (CSA) are used in the derivative transactions' counterparty risk management. Within the scope of these agreements cash guarantees are taken or given based on the transactions' fair value changes on a daily basis.

In the management of marketable securities purchase/sell commitments' trade risk Delivery Versus Payment (DVP) trade method is used.

**Quantitative information on Counterparty Risk:**

	<b>Amount</b>
Interest Rate Based Contracts	56.412
Foreign Currency Based Contracts	50.091
Commodity Based Contracts	1.176
Stock-Based Contracts	2
Other	1.018
Positive Fair Value Gross Amount	-
Benefits of Offsetting	-
Offsetting Current Risk Amount	-
Retained Guarantee	3.978
Net Positions on derivatives	115.013

d. Standard method is used for calculation of capital requirements.

**IV. EXPLANATIONS ON OPERATIONAL RISK**

The "Basic Indicator Method" that is mentioned in "Regulation on Measurement and Assessment of Capital Adequacy of Banks" Communiqué published in the Official Gazette no. 28337 on June 28, 2012 and entered into force as of July 1, 2012, is used in the operational risk calculation of the Bank. The amount subject to the operational risk as of 31 December 2015 is calculated once a year by using the gross income of the Bank in 2012, 2013 and 2014.

Annual gross revenue is calculated by deduction of profit/loss derived from the sale of available-for-sale assets and held-to-maturity securities, extraordinary income and indemnity insurance gains from the total of net interest income and non interest income.

	<b>31.12.2012</b>	<b>31.12.2013</b>	<b>31.12.2014</b>	<b>Total/Positive GI year number</b>	<b>Ratio (%)</b>	<b>Total</b>
Gross income	6.129.693	8.171.218	8.572.601	3	15	1.143.676
Amount subject to Operational Risk (Amount*12,5)						14.295.945

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**V. EXPLANATIONS ON CURRENCY RISK**

The difference between the Bank'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 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:

	<b>USD</b>	<b>EURO</b>	<b>Yen</b>
Balance Sheet Evaluation Rate	TL 2,8800	TL 3,1422	TL 2,3864
1.Day bid rate	TL 2,9076	TL 3,1776	TL 2,4078
2.Day bid rate	TL 2,9084	TL 3,1921	TL 2,4098
3.Day bid rate	TL 2,9157	TL 3,2006	TL 2,4133
4.Day bid rate	TL 2,9123	TL 3,1904	TL 2,4146
5.Day bid rate	TL 2,9187	TL 3,1968	TL 2,4189

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

USD	:TL 2,9165
EURO	:TL 3,1752
Yen	:TL 4,3674

As of 31 December 2014;

	<b>USD</b>	<b>EURO</b>	<b>Yen</b>
Balance Sheet Evaluation Rate	TL 2,3269	TL 2,8272	TL 1,9424

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

The table below summarizes the Bank'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"; in assets trading derivative financial assets, hedging derivative financial assets, deferred tax assets, prepaid expenses, in liabilities general loan loss provision, deferred tax liability, trading derivative financial liabilities, hedging derivative financial 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:

<b>Current Period – 31 December 2015</b>	<b>EURO</b>	<b>USD</b>	<b>Other FC(*)</b>	<b>Total</b>
<b>Assets</b>				
Cash Equivalents and Central Bank(**)	4.040.181	15.552.082	3.715.380	<b>23.307.643</b>
Banks	812.578	5.459.073	30.087	<b>6.301.738</b>
Financial Assets at Fair Value through Profit or Loss (Net)	107	-	-	<b>107</b>
Interbank Money Market Placements	-	-	-	<b>-</b>
Available-for-sale Financial Assets (Net)	2.794.067	19.079.062	-	<b>21.873.129</b>
Loans	20.285.595	32.007.018	61.593	<b>52.354.206</b>
Investments in Associates, Subsidiaries and Joint Ventures	1.001.182	2.243	-	<b>1.003.425</b>
Held-to-maturity Investments (Net)	2.173.949	3.329.732	-	<b>5.503.681</b>
Hedging Derivative Financial Assets	-	-	-	<b>-</b>
Tangible Assets (Net)	-	1.746	-	<b>1.746</b>
Intangible Assets (Net)	-	-	-	<b>-</b>
Other Assets	142.242	374.008	3.074	<b>519.324</b>
<b>Total Assets</b>	<b>31.249.901</b>	<b>75.804.964</b>	<b>3.810.134</b>	<b>110.864.999</b>
<b>Liabilities</b>				
Bank Deposits	1.128.624	9.338.275	779.364	<b>11.246.263</b>
Foreign Currency Deposits (***)	17.795.245	39.037.869	2.166.734	<b>58.999.848</b>
Funds from Interbank Money Market	465.407	16.194.512	-	<b>16.659.919</b>
Borrowings	7.141.845	16.377.719	644	<b>23.520.208</b>
Marketable Securities Issued (Net)	139.029	7.851.571	93.429	<b>8.084.029</b>
Miscellaneous Payables	556.765	393.632	2.465	<b>952.862</b>
Hedging Derivative Financial Liabilities	-	-	-	<b>-</b>
Other Liabilities	63.675	67.428	4.266	<b>135.369</b>
<b>Total Liabilities</b>	<b>27.290.590</b>	<b>89.261.006</b>	<b>3.046.902</b>	<b>119.598.498</b>
<b>Net on Balance Sheet Position</b>	<b>3.959.311</b>	<b>(13.456.042)</b>	<b>763.232</b>	<b>(8.733.499)</b>
<b>Net off-Balance Sheet Position (**)</b>	<b>(3.450.268)</b>	<b>12.766.362</b>	<b>(789.661)</b>	<b>8.526.433</b>
Financial Derivative Assets	9.053.600	35.435.549	2.303.294	<b>46.792.443</b>
Financial Derivative Liabilities	12.503.868	22.669.187	3.092.955	<b>38.266.010</b>
<b>Non-cash Loans</b>	<b>5.847.197</b>	<b>12.799.680</b>	<b>266.148</b>	<b>18.913.025</b>
<b>Prior Period - 31 December 2014</b>				
Total Assets	21.968.748	61.780.913	3.506.038	<b>87.255.699</b>
Total Liabilities	22.888.914	72.120.437	3.515.643	<b>98.524.994</b>
<b>Net on-Balance Sheet Position</b>	<b>(920.166)</b>	<b>(10.339.524)</b>	<b>(9.605)</b>	<b>(11.269.295)</b>
<b>Net off-Balance Sheet Position (**)</b>	<b>824.656</b>	<b>10.721.382</b>	<b>(7.442)</b>	<b>11.538.596</b>
Financial Derivative Assets	5.418.752	26.876.636	4.327.610	<b>36.622.998</b>
Financial Derivative Liabilities	4.594.096	16.155.254	4.335.052	<b>25.084.402</b>
<b>Non-cash Loans</b>	<b>5.675.832</b>	<b>12.169.717</b>	<b>270.515</b>	<b>18.116.064</b>

(\*) Of the "Other FC" total assets amounting to TL 3.810.134 (31 December 2014: TL 3.506.038), TL 44.934 is in English Pounds (31 December 2014: 74.392 TL), and TL 25.396 is in Swiss Francs (31 December 2014: TL 43.564), TL 14.378 is in Japanese Yen (31 December 2014: TL 9.865). Of the total liabilities amounting to TL 3.046.902 (31 December 2014: TL 3.515.643) TL 1.525.048 is in British Pounds (31 December 2014: TL 1.314.087) and TL 287.999 is in Swiss Francs (31 December 2014: TL 603.775), TL 43.054 is in Japanese Yen (31 December 2014: TL 62.502).

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

(\*\*\*) Of the Cash Equivalents and Central Bank TL 3.663.362 (31 December 2014: TL 3.308.533) and of the foreign currency deposits, TL 777.277 (31 December 2014: TL 1.225.353) is precious metal deposit account in demand.



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**Currency risk sensitivity analysis:**

The following table details the Bank's sensitivity to a 10% change in exchange rates.

Change in exchange rate	Effect on Profit/Loss(*)	
	Current period 31 December 2015	Prior period 31 December 2014
(+)10 %	(39.952)	3.975
(-)10 %	39.952	(3.975)

(\*) Presents amounts before Tax.

**VI. 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 Bank 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 December 2015	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing	Total
<b>Assets</b>							
Cash Equivalents and Central Bank	19.599.410	-	-	-	-	5.874.013	<b>25.473.423</b>
Banks	3.698.219	191.506	-	-	-	3.968.572	<b>7.858.297</b>
Financial Assets at Fair Value Through Profit or Loss (Net)	179.170	1.350.303	774.675	197.008	216.798	9.958	<b>2.727.912</b>
Interbank Money Market Placements	-	-	-	-	-	-	<b>-</b>
Available-for-sale Financial Assets (Net)	2.903.315	3.705.008	8.352.835	18.376.879	7.722.413	399.257	<b>41.459.707</b>
Loans	37.200.002	21.160.972	42.506.898	34.813.342	5.934.956	147.313	<b>141.763.483</b>
Held-to-maturity Investments (Net)	2.129.916	538.768	1.146.443	6.873.115	-	-	<b>10.688.242</b>
Other Assets	591.641	473.360	119.129	30.340	33.392	3.590.062	<b>4.837.924</b>
<b>Total Assets</b>	<b>66.301.673</b>	<b>27.419.917</b>	<b>52.899.980</b>	<b>60.290.684</b>	<b>13.907.559</b>	<b>13.989.175</b>	<b>234.808.988</b>
<b>Liabilities</b>							
Bank Deposits	7.472.066	4.583.593	267.238	-	-	236.324	<b>12.559.221</b>
Other Deposits	82.092.545	17.729.095	5.298.189	77.550	-	21.185.897	<b>126.383.276</b>
Funds from Interbank Money Market	8.866.054	1.059.181	867.723	9.827.032	2.209.118	-	<b>22.829.108</b>
Miscellaneous Payables	156.794	125.523	245.043	75.900	96.075	3.762.414	<b>4.461.749</b>
Marketable Securities Issued (Net)	254.629	1.438.940	1.216.418	5.627.328	2.728.752	-	<b>11.266.067</b>
Borrowings	1.893.697	17.603.514	3.583.627	437.904	194.596	-	<b>23.713.338</b>
Other Liabilities (*)	373.348	363.401	639.679	287.369	198.837	31.733.595	<b>33.596.229</b>
<b>Total Liabilities</b>	<b>101.109.133</b>	<b>42.903.247</b>	<b>12.117.917</b>	<b>16.333.083</b>	<b>5.427.378</b>	<b>56.918.230</b>	<b>234.808.988</b>
Balance Sheet Long Position	-	-	40.782.063	43.957.601	8.480.181	-	<b>93.219.845</b>
Balance Sheet Short Position	(34.807.460)	(15.483.330)	-	-	-	(42.929.055)	<b>(93.219.845)</b>
Off-balance Sheet Long Position	74.491	5.623.748	4.436.880	-	-	-	<b>10.135.119</b>
Off-balance Sheet Short Position	-	-	-	(3.845.898)	(4.221.706)	-	<b>(8.067.604)</b>
<b>Total Position</b>	<b>(34.732.969)</b>	<b>(9.859.582)</b>	<b>45.218.943</b>	<b>40.111.703</b>	<b>4.258.475</b>	<b>(42.929.055)</b>	<b>2.067.515</b>

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

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Prior Period – 31 December 2014	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing	Total
<b>Assets</b>							
Cash Equivalents and Central Bank	2.580.424	-	-	-	-	17.859.617	<b>20.440.041</b>
Banks	1.229.886	441.025	96.108	-	-	2.989.078	<b>4.756.097</b>
Financial Assets at Fair Value Through Profit or Loss (Net)	320.868	375.644	336.868	204.050	169.512	68	<b>1.407.010</b>
Interbank Money Market Placements	700.215	-	-	-	-	-	<b>700.215</b>
Available-for-sale Financial Assets (Net)	6.039.462	3.584.967	10.772.620	9.508.929	7.863.261	302.232	<b>38.071.471</b>
Loans	31.755.207	27.565.255	30.582.339	30.417.509	5.506.348	151.326	<b>125.977.984</b>
Held-to-maturity Investments (Net)	2.408.833	501.192	1.421.534	5.615.108	853.238	-	<b>10.799.905</b>
Other Assets	306.941	26.211	-	-	-	2.964.745	<b>3.297.897</b>
<b>Total Assets</b>	<b>45.341.836</b>	<b>32.494.294</b>	<b>43.209.469</b>	<b>45.745.596</b>	<b>14.392.359</b>	<b>24.267.066</b>	<b>205.450.620</b>
<b>Liabilities</b>							
Bank Deposits	8.489.424	3.586.396	668.532	-	-	495.730	<b>13.240.082</b>
Other Deposits	64.229.659	11.235.465	6.067.863	395.721	-	18.204.611	<b>100.133.319</b>
Funds from Interbank Money Market	8.926.614	6.379.969	4.377.795	4.418.007	3.338.218	-	<b>27.440.603</b>
Miscellaneous Payables	-	-	-	-	-	3.297.373	<b>3.297.373</b>
Marketable Securities Issued (Net)	711.456	1.593.195	2.965.158	3.039.932	1.206.102	-	<b>9.515.843</b>
Borrowings	1.802.546	14.417.259	3.120.108	484.892	1.163.921	-	<b>20.988.726</b>
Other Liabilities	130.505	325.919	530.488	202.642	165.090	29.480.030	<b>30.834.674</b>
<b>Total Liabilities</b>	<b>84.290.204</b>	<b>37.538.203</b>	<b>17.729.944</b>	<b>8.541.194</b>	<b>5.873.331</b>	<b>51.477.744</b>	<b>205.450.620</b>
Balance Sheet Long Position	-	-	25.479.525	37.204.402	8.519.028	-	<b>71.202.955</b>
Balance Sheet Short Position	(38.948.368)	(5.043.909)	-	-	-	(27.210.678)	<b>(71.202.955)</b>
Off-balance Sheet Long Position	779.278	-	961.794	-	178.968	-	<b>1.920.040</b>
Off-balance Sheet Short Position	-	(124.757)	-	(1.165.568)	-	-	<b>(1.290.325)</b>
<b>Total Position</b>	<b>(38.169.090)</b>	<b>(5.168.666)</b>	<b>26.441.319</b>	<b>36.038.834</b>	<b>8.697.996</b>	<b>(27.210.678)</b>	<b>629.715</b>

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

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

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

Current Period – 31 December 2015	EURO	USD	Yen	TL
<b>Assets</b>				
Cash Equivalents and Central Bank	-	0,49	-	5,81
Banks	0,10	0,40	-	10,99
Financial Assets at Fair Value Through Profit or Loss (Net)	3,26	-	-	9,94
Interbank Money Market Placements	-	-	-	-
Available-for-sale Financial Assets (Net)	2,70	3,81	-	9,68
Loans	3,76	4,59	3,36	12,91
Held-to-maturity Investments (Net)	3,69	3,83	-	9,71
<b>Liabilities</b>				
Bank Deposits	0,49	1,03	-	9,53
Other Deposits	1,19	1,83	0,06	9,09
Funds from Interbank Money Market	-	1,53	-	7,60
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued (Net)	1,57	4,54	-	10,01
Borrowings	0,78	1,84	-	6,09

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<b>Prior Period – 31 December 2014</b>	<b>EURO</b>	<b>USD</b>	<b>Yen</b>	<b>TL</b>
<b>Assets</b>				
Cash Equivalents and Central Bank	-	-	-	1,51
Banks	0,05	0,37	-	11,26
Financial Assets at Fair Value Through Profit or Loss (Net)	3,55	4,13	-	10,04
Interbank Money Market Placements	-	-	-	11,24
Available-for-sale Financial Assets (Net)	3,58	3,64	-	10,02
Loans	4,36	4,61	3,69	12,01
Held-to-maturity Investments (Net)	3,69	3,83	-	11,22
<b>Liabilities</b>				
Bank Deposits	0,90	1,26	-	9,89
Other Deposits	1,29	1,51	0,22	7,90
Funds from Interbank Money Market	1,00	1,19	-	8,14
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued (Net)	4,00	4,73	-	8,18
Borrowings	0,92	1,75	-	6,75

**c. Interest rate risk related to banking book:**

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

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

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

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

Calculation of the interest rate risk derived from banking books is presented below:

Currency	Applied Shock (+/- x basis points)	Gains / Losses	Gains / Shareholders' Equity - Losses/ Shareholders' Equity
TL	-400	3.356.356	11,59%
TL	500	(3.543.404)	(12,24%)
USD	-200	534.633	1,85%
USD	200	(551.135)	(1,91%)
EURO	-200	97.418	0,34%
EURO	200	(547.814)	(1,89%)
<b>Total (for negative shocks)</b>		<b>3.988.407</b>	<b>13,78%</b>
<b>Total (for positive shocks)</b>		<b>(4.642.353)</b>	<b>(16,04%)</b>

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**VII. 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".

**VIII. EXPLANATIONS ON LIQUIDITY RISK**

The liquidity risk of the Bank is the risk of being unable to fulfill its payment obligations on time due to not having enough cash sources or cash inflows to finance its cash outflows fully and on time due to cash flow instabilities. Liquidity risk arises from situations in which the Bank is unable to meet the cash outflows with its cash sources and borrowing opportunities over collateralizing marketable securities, in case of sudden fund withdrawals by the individual/institutional funders of the Bank.

**a) Information on risk capacity of the Bank, Responsibilities and structure of liquidity risk management, the Bank's internal liquidity risk reporting, communication between the Board of Directors and business lines on liquidity risk strategy, policy and application:**

The Bank's liquidity and funding policy is to own sufficient liquidity reserve and funding opportunities to meet its liabilities even in cases of stress, resulting from the market conditions or other conditions specific to the Bank.

The Bank has a high risk capacity with broad and stable deposit, strong base capital structure and diversified foreign borrowing sources and is capable of providing additional liquidity with high quality liquid securities in its portfolio and available limits at both the Central Bank of Turkey and other Money markets.

Management of liquidity risk is shared by Executive Risk Committee, Asset – Liability Risk Committee (ALCO), Treasury Department and Risk Management Department. Executive Risk Committee determines the liquidity management policies and the appropriate liquidity risk level in line with the Bank's risk appetite and monitors whether the liquidity risk is managed under the framework of determined policies and within the defined limits.

The different categories of defined limits are;

- Limits related to wholesale funding sources,
- Limits related to liquid asset buffer,
- Limits related to loan/deposit ratio,
- Limits related to the cash inflows coverage capacity to cash outflows,
- Limits related to cash outflow coverage capacity in the stress environment

ALCO takes decision to use alternative funding sources, pricing of obtained funds and granted loans, and other decisions of Daily liquidity management. Treasury Department ensures that the Bank meets its short, middle and long term liabilities, with the transactions made in accordance with ALCO decisions order to utilize excess funding or close the funding gap, occurring on foreign currencies or maturity terms. Risk Management Department measures and monitors the liquidity risk, with the reports prepared and analyses made, and informs the top management. Liquidity risk reporting consists of periodic and special purpose reports prepared to be discussed in Executive Risk Committee and ALCO meetings, stress tests, scenario analyses, risk limit compliance reports and legal liquidity reports.

**b) Information on the centralization degree of liquidity management and funding strategy and the functioning between the Bank and the Bank's subsidiaries:**

Each of the Bank's subsidiaries within the consolidation scope manages its own liquidity. Nevertheless, there are defined limits related to the funding amount that the Bank will provide to a subsidiary, in case of liquidity issues. Cumulative liquidity gap of subsidiaries in liquidity stress scenarios should not exceed the defined limits.

**c) Information on the Bank's funding strategy including the policies on funding types and variety of maturities:**

The Bank targets to obtain additional funding sources besides the strong capital structure, from the most possible diversified, long term stable sources, considering cost factors. In this direction, concentration ratios such as share of retail funding sources in total funding sources, share of deposits of high amount in total deposits, share of borrowings made from the market in total market volume are monitored and limited with the applied risk limits. Treasury performs necessary work to obtain long term foreign funding.

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**d) Information on liquidity management on the basis of currencies constituting a minimum of five percent of the Bank's total liabilities:**

Almost all of the Bank's liabilities are in TL, USD or EUR currencies and TL funds comprise of mainly equity and deposits. The Bank's liquidity in TL is managed with repurchase agreements made at CBRT/BIST using high quality securities owned by the Bank. Together with keeping the main purpose as using liabilities in TL in funding assets in TL, foreign currency liabilities are used in creating assets in TL using foreign exchange swaps, when necessary. Liquidity management is performed in the scope of internal risk limits, such as short term borrowing limits from markets determined by the Bank, market concentration limits, liquidity stress scenario, and cumulative liquidity gap.

Foreign currency funds are obtained through foreign exchange deposit accounts, foreign based, foreign currency loans, securities issued and repurchase agreements. Foreign currency liquidity management is performed using internal risk limits defined for liquidity buffer kept at correspondent banks and monitored daily in the scope of the Bank's risk limits, and cumulative gap in the scope of liquidity stress scenario, and other risk limits defined for wholesale funding and concentration. The Bank has available foreign currency borrowing limits at CBRT/BIST and other banks.

**e) Information on liquidity risk mitigation techniques:**

Liquidity risk is mitigated by using techniques such as maintaining high quality liquid asset buffer to cover possible fund outflows, diversification of funding sources so far as possible and inclusion to the base, homogenizing the maturity distribution of repayments as far as possible, obtaining limits from funding institutions to use when necessary and ensuring that a determined portion of funding sources are comprised of deposits.

**f) Information on the use of stress tests:**

In cases of negative conditions such as an impairment in the securities in the Bank's portfolio, inability to replace short and long term borrowings, fast cash outflow, increase in non-performing loan ratio, high margin calls, the extent and duration of sufficient liquidity is analyzed by the stress tests made by the Risk Management Department. Risk limits determined according to analysis results exist within the Bank. It is ensured that the necessary actions are taken by sharing the analysis results and risk limit compliance status with the top management and related business units.

**g) General information on urgent and unexpected liquidity situation plans:**

Necessary strategy and procedures for the management of possible liquidity crisis are determined with the Liquidity Contingency Plan, which is approved and reviewed every year by the High Level Risk Committee. The actions to be taken favor the benefits of depositors, creditors of the Bank and shareholders. In case one or several emergency situations occur, Bank's Liquidity Contingency Plan is put into use. After Liquidity Contingency Plan is put into use, Liquidity Contingency Management Committee is responsible from the determination of actions to be taken.

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**Liquidity Coverage Ratio:**

	Rate of "Percentage to be taken into account" not Implemented Total value (*)		Rate of "Percentage to be taken into account" Implemented Total value (*)		
	TL+FC	FC	TL+FC	FC	
<b>Current Period– 31.12.2015</b>					
<b>HIGH QUALITY LIQUID ASSETS</b>					
1	High quality liquid assets		39.075.798	28.147.442	
<b>CASH OUTFLOWS</b>					
2	Retail and Small Business Customers Deposits	84.667.785	36.160.534	7.258.157	3.290.666
3	Stable deposits	24.172.428	6.507.755	1.208.621	325.388
4	Less stable deposits	60.495.357	29.652.779	6.049.536	2.965.278
5	Unsecured Funding other than Retail and Small Business Customers Deposits	50.834.195	33.482.966	26.998.296	18.926.937
6	Operational deposits	2.923.611	1.239.002	730.903	309.750
7	Non-Operational Deposits	45.068.983	31.473.777	24.358.235	17.847.000
8	Other Unsecured Funding	2.841.601	770.187	1.909.158	770.187
9	Secured funding			59.085	59.085
10	Other Cash Outflows	22.922.795	15.100.157	20.981.325	13.336.247
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	20.767.288	13.141.003	20.767.288	13.141.003
12	Debts related to the structured financial products	-	-	-	-
13	Commitment related to debts to financial markets and other off balance sheet liabilities	2.155.507	1.959.154	214.037	195.244
14	Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	535.432	-	26.772	-
15	Other irrevocable or conditionally revocable commitments	48.284.608	12.904.839	2.414.230	645.242
<b>16</b>	<b>TOTAL CASH OUTFLOWS</b>			<b>57.737.865</b>	<b>36.258.177</b>
<b>CASH INFLOWS</b>					
17	Secured Lending Transactions	-	-	-	-
18	Unsecured Lending Transactions	13.580.456	6.761.056	9.400.624	5.918.534
19	Other contractual cash inflows	19.268.088	15.675.657	19.268.088	15.675.657
<b>20</b>	<b>TOTAL CASH INFLOWS</b>	<b>32.848.544</b>	<b>22.436.713</b>	<b>28.668.712</b>	<b>21.594.191</b>
			<b>Upper limit applied amounts</b>		
<b>21</b>	<b>TOTAL HQLA</b>			<b>39.075.798</b>	<b>28.147.442</b>
<b>22</b>	<b>TOTAL NET CASH OUTFLOWS</b>			<b>29.069.153</b>	<b>14.663.986</b>
<b>23</b>	<b>Liquidity Coverage Ratio (%)</b>			<b>134,79</b>	<b>193,91</b>

(\*) Simple arithmetic average calculated for the last three months by using the amounts calculated based on weekly simple arithmetic averages

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Prior Period- 31.12.2014	Rate of "Percentage to be taken into account" not Implemented Total value (*)		Rate of "Percentage to be taken into account" Implemented Total value (*)	
	TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS</b>				
1	High quality liquid assets		34.691.600	25.513.574
<b>NAKİT ÇIKIŞLARI</b>				
2	Retail and Small Business Customers Deposits	82.289.326	34.455.457	7.209.512
3	Stable deposits	20.388.415	5.088.511	1.019.421
4	Less stable deposits	61.900.911	29.366.947	6.190.091
5	Unsecured Funding other than Retail and Small Business Customers Deposits	41.611.676	26.591.042	24.418.859
6	Operational deposits	2.749.008	1.147.690	687.252
7	Non-Operational Deposits	35.547.188	24.372.479	21.310.823
8	Other Unsecured Funding	3.315.480	1.070.872	2.420.784
9	Secured funding			583.188
10	Other Cash Outflows	21.936.502	15.229.278	20.046.720
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	19.838.330	13.324.520	19.838.330
12	Debts related to the structured financial products	-	-	-
13	Commitment related to debts to financial markets and other off balance sheet liabilities	2.098.172	1.904.757	208.390
14	Herhangi bir şarta bağlı olmaksızın cayılabilir bilanço dışı Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	50.245.847	13.200.198	2.512.292
15	Other irrevocable or conditionally revocable commitments			660.010
16	<b>TOTAL CASH OUTFLOWS</b>		<b>54.770.572</b>	<b>35.390.494</b>
<b>CASH INFLOWS</b>				
17	Secured Lending Transactions	368.185	-	-
18	Unsecured Lending Transactions	16.195.068	9.402.933	12.232.101
19	Other contractual cash inflows	18.373.216	13.845.831	18.373.216
20	<b>TOTAL CASH INFLOWS</b>	<b>34.936.469</b>	<b>23.248.765</b>	<b>30.605.318</b>
			<b>Üst Sınır Uygulanmış Değerler</b>	
21	<b>TOTAL HQLA</b>		<b>34.691.600</b>	<b>25.513.574</b>
22	<b>TOTAL NET CASH OUTFLOWS</b>		<b>24.165.254</b>	<b>13.048.768</b>
23	<b>Liquidity Coverage Ratio (%)</b>		<b>144,91</b>	<b>205,89</b>

(\*) Simple arithmetic average calculated for the last three months by using the amounts calculated based on weekly simple arithmetic averages

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Liquidity coverage ratio is calculated by comparing the high quality liquid assets owned by the Bank to net cash outflow in one month maturity. Balance sheet accounts that are significant on the ratio can be listed as reserve requirements maintained at CBRT, marketable securities that are not subject to repurchase agreements or not given as collateral, corporate deposits, bank deposits, foreign funds and borrowings from banks. The effect of these accounts on the liquidity coverage ratio is higher than other accounts, since these accounts have a higher share in liquid assets and net cash outflows.

Periodic increases are observed in the liquidity coverage ratio during the weeks where the foreign currency reserve option is used in reserve requirements in CBRT, high amounts are maintained in bank placements or repurchase agreement volume decreases, on the other hand, fluctuations may occur in the liquidity coverage ratio during the weeks where the share of corporate or bank funds increase, or long term foreign funds which are replaced when due, such as syndicated loans are due in one month. Despite these fluctuations, it is observed that the ratio does not decrease below 120% during the period and remain at a quite higher level than the legal lower limit.

Although the derivative transactions create net cash flow of small amount in terms of total liquidity coverage ratio, fluctuations in foreign currency derivative transactions, especially in foreign exchange swaps cause the foreign currency liquidity coverage ratio to be affected.

The Bank's high quality liquid assets comprise of CBRT accounts by 55% and securities issued by Treasury of Republic of Turkey by 42%.

Funding sources are distributed between individual and retail deposits by 59%, corporate deposits by 25%, borrowings from banks by 7% and collateralized borrowings such as repurchase agreements by 6%.

Cash outflow amounting to TL 1.229 million is calculated based on the change of margin call amounts of derivative transactions and repurchase agreements during the last two years.

In accordance with the "Regulation on calculation of Bank's liquidity coverage ratio", published in Official Gazette no. 28948, dated 21 March 2014, the weeks in which the highest and the lowest liquidity coverage ratio is calculated over the last three months are presented below.

	<b>Current Period - 31.12.2015</b>	
	<b>TL+FC</b>	<b>FC</b>
Lowest	124,69	165,77
Week	11.12.2015	02.10.2015
Highest	146,73	225,84
Week	16.10.2015	16.10.2015



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**Breakdown of assets and liabilities according to their outstanding maturities:**

<b>Current Period – 31 December 2015</b>	<b>Demand</b>	<b>Up to 1 Month</b>	<b>1 – 3 Months</b>	<b>3 – 12 Months</b>	<b>1 – 5 Years</b>	<b>5 Years and Over</b>	<b>Unallocated(*)</b>	<b>Total</b>
<b>Assets</b>								
Cash Equivalents and Central Bank Banks	5.727.492	19.717.150	28.781	-	-	-	-	<b>25.473.423</b>
Financial Assets at Fair Value Through Profit or Loss (Net)	9.958	64.252	140.477	472.708	743.093	1.297.424	-	<b>2.727.912</b>
Interbank Money Market Placements Available-for-sale Financial Assets (Net)	399.257	29.504	269.310	883.005	23.586.037	16.292.594	-	<b>41.459.707</b>
Loans Held-to-maturity Investments (Net)	-	20.436.805	20.240.297	31.206.119	49.838.151	19.894.798	147.313	<b>141.763.483</b>
Other Assets	109.863	703.704	35.726	72.620	614.059	495.218	2.806.734	<b>4.837.924</b>
<b>Total Assets</b>	<b>10.215.142</b>	<b>44.649.634</b>	<b>20.906.097</b>	<b>32.755.285</b>	<b>82.145.430</b>	<b>41.183.353</b>	<b>2.954.047</b>	<b>234.808.988</b>
<b>Liabilities</b>								
Bank Deposits	236.324	7.472.066	4.583.593	267.238	-	-	-	<b>12.559.221</b>
Other Deposits	21.185.897	82.092.545	17.729.095	5.298.189	77.550	-	-	<b>126.383.276</b>
Borrowings	-	817.361	5.449.613	9.423.760	5.343.939	2.678.665	-	<b>23.713.338</b>
Funds from Interbank Money Market Marketable Securities Issued (Net)	-	8.866.054	1.059.181	867.723	9.827.032	2.209.118	-	<b>22.829.108</b>
Miscellaneous Payables	-	254.629	1.438.940	1.216.418	5.627.328	2.728.752	-	<b>11.266.067</b>
Other Liabilities (**)	-	3.875.980	75.344	106.356	162.822	241.247	-	<b>4.461.749</b>
	-	1.646.761	425.413	779.081	3.452.300	603.497	26.689.177	<b>33.596.229</b>
<b>Total Liabilities</b>	<b>21.422.221</b>	<b>105.025.396</b>	<b>30.761.179</b>	<b>17.958.765</b>	<b>24.490.971</b>	<b>8.461.279</b>	<b>26.689.177</b>	<b>234.808.988</b>
<b>Net Liquidity Excess/ (Gap)</b>	<b>(11.207.079)</b>	<b>(60.375.762)</b>	<b>(9.855.082)</b>	<b>14.796.520</b>	<b>57.654.459</b>	<b>32.722.074</b>	<b>(23.735.130)</b>	<b>-</b>
<b>Net Off-balance sheet Position</b>	<b>-</b>	<b>(279.338)</b>	<b>(32.944)</b>	<b>584.854</b>	<b>888.143</b>	<b>906.800</b>	<b>-</b>	<b>2.067.515</b>
Financial Derivative Assets	-	22.774.933	12.850.101	21.663.588	21.363.944	43.493.869	-	<b>122.146.435</b>
Financial Derivative Liabilities	-	23.054.271	12.883.045	21.078.734	20.475.801	42.587.069	-	<b>120.078.920</b>
<b>Non-cash Loans</b>	<b>-</b>	<b>2.065.353</b>	<b>3.044.373</b>	<b>7.805.574</b>	<b>4.395.002</b>	<b>15.364.926</b>	<b>-</b>	<b>32.675.228</b>
<b>Prior Period - 31 December 2014</b>								
Total Assets	21.148.578	23.366.568	24.210.381	32.387.568	57.523.503	44.274.969	2.539.053	<b>205.450.620</b>
Total Liabilities	18.700.341	85.981.959	29.128.828	23.983.976	14.088.588	8.455.102	25.111.826	<b>205.450.620</b>
<b>Net Liquidity Gap</b>	<b>2.448.237</b>	<b>(62.615.391)</b>	<b>(4.918.447)</b>	<b>8.403.592</b>	<b>43.434.915</b>	<b>35.819.867</b>	<b>(22.572.773)</b>	<b>-</b>
<b>Net Off-balance sheet Position</b>	<b>-</b>	<b>65.966</b>	<b>24.764</b>	<b>37.779</b>	<b>302.566</b>	<b>198.640</b>	<b>-</b>	<b>629.715</b>
Financial Derivative Assets	-	19.882.132	8.104.808	12.022.478	12.613.895	30.755.085	-	<b>83.378.398</b>
Financial Derivative Liabilities	-	19.816.166	8.080.044	11.984.699	12.311.329	30.556.445	-	<b>82.748.683</b>
<b>Non-cash Loans</b>	<b>-</b>	<b>1.390.241</b>	<b>4.181.343</b>	<b>7.688.111</b>	<b>2.395.089</b>	<b>17.296.907</b>	<b>-</b>	<b>32.951.691</b>

(\*) 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.

(\*\*\*) Amounts related to Gurantee Letters represent contractual maturity and related amounts. Amounts are demand and can be withdrawn optional.

**Breakdown of liabilities due to their remaining contractual maturities:**

<b>Current Period - 31 December 2015</b>	<b>Up to 1 Month</b>	<b>1-3 Months</b>	<b>3-12 Months</b>	<b>1-5 Years</b>	<b>5 Years and Over</b>	<b>Total</b>
<b>Liabilities</b>						
Deposits	111.556.569	22.476.917	5.691.052	92.997	-	<b>139.817.535</b>
Funds borrowed from other financial institutions	828.158	5.541.785	9.740.139	6.048.807	2.960.753	<b>25.119.642</b>
Funds from interbank money market	8.888.724	1.091.227	942.155	10.634.293	2.409.030	<b>23.965.429</b>
Marketable Securities Issued (Net)	291.026	1.553.261	1.573.609	6.736.033	3.123.350	<b>13.277.279</b>
<b>Prior Period - 31 December 2014</b>						
<b>Liabilities</b>						
Deposits	91.589.214	14.916.080	6.853.704	426.271	131	<b>113.785.400</b>
Funds borrowed from other financial institutions	644.190	4.465.841	9.282.967	4.214.930	3.978.733	<b>22.586.661</b>
Funds from interbank money market	8.942.111	6.419.347	4.541.340	5.125.386	3.649.287	<b>28.677.471</b>
Marketable Securities Issued (Net)	353.968	1.964.422	3.323.065	3.683.285	1.303.482	<b>10.628.222</b>

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**Breakdown of derivative instruments due to their remaining contractual maturities:**

<b>Current Period - 31 December 2015</b>	<b>Up to 1 month</b>	<b>1-3 months</b>	<b>3-12 months</b>	<b>1-5 years</b>	<b>5 Years and Over</b>
<b>Derivatives held for trading</b>					
Foreign exchange derivatives:					
- Inflow	21.739.166	9.474.013	19.145.176	8.793.947	2.265.430
- Outflow	(20.981.686)	(8.638.373)	(17.612.868)	(9.569.301)	(3.452.684)
Interest rate derivatives:					
- Inflow	7.210	91.814	541.519	1.761.425	864.766
- Outflow	(6.736)	(110.352)	(558.351)	(1.722.752)	(804.165)
<b>Derivatives held for hedging</b>					
Foreign exchange derivatives:					
- Inflow	2.706	1.063	10.549	1.260.326	651.433
- Outflow	(17.936)	-	(78.691)	(1.168.094)	(422.920)
Interest rate derivatives:					
- Inflow	12.554	45.028	194.398	1.014.945	446.512
- Outflow	(17.292)	(66.692)	(250.531)	(1.126.186)	(477.654)
<b>Total Inflow</b>	<b>21.761.636</b>	<b>9.611.918</b>	<b>19.891.642</b>	<b>12.830.643</b>	<b>4.228.141</b>
<b>Total Outflow</b>	<b>(21.023.650)</b>	<b>(8.815.417)</b>	<b>(18.500.441)</b>	<b>(13.586.333)</b>	<b>(5.157.423)</b>
<b>Prior Period - 31 December 2014</b>					
<b>Derivatives held for trading</b>					
Foreign exchange derivatives:					
- Inflow	19.307.670	6.428.723	8.145.585	5.969.323	904.713
- Outflow	(18.725.133)	(5.491.324)	(8.016.941)	(6.464.631)	(1.771.294)
Interest rate derivatives:					
- Inflow	1.436	37.592	263.491	761.075	230.057
- Outflow	(3.034)	(51.845)	(288.272)	(789.382)	(222.663)
<b>Derivatives held for hedging</b>					
Foreign exchange derivatives:					
- Inflow	2.018	75	3.341	527.248	698.610
- Outflow	(17.936)	-	(41.322)	(536.560)	(574.496)
Interest rate derivatives:					
- Inflow	9.907	36.688	142.438	985.091	488.459
- Outflow	(13.816)	(56.558)	(196.899)	(1.044.662)	(504.065)
<b>Total Inflow</b>	<b>19.321.031</b>	<b>6.503.078</b>	<b>8.554.855</b>	<b>8.242.737</b>	<b>2.321.839</b>
<b>Total Outflow</b>	<b>(18.759.919)</b>	<b>(5.599.727)</b>	<b>(8.543.434)</b>	<b>(8.835.235)</b>	<b>(3.072.518)</b>

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**IX. EXPLANATIONS ON SECURITIZATION POSITIONS:**

None.

**X. 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.

<b>Risk classifications:</b>	<b>Amount(*)</b>	<b>Financial Guarantees</b>	<b>Other/ Physical Guarantees</b>	<b>Guarantees and Credit Derivatives</b>
<b>Assets</b>				
Conditional and unconditional receivables from central governments and Central Banks	76.240.746	5.620.913	-	-
Conditional and unconditional receivables from regional or local governments	240	-	-	-
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	38.727	5.599	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	58.358.976	15.560.222	-	-
Conditional and unconditional receivables from corporates	111.064.453	2.988.428	-	-
Conditional and unconditional receivables from retail portfolios	55.575.640	180.164	-	-
Conditional and unconditional receivables secured by mortgages	21.498.672	5.612	-	-
Past due receivables	147.314	-	-	-
Receivables defined under high risk category by BRSA	13.519.697	-	-	-
Securities collateralized by mortgages	-	-	-	-
Securitization positions	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-
Investments similar to collective investment funds	278.802	7.716	-	-
Other receivables	5.264.781	-	-	-
<b>Total</b>	<b>341.988.048</b>	<b>24.368.654</b>	<b>-</b>	<b>-</b>

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

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**XI. EXPLANATIONS ON LEVERAGE RATIO:**

**Information on subjects that causes difference in leverage ratio between current and prior periods:**

As of 31 December 2015, leverage ratio of the Bank calculated from the arithmetic average of the last 3 months is %8,26 (31 December 2014: % 8,52). This ratio is above the minimum required. The most important reason for the difference in leverage ratio between current and previous period is the increase in the balance sheet assets.

**Disclosure of Leverage ratio template :**

	<b>Current Period 31 December 2015 (*)</b>	<b>Prior Period 31 December 2014(*)</b>
1 Balance sheet assets (excluding derivative financial assets and credit derivatives, including collaterals)	230.426.568	200.110.873
2 Assets deducted from Core capital)	21.023	31.442
3 Total risk amount of balance sheet assets (sum of lines 1 and 2)	230.405.545	200.079.431
<b>Derivative financial assets and credit derivatives</b>		
4 Cost of replenishment for derivative financial assets and credit derivatives	2.567.124	1.206.683
5 Potential credit risk amount of derivative financial assets and credit derivatives	1.677.057	892.974
6 Total risk amount of derivative financial assets and credit derivatives (sum of lines 4 and 5)	4.244.181	2.099.657
<b>Financing transactions secured by marketable security or commodity</b>		
7 Risk amount of financing transactions secured by marketable security or commodity (excluding Balance sheet)	2.473.969	4.716.006
8 Risk amount arising from intermediary transactions		
9 Total risk amount of financing transactions secured by marketable security or commodity (sum of lines 7 and 8)	2.473.969	4.716.006
<b>Off-balance sheet transactions</b>		
10 Gross notional amount of off-balance sheet transactions	83.896.331	85.066.919
11 (Correction amount due to multiplication with credit conversion rates)	(462.772)	(340.858)
12 Total risk of off-balance sheet transactions (sum of lines 10 and 11)	83.433.559	84.726.061
<b>Capital and total risk</b>		
13 Core Capital	26.491.856	24.859.605
14 Total risk amount(sum of lines 3, 6, 9 and 12)	320.557.254	291.621.155
<b>Leverage ratio</b>		
15 Leverage ratio	8,26	8,52

(\*) The arithmetic average of the last 3 months in the related periods

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**XII. 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 Compliance Presidency 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 to. The effectiveness and efficiency of the risk mitigation techniques are regularly monitored.

**XIII. EXPLANATIONS ON PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES AT THEIR FAIR VALUES:**

**a. Calculations of financial assets and liabilities at their fair values:**

The fair values of held-to-maturity assets are determined based on market prices or when this price is not available, based on market prices quoted for other securities subject to the same redemption qualifications in terms of interest, maturity and other similar conditions.

The expected fair value of the demand deposits represents the amount to be paid upon request. The fair values of the overnight deposits and floating rate placements represent the carrying value. The expected fair value of the fixed rate deposits is determined by calculating the discounted cash flow using the market interest rates of similar liabilities and loans.

The fair value of marketable securities issued is calculated according to broker price quotations and if these are not available, amounts derived from discounted cash flow models.

The expected fair value of loans and receivables are determined by calculating the discounted cash flows using the current market interest rates for the fixed loans with fixed interest rates. For the loans with floating interest rates, it is assumed that the carrying value reflects the fair value.

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The following table summarizes the carrying values and fair values of financial assets and liabilities. The carrying value represents the acquisition costs and accumulated interest accruals of corresponding financial assets or liabilities.

	Carrying Value		Fair Value	
	Current Period	Prior Period	Current Period	Prior Period
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
<b>Financial Assets</b>	<b>201.769.729</b>	<b>180.305.672</b>	<b>202.485.746</b>	<b>183.219.825</b>
Interbank Money Market Placements	-	700.215	-	700.215
Banks	7.858.297	4.756.097	7.858.297	4.756.097
Available-for-Sale Financial Assets (Net)	41.459.707	38.071.471	41.459.707	38.071.471
Held-to-Maturity Investments (Net)	10.688.242	10.799.905	10.840.922	11.202.659
Loans	141.763.483	125.977.984	142.326.820	128.489.383
<b>Financial Liabilities</b>	<b>178.383.651</b>	<b>147.175.343</b>	<b>177.850.149</b>	<b>146.911.741</b>
Bank Deposits	12.559.221	13.240.082	12.568.145	13.268.021
Other Deposits	126.383.276	100.133.319	126.245.652	100.087.764
Borrowings	23.713.338	20.988.726	23.460.916	20.837.602
Marketable Securities Issued (Net)	11.266.067	9.515.843	11.113.687	9.420.981
Miscellaneous Payables	4.461.749	3.297.373	4.461.749	3.297.373

**b. Fair value hierarchy:**

TFRS 7 sets a hierarchy of valuation techniques according to the observability of data used in valuation techniques which establish basis for fair value calculations.

Aforesaid fair value hierarchy is determined as follows.

- Quoted market prices (non-adjusted) (1st level).
- Directly (by way of prices) or indirectly (derived from prices) data for the assets or liabilities, other than quoted prices in the 1st level (2nd level).
- Data not based on observable data regarding assets or liabilities (3rd level).

Fair value hierarchy of the financial assets and liabilities of the Bank according to the foregoing principles is given in the table below:

Current Period - 31 Aralık 2015	1st Level	2nd Level	3rd Level	Total
Financial Assets at Fair Value Through Profit or Loss				
- Government Debt Securities	1.655	-	-	1.655
- Share Certificates	-	-	-	-
- Trading Derivative Financial Assets	-	2.716.299	-	2.716.299
- Diğer Menkul Değerler	9.958	-	-	9.958
Available-For-Sale Financial Assets				
- Government Debt Securities	35.306.201	-	-	35.306.201
- Share Certificates	-	115.958	-	115.958
- Diğer Menkul Değerler	5.779.354	245.523	-	6.024.877
Hedging Derivative Financial Assets				
Loans	-	648.858	-	648.858
Held to Maturity Investments (Net)	10.840.922	-	-	10.840.922
<b>Total Assets</b>	<b>51.938.090</b>	<b>146.053.438</b>	-	<b>197.991.548</b>
- Trading Derivative Financial Liabilities	-	1.446.874	-	1.446.874
- Hedging Derivative Financial Liabilities	-	157.528	-	157.528
Deposits	-	138.813.797	-	138.813.797
Funds Borrowed	-	23.460.916	-	23.460.916
Funds from Interbank Money Market	-	22.776.177	-	22.776.177
Securities Issued (Net)	-	11.113.687	-	11.113.687
<b>Total Liabilities</b>	-	<b>197.768.979</b>	-	<b>197.768.979</b>

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<b>Prior Period - 31 Aralık 2014</b>	<b>1st Level</b>	<b>2nd Level</b>	<b>3rd Level</b>	<b>Total</b>
Financial Assets at Fair Value Through Profit or Loss				
- Government Debt Securities	5.196	-	-	5.196
- Share Certificates	68	-	-	68
- Trading Derivative Financial Assets	35.922	1.365.824	-	1.401.746
Available-For-Sale Financial Assets				
- Government Debt Securities	32.437.908	-	-	32.437.908
- Share Certificates	-	-	-	-
- Other Marketable Securities	3.754.503	1.866.737	-	5.621.240
Hedging Derivative Financial Assets	-	284.135	-	284.135
Loans	-	128.489.383	-	128.489.383
Held to Maturity Investments (Net)	11.202.659	-	-	11.202.659
<b>Total Assets</b>	<b>47.436.256</b>	<b>132.006.079</b>	<b>-</b>	<b>179.442.335</b>
-Trading Derivative Financial Liabilities	4.475	903.511	-	907.986
-Hedging Derivative Financial Liabilities	-	105.952	-	105.952
Deposits	-	113.355.785	-	113.355.785
Funds Borrowed	-	20.837.602	-	20.837.602
Funds from Interbank Money Market	-	27.580.922	-	27.580.922
Securities Issued (Net)	-	9.420.981	-	9.420.981
<b>Total Liabilities</b>	<b>4.475</b>	<b>172.204.753</b>	<b>-</b>	<b>172.209.228</b>

As explained in the note of VII-b of the Third Section, share certificates classified as available-for-sale are carried at cost less impairment since they are not traded in active markets and their fair values cannot be measured reliably.

There are no transfers between the 1st and the 2nd levels in the current year.

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**XIV. 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

**XV. EXPLANATIONS ON HEDGE TRANSACTIONS:**

The Bank hedges its TL and foreign denominated fixed rate financial assets with cross currency swaps and interest rate 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 in the balance sheet for TL denominated fixed rate mortgage loans. Fair value changes which have already been booked in equity, have been reclassified from equity to income statement for TL and FC denominated fixed rate available-for-sale financial assets.

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

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

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

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

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

The Bank also applies fair value hedge against currency risk resulting from investments abroad. As long as the subject fair value hedge transaction is effective, fair value changes of the hedged item are reflected to income statement.

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

	Current Period 31.12.2015			Prior Period 31.12.2014		
	Notional Amount	Assets	Liabilities	Notional Amount	Assets	Liabilities
Interest Rate and Cross Currency Swaps						
-TL	1.228.638	648.858	-	871.688	284.135	-
-FC	11.197.395	-	157.528	8.767.178	-	105.952
<b>Total</b>	<b>12.426.033</b>	<b>648.858</b>	<b>157.528</b>	<b>9.638.866</b>	<b>284.135</b>	<b>105.952</b>



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**1. Explanations on Fair Value Hedge:**

**Current Period: 31.12.2015**

Hedging Instrument	Hedged Item	Risk Exposure	Fair Value Difference of Hedging Instrument	Fair Value Difference of Hedged Items (*)	Ineffective Portion (**)
Interest Rate Swap	Fixed interest rate FC available-for-sale financial assets	Interest rate risk	(175.849)	170.936	(4.913)
Cross-currency swap	Fixed interest rate TL Mortgage Loans, FC borrowings	Interest rate and currency risk	236.846	(233.961)	2.885
Cross-currency swap	Fixed interest rate TL available-for-sale financial assets, FC borrowings	Interest rate and currency risk	312.135	(307.153)	4.982

(\*) Includes fair value differences arising from changes in foreign exchange rates for the hedge transactions having risk exposure of both interest rate and foreign currency.

(\*\*) Represents the cumulative amounts booked under "Gains / (Losses) on Derivative Financial Transactions" and "Gains/ (Losses) on Foreign Exchange Transactions" since the beginning of hedge accounting.

**Priond Period: 31.12.2014**

Hedging Instrument	Hedged Item	Risk Exposure	Fair Value Difference of Hedging Instrument	Fair Value Difference of Hedged Items (*)	Ineffective Portion(**)
Interest Rate Swap	Fixed interest rate FC available-for-sale financial assets	Interest rate risk	(119.171)	117.347	(1.824)
Cross-currency swap	Fixed interest rate TL Mortgage Loans, FC borrowings	Interest rate and currency risk	70.419	(69.859)	560
Cross-currency swap	Fixed interest rate TL available-for-sale financial assets, FC borrowings	Interest rate and currency risk	109.947	(108.613)	1.334

(\*) Includes fair value differences arising from changes in foreign exchange rates for the hedge transactions having risk exposure of both interest rate and foreign currency.

(\*\*) Represents the cumulative amounts booked under "Gains / (Losses) on Derivative Financial Transactions" and "Gains/ (Losses) on Foreign Exchange Transactions" since the beginning of hedge accounting.

The Bank also applies fair value hedge strategy against the foreign currency risk arising from share premiums and paid-in-capital of Akbank AG, one of Bank's subsidiaries, amounting to EUR 320 Million. EUR 320 Million of syndication loans used by the Bank have been determined as "hedging instruments."

As of 31 December 2015 fair value hedge transactions have been determined as effective.

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

- As of 31 December 2015, related to fair value hedge transactions, the remaining net amount after amortization of the fair value change of the hedged items since the beginning of hedge accounting is TL 7.972 (31 December 2014: TL 5.036)

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**2. Explanations on Cash Flow Hedge:**

a) Information on derivative transactions subject to cash flow hedge.

There are no derivative transactions subject to cash flow hedge as of 31 December 2015.

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

- As of 31 December 2015, related to cash flow hedge transactions, the remaining before tax amount in equity after amortization of the fair value change of the hedging instruments, since the beginning of hedge accounting is TL (75.471) (31 December 2014: TL (103.059)).

b) Maturity analysis of Bank's derivative transactions subject to cash flow hedge:

Maturity analysis of Bank's derivative transactions subject to cash flow hedge is presented in Note VIII of Section Four.

**XVI. EXPLANATIONS ON BUSINESS SEGMENTS:**

The Bank operates in three main business segments including Retail and Private Banking, Commercial Banking and SME Banking, Corporate Banking, Treasury activities, 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 and Private Banking, the Bank 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. Also Private Banking serves the members of the upper-income groups who have expectations for upper-class service quality both in banking and investment transactions

Corporate Banking and 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 Bank 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. The Treasury Unit also 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.

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Information on business segments, in accordance with the changes disclosed in Note I of Section Three , as of 31 December 2015 and 31 December 2014 is presented on the following tables. Explanations on business segments are prepared on the basis of data obtained from Bank Management Reporting System.

	<b>Retail and Private Banking</b>	<b>Corporate Banking, Commercial Banking and SME Banking</b>	<b>Treasury</b>	<b>Other and Unallocated</b>	<b>Bank's Total Activities</b>
<b>Current Period – 31 December 2015</b>					
Operating Income	3.917.842	4.575.758	957.707	899.042	10.350.349
Profit from Operating Activities	665.488	3.117.084	741.997	(710.235)	3.814.334
Income from Subsidiaries	-	-	-	13.337	13.337
Profit before Tax	665.488	3.117.084	741.997	(696.898)	3.827.671
Corporate Tax	-	-	-	(832.823)	(832.823)
Minority Shares	-	-	-	-	-
Net Profit for the Period	665.488	3.117.084	741.997	(1.529.721)	2.994.848
Segment Assets	49.331.189	106.404.812	72.433.551	-	228.169.552
Investments in Associates	-	-	-	-	1.354.664
Undistributed Assets	-	-	-	-	5.284.772
Total Assets	-	-	-	-	234.808.988
Segment Liabilities	93.321.829	45.899.412	61.671.659	-	200.892.900
Undistributed Liabilities	-	-	-	-	7.226.911
Shareholders' Equity	-	-	-	-	26.689.177
Total Liabilities	-	-	-	-	234.808.988
Other Segment Items					
Capital Investment	-	-	-	152.983	152.983
Amortization	(40.894)	(23.493)	(389)	(158.563)	(223.339)
Non-cash Other Income-Expense	(961.397)	(491.120)	(183.562)	(686.121)	(2.322.200)

	<b>Retail and Private Banking</b>	<b>Corporate Banking, Commercial Banking and SME Banking</b>	<b>Treasury</b>	<b>Other and Unallocated</b>	<b>Bank's Total Activities</b>
<b>Prior Period – 31 December 2014</b>					
Operating Income	3.911.035	3.816.689	1.591.034	457.637	9.776.395
Profit from Operating Activities	840.439	2.316.177	1.389.462	(535.664)	4.010.414
Income from Subsidiaries	-	-	-	27.552	27.552
Profit before Tax	840.439	2.316.177	1.389.462	(508.112)	4.037.966
Corporate Tax	-	-	-	(878.288)	(878.288)
Minority Shares	-	-	-	-	-
Net Profit for the Period	840.439	2.316.177	1.389.462	(1.386.400)	3.159.678
Segment Assets	50.656.914	87.045.571	63.071.565	-	200.774.050
Investments in Associates	-	-	-	-	911.153
Undistributed Assets	-	-	-	-	3.765.417
Total Assets	-	-	-	-	205.450.620
Segment Liabilities	76.929.198	33.843.210	63.676.887	-	174.449.295
Undistributed Liabilities	-	-	-	-	5.889.499
Shareholders' Equity	-	-	-	-	25.111.826
Total Liabilities	-	-	-	-	205.450.620
Other Segment Items					
Capital Investment	-	-	-	281.480	281.480
Amortization	(60.179)	(4.459)	(983)	(134.380)	(200.001)
Non-cash Other Income-Expense	(926.530)	(440.949)	(135.252)	(552.013)	(2.054.744)

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**SECTION FIVE  
INFORMATION AND DISCLOSURES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS**

**I. EXPLANATIONS AND NOTES RELATED TO 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		Prior Period	
	31 December 2015		31 December 2014	
	TL	FC	TL	FC
Cash/Foreign Currency	935.450	448.444	932.647	533.619
The CBRT	1.230.328	22.776.999	2.585.518	16.334.281
Other[*]	2	82.200	435	53.541
<b>Total</b>	<b>2.165.780</b>	<b>23.307.643</b>	<b>3.518.600</b>	<b>16.921.441</b>

(\*) As of 31 December 2015, precious metal account amounts to TL 56.414 (31 December 2014: TL 41.449).

2. Information related to the account of the CBRT:

	Current Period		Prior Period	
	31 December 2015		31 December 2014	
	TL	FC	TL	FC
Demand Unrestricted Account	1.830	-	5.094	-
Time Unrestricted Account	-	853.816	-	-
Time Restricted Account	-	-	-	89.258
Reserve Requirement	1.228.498	21.923.183	2.580.424	16.245.023
<b>Total</b>	<b>1.230.328</b>	<b>22.776.999</b>	<b>2.585.518</b>	<b>16.334.281</b>

3. Explanation on reserve requirements:

In accordance with the "Communiqué Regarding the Reserve Requirements no. 2013/15, the Bank is required to maintain reserves in CBRT for TL and foreign currency liabilities. The reserve requirements can be maintained as TL, USD, EUR and standard gold. CBRT started paying interest on reserve balances held in USD starting from May 2015 and held in TL starting from November 2014.

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 December 2015 (31 December 2014: 5% and 11,5% for all TL liabilities). The reserve rates for foreign currency liabilities vary between 5% and 25% for deposit and other foreign currency liabilities according to their maturities as of 31 December 2015 (31 December 2014: 6% and 13 % for all foreign currency liabilities).

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

1. As of 31 December 2015, there are no financial assets at fair value through profit or loss subject to repo transactions (31 December 2014: TL (-)) or given as collateral/blocked (31 December 2014 TL (-)).

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

	Current Period		Prior Period	
	31 December 2015		31 December 2014	
	TL	FC	TL	FC
Forward Transactions	198.176	-	70.893	-
Swap Transactions	607.710	1.688.199	441.883	618.948
Futures Transactions	-	-	33.748	2.174
Options	896	221.318	1.240	232.860
Other	-	-	-	-
<b>Total</b>	<b>806.782</b>	<b>1.909.517</b>	<b>547.764</b>	<b>853.982</b>

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**c. Information on banks account:**

1. Information on banks account:

	Current Period 31 December 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
Banks	1.556.559	6.301.738	394.111	4.361.986
Domestic	1.556.559	1.830.694	394.111	570.886
Foreign	-	4.471.044	-	3.791.100
Head Quarters and Branches Abroad	-	-	-	-
<b>Total</b>	<b>1.556.559</b>	<b>6.301.738</b>	<b>394.111</b>	<b>4.361.986</b>

2. Information on foreign banks account:

	Unrestricted Amount		Restricted Amount (**)	
	Current Period 31 December 2015	Prior Period 31 Aralık 2014	Current Period 31 Aralık 2015	Prior Period 31 Aralık 2014
European Union Countries	534.582	856.720	3.144.498	2.646.682
USA, Canada	778.086	222.500	-	16.793
OECD Countries (*)	9.996	23.389	-	8.236
Off-Shore Banking Regions	-	-	-	-
Other	3.882	16.780	-	-
<b>Total</b>	<b>1.326.546</b>	<b>1.119.389</b>	<b>3.144.498</b>	<b>2.671.711</b>

(\*) OECD Countries other than EU countries, USA and Canada.

(\*\*) Restricted amounts which mainly consist of collaterals related to borrowings, are kept in several banks.

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

1. As of 31 December 2015, available-for-sale financial assets subject to repurchase agreements amount to TL 19.184.557 (31 December 2014: TL 24.310.711); and those given as collateral/blocked amounting to TL 1.103.520 (31 December 2014: TL 3.009.535).

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

	Current Period 31 December 2015	Prior Period 31 December 2014
	Debt Securities	42.098.674
Quoted to Stock Exchange	41.853.151	36.407.366
Not Quoted to Stock Exchange	245.523	1.882.354
Share Certificates	128.629	12.323
Quoted to Stock Exchange	-	-
Not Quoted to Stock Exchange	128.629	12.323
Impairment Provision (-)	767.596	230.572
<b>Total</b>	<b>41.459.707</b>	<b>38.071.471</b>

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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 December 2015		Prior Period 31 December 2014	
	Cash	Non-cash	Cash	Non-cash
Direct Loans Granted to Shareholders	-	82	-	141
Corporate Shareholders	-	82	-	141
Real Person Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	3.367.840	1.447.220	2.458.297	1.986.344
Loans Granted to Employees	99.195	-	105.144	-
<b>Total</b>	<b>3.467.035</b>	<b>1.447.302</b>	<b>2.563.441</b>	<b>1.986.485</b>

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	Extension of Repayment Plan	Loans and Other Receivables (Total)	Loans and Receivables with Revised Contract Terms	Extension of Repayment Plan
			Other Changes			Other Changes
Non-specialized Loans	136.706.991	1.798.517	-	4.909.179	2.648.299	-
Business Loans	17.412.599	220.002	-	1.499.659	637.502	-
Export Loans	6.276.515	75.800	-	55.160	19.007	-
Import Loans	-	-	-	-	-	-
Loans Granted to Financial Sector	6.056.378	7.740	-	-	-	-
Consumer Loans	26.821.142	212.204	-	1.853.129	1.084.044	-
Credit Cards	11.723.535	426.891	-	806.781	681.054	-
Other	68.416.822	855.880	-	694.450	226.692	-
Specialized Loans	-	-	-	-	-	-
Other Receivables	-	-	-	-	-	-
<b>Total</b>	<b>136.706.991</b>	<b>1.798.517</b>	<b>-</b>	<b>4.909.179</b>	<b>2.648.299</b>	<b>-</b>

	Standard loans and other receivables	Loans and other receivables under close monitoring
<b>Number of Extension</b>		
Extended by 1 or 2 times	1.747.490	2.280.345
Extended by 3,4 or 5 times	50.096	365.117
Extended by more than 5 times	931	2.837
<b>Total</b>	<b>1.798.517</b>	<b>2.648.299</b>

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<b>Extension periods</b>	<b>Standard loans and other receivables</b>	<b>Loans and other receivables under close monitoring</b>
0 - 6 Months	222.137	493.910
6 - 12 Months	127.505	197.611
1 - 2 Years	453.454	680.820
2 - 5 Years	506.735	1.091.005
5 Years and over	488.686	184.953
<b>Total</b>	<b>1.798.517</b>	<b>2.648.299</b>

3. Breakdown of loans according to their maturities:

	<b>Standard Loans and Other Receivables</b>		<b>Loans and Receivables Under Close Monitoring</b>	
	<b>Loans and Other Receivables</b>	<b>Restructured or Rescheduled</b>	<b>Loans and Other Receivables</b>	<b>Restructured or Rescheduled</b>
Short-term Loans and Other Receivables				
Non-Specialized Loans	35.456.694	641.936	1.139.485	831.457
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Medium and Long-Term Loans and Other Receivables				
Non-Specialized Loans	101.250.297	1.156.581	3.769.694	1.816.842
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
<b>Total</b>	<b>136.706.991</b>	<b>1.798.517</b>	<b>4.909.179</b>	<b>2.648.299</b>

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

<b>Current Period – 31.12.2015</b>	<b>Short-term</b>	<b>Medium and Long-term</b>	<b>Total</b>
<b>Consumer Loans-TL</b>	<b>116.139</b>	<b>27.719.566</b>	<b>27.835.705</b>
Mortgage Loans	1.485	13.428.250	13.429.735
Automotive Loans	725	538.497	539.222
Consumer Loans	113.929	13.752.819	13.866.748
Other	-	-	-
<b>Consumer Loans- Indexed to FC</b>	<b>-</b>	<b>16.613</b>	<b>16.613</b>
Mortgage Loans	-	15.454	15.454
Automotive Loans	-	-	-
Consumer Loans	-	1.159	1.159
Other	-	-	-
<b>Consumer Loans-FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
<b>Consumer Credit Cards-TL</b>	<b>10.011.944</b>	<b>831.329</b>	<b>10.843.273</b>
With Installment	4.269.698	831.329	5.101.027
Without Installment	5.742.246	-	5.742.246
<b>Consumer Credit Cards-FC</b>	<b>15.969</b>	<b>-</b>	<b>15.969</b>
With Installment	5.457	-	5.457
Without Installment	10.512	-	10.512
<b>Personnel Loans-TL</b>	<b>1.225</b>	<b>58.407</b>	<b>59.632</b>
Mortgage Loans	-	1.730	1.730
Automotive Loans	-	167	167
Consumer Loans	1.225	56.510	57.735
Other	-	-	-
<b>Personnel Loans- Indexed to FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
<b>Personnel Loans-FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
<b>Personnel Credit Cards-TL</b>	<b>39.312</b>	<b>69</b>	<b>39.381</b>
With Installment	15.348	69	15.417
Without Installment	23.964	-	23.964
<b>Personnel Credit Cards-FC</b>	<b>182</b>	<b>-</b>	<b>182</b>
With Installment	79	-	79
Without Installment	103	-	103
<b>Credit Deposit Account-TL (Real Person)</b>	<b>762.321</b>	<b>-</b>	<b>762.321</b>
<b>Credit Deposit Account-FC (Real Person)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Consumer Loans</b>	<b>10.947.092</b>	<b>28.625.984</b>	<b>39.573.076</b>



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

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

<b>Current Period – 31.12.2015</b>	<b>Short-term</b>	<b>Medium and Long-term</b>	<b>Total</b>
<b>Commercial Installment Loans-TL</b>	<b>167.589</b>	<b>6.257.337</b>	<b>6.424.926</b>
Mortgage Loans	2.477	25.413	27.890
Automotive Loans	5.309	12.919	18.228
Consumer Loans	159.803	6.219.005	6.378.808
Other	-	-	-
<b>FC Indexed Commercial Installment Loans</b>	<b>4.138</b>	<b>127.182</b>	<b>131.320</b>
Mortgage Loans	-	3.954	3.954
Automotive Loans	330	4.479	4.809
Consumer Loans	3.808	118.749	122.557
Other	-	-	-
<b>Commercial Installment Loans-FC</b>	<b>1.431</b>	<b>133.731</b>	<b>135.162</b>
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	1.431	133.731	135.162
Other	-	-	-
<b>Corporate Credit Cards-TL</b>	<b>1.629.075</b>	<b>899</b>	<b>1.629.974</b>
With Installment	698.710	899	699.609
Without Installment	930.365	-	930.365
<b>Corporate Credit Cards-FC</b>	<b>1.537</b>	<b>-</b>	<b>1.537</b>
With Installment	17	-	17
Without Installment	1.520	-	1.520
<b>Credit Deposit Account-TL (Legal Person)</b>	<b>733.897</b>	<b>-</b>	<b>733.897</b>
<b>Credit Deposit Account-FC (Legal person)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2.537.667</b>	<b>6.519.149</b>	<b>9.056.816</b>

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

6. Loans according to types of borrowers:

	<b>Current Period 31 December 2015</b>	<b>Prior Period 31 December 2014</b>
Public	1.199.186	1.670.428
Private	140.416.984	124.156.230
<b>Total</b>	<b>141.616.170</b>	<b>125.826.658</b>

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

	<b>Current Period 31 December 2015</b>	<b>Prior Period 31 December 2014</b>
Domestic Loans	138.207.438	124.790.665
Foreign Loans	3.408.732	1.035.993
<b>Total</b>	<b>141.616.170</b>	<b>125.826.658</b>

8. Loans granted to investments in associates and subsidiaries:

	<b>Current Period 31 December 2015</b>	<b>Prior Period 31 December 2014</b>
Direct Loans Granted to Investments in Associates and Subsidiaries	619.370	547.714
Indirect Loans Granted to Investments in Associates and Subsidiaries	-	-
<b>Total</b>	<b>619.370</b>	<b>547.714</b>

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9. Specific provisions accounted for loans:

	<b>Current Period</b> <b>31 December 2015</b>	<b>Prior Period</b> <b>31 December 2014</b>
Loans and Other Receivables with Limited Collectibility	448.339	407.881
Loans and Other Receivables with Doubtful Collectibility	869.262	774.084
Uncollectible Loans and Receivables	1.908.409	996.864
<b>Total</b>	<b>3.226.010</b>	<b>2.178.829</b>

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

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

	<b>III. Group</b> <b>Loans and Other</b> <b>Receivables with</b> <b>Limited Collectibility</b>	<b>IV. Group</b> <b>Loans and Other</b> <b>Receivables with</b> <b>Doubtful Collectibility</b>	<b>V. Group</b> <b>Uncollectible</b> <b>Loans and Other</b> <b>Receivables</b>
<b>Current Period: 31 December 2015</b>			
(Gross Amounts Before Specific Provisions)	35.103	55.654	56.366
Restructured Loans and Other Receivables	34.624	55.457	52.131
Rescheduled Loans and Other Receivables	479	197	4.235
<b>Prior Period: 31 December 2014</b>			
(Gross Amounts Before Specific Provisions)	34.896	65.245	179.358
Restructured Loans and Other Receivables	34.324	62.698	177.462
Rescheduled Loans and Other Receivables	572	2.547	1.896

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

	<b>III. Group</b> <b>Loans and Other</b> <b>Receivables with</b> <b>Limited Collectibility</b>	<b>IV. Group</b> <b>Loans and Other</b> <b>Receivables with</b> <b>Doubtful Collectibility</b>	<b>V. Group</b> <b>Uncollectible</b> <b>Loans and Other</b> <b>Receivables</b>
<b>Prior Period End Balance: 31 December 2014</b>	<b>407.881</b>	<b>925.410</b>	<b>996.864</b>
Additions (+)	1.946.010	23.016	50.423
Transfers from Other Categories of Non-Performing Loans (+)	-	1.742.563	1.615.478
Transfers to Other Categories of Non-Performing Loans (-)	1.742.563	1.615.478	-
Collections (-)	161.882	202.591	269.831
Write-offs (-) (*)	1.107	3.658	337.212
Corporate and Commercial Loans	604	1.003	133.414
Retail Loans	337	1.313	56.689
Credit Cards	166	1.342	147.109
Other	-	-	-
<b>Balance at the End of the Period</b>	<b>448.339</b>	<b>869.262</b>	<b>2.055.722</b>
Specific Provisions (-)	448.339	869.262	1.908.409
<b>Net Balance at Balance Sheet (**)</b>	<b>-</b>	<b>-</b>	<b>147.313</b>

(\*) The Bank has sold non-performing loan portfolio, for which 100% provision was provided and which is worth TL 248,5 million, for an amount of TL 40,3 million to Girişim Varlık Yönetimi A.Ş.

(\*\*) The bank has allocated 100% specific provision amounting to TL 59 million after taking the collaterals into consideration for one of its commercial loans amounting to TL 206 million.

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

	<b>III. Group</b>	<b>IV. Group</b>	<b>V. Group</b>
	<b>Loans and Other Receivables with Limited Collectibility</b>	<b>Loans and Other Receivables with Doubtful Collectibility</b>	<b>Uncollectible Loans and Other Receivables</b>
<b>Current Period: 31 December 2015</b>			
Balance at the End of the Period	14.731	10.469	224.180
Specific Provision (-)	14.731	10.469	93.568
Net Balance on Balance Sheet	-	-	130.612
<b>Prior Period: 31 December 2014</b>			
Balance at the End of the Period	11.925	234.608	47.204
Specific Provision (-)	11.925	103.516	47.204
<b>Net Balance at Balance Sheet</b>	<b>-</b>	<b>131.092</b>	<b>-</b>

Non-performing loans granted as foreign currency are followed under TL accounts of balance sheet.

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

	<b>III. Group</b>	<b>IV. Group</b>	<b>V. Group</b>
	<b>Loans and Other Receivables with Limited Collectibility</b>	<b>Loans and Other Receivables with Doubtful Collectibility</b>	<b>Uncollectible Loans and Other Receivables</b>
<b>Current Period (Net): 31 December 2015</b>			
Loans granted to corporate entities and real persons (Gross)	448.339	869.262	2.055.722
Specific Provision Amount (-)	448.339	869.262	1.908.409
Loans granted to corporate entities and real persons (Net)	-	-	147.313
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Advances Receivables (Net)	-	-	-
<b>Prior Period (Net): 31 December 2014</b>			
Loans granted to corporate entities and real persons (Gross)	407.881	925.410	996.864
Specific Provision Amount (-)	407.881	774.084	996.864
Loans granted to corporate entities and real persons (Net)	-	151.326	-
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Advances Receivables (Net)	-	-	-

11. 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.

12. 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.

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**f. Held-to-maturity investments:**

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

	Current Period		Prior Period	
	31 December 2015		31 December 2014	
	TL	FC	TL	FC
Given as collateral/blocked	133.439	1.903.784	446.634	1.707.276
Subject to repurchase agreements	2.918.515	3.011.127	4.302.822	2.988.291
<b>Total</b>	<b>3.051.954</b>	<b>4.914.911</b>	<b>4.749.456</b>	<b>4.695.567</b>

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

	Current Period		Prior Period	
	31 December 2015		31 December 2014	
	TL	FC	TL	FC
Government Bonds	9.654.515	-	9.973.074	-
Treasury Bills	-	-	-	-
Other Government Debt Securities	1.033.727	-	826.831	-
<b>Total</b>	<b>10.688.242</b>	<b>-</b>	<b>10.799.905</b>	<b>-</b>

3. Information on held-to-maturity investments:

	Current Period		Prior Period	
	31 December 2015		31 December 2014	
	TL	FC	TL	FC
Debt Securities	10.761.282	-	10.809.205	-
Quoted to Stock Exchange	10.761.282	-	10.809.205	-
Not Quoted to Stock Exchange	-	-	-	-
Impairment Provision (-)	73.040	-	9.300	-
<b>Total</b>	<b>10.688.242</b>	<b>-</b>	<b>10.799.905</b>	<b>-</b>

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

	Current Period		Prior Period	
	31 December 2015		31 December 2014	
	TL	FC	TL	FC
Balance at the Beginning of the Period	10.799.905	-	12.153.241	-
Foreign Currency Differences on Monetary Assets	864.389	-	145.662	-
Purchases During Year	-	-	1.728	-
Disposals Through Sales and Redemptions	1.112.446	-	1.793.506	-
Impairment Provision (-)	63.740	-	9.300	-
Change in Amortized Cost	200.134	-	302.080	-
<b>Balance at the End of the Period</b>	<b>10.688.242</b>	<b>-</b>	<b>10.799.905</b>	<b>-</b>

**g. Information on investments in associates (Net):**

1. Information about investments in associates:

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

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2. Main financial figures of associates, in the order of the above table:

The financial figures stated below have been obtained from the financial statements dated 30 September 2015 for Kredi Kayıt Bürosu A.Ş. and dated 31 December 2015 for Bankalararası Kart Merkezi A.Ş.

	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	68.358	29.660	42.971	1.019	-	3.869	3.490	-
2	129.527	104.842	62.914	3.663	-	26.782	18.547	-

3. Movement schedule of investments in associates:

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

**h. Information related to subsidiaries (Net):**

1. Information on shareholders' equity of subsidiaries:

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

	Ak Finansal Kiralama A.Ş.	Ak Yatırım Menkul Değerler A.Ş.	Ak Portföy Yönetimi A.Ş.	Akbank AG	Akbank (Dubai) Limited
Paid in Capital	235.007	46.802	4.079	740.648	2.243
Share Premium	-	-	-	-	-
Reserves	364.421	59.230	9.300	780.798	8.340
Gains recognized in equity as per TAS	-	-	12	-	-
Profit/Loss	89.530	60.927	23.200	148.039	16.629
- Net Current Period Profit	89.530	26.942	22.909	148.039	3.697
- Prior Year Profit/Loss	-	33.985	291	-	12.932
Development Cost of Operating Lease (-)	163	1.452	-	198	-
Goodwill or Other Intangible Assets and Deferred Tax Liability related to these items (-)	225	811	50	233	-
<b>Total Common Equity</b>	<b>688.570</b>	<b>164.696</b>	<b>36.541</b>	<b>1.669.054</b>	<b>27.212</b>
<b>Total Additional Tier I Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Portion of Goodwill and Other Intangible Assets and Related Deferred Tax Liabilities not deducted from the Common Equity as per the 1st Clause of Provisional Article 2 of the "Regulation on the Equity of Banks" (-)	337	1.216	75	349	-
<b>Total Tier I Capital</b>	<b>688.233</b>	<b>163.480</b>	<b>36.466</b>	<b>1.668.705</b>	<b>27.212</b>
<b>Tier II Capital</b>	<b>17.330</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CAPITAL</b>	<b>705.563</b>	<b>163.480</b>	<b>36.466</b>	<b>1.668.705</b>	<b>27.212</b>
<b>Deductions from Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL CAPITAL</b>	<b>705.563</b>	<b>163.480</b>	<b>36.466</b>	<b>1.668.705</b>	<b>27.212</b>

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

2. Accounting method used for the valuation of subsidiaries: Disclosed in Note III of Section Three.
3. Information on subsidiaries:

<b>Title</b>	<b>Address (City / Country)</b>	<b>Bank's Share Percentage-If Different Voting Percentage (%)</b>	<b>Bank's Risk Group Share Percentage (%)</b>
1 Ak Finansal Kiralama A.Ş.	Istanbul/Turkey	99,99	99,99
2 Ak Yatırım Menkul Değerler A.Ş.	Istanbul/Turkey	100,00	100,00
3 Ak Portföy Yönetimi A.Ş.	Istanbul/Turkey	100,00	100,00
4 Akbank AG	Frankfurt/Germany	100,00	100,00
5 Akbank (Dubai) Limited	Dubai/The United Arab Emirates	100,00	100,00

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

	<b>Total Assets</b>	<b>Shareholders' Equity</b>	<b>Total Fixed Assets</b>	<b>Interest Income</b>	<b>Income from Marketable Securities Portfolio</b>	<b>Current Period Profit/ Loss</b>	<b>Prior Period Profit/Loss</b>	<b>Fair Value</b>
1	4.516.222	689.979	1.465	316.909	-	89.530	75.879	-
2	556.065	166.959	6.060	28.970	17.178	26.942	23.090	-
3	44.708	36.591	571	2.838	-	22.909	12.495	-
4	15.158.208	1.669.485	1.389	460.059	38.963	148.039	116.388	-
5	28.479	27.212	16	-	-	3.697	4.699	-

5. Movement schedule of subsidiaries:

	<b>Current Period 31 December 2015</b>	<b>Prior Period 31 December 2014</b>
Balance at the Beginning of the Period	907.230	879.821
Movements During the Period		
Additions (*)	358.121	49.993
Bonus Shares and Contributions to Capital (**)	-	1.000
Dividends from Current Year Income	-	-
Sales/Liquidation	-	-
Revaluation Increase	-	-
Revaluation/Impairment	-	-
Increase/decrease due to foreign exchange valuation of foreign subsidiaries (***)	85.390	(23.584)
Balance at the End of the Period	1.350.741	907.230
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

(\*) Additions in the current period include share capital increases of Ak Finansal Kiralama A.Ş. and Akbank AG amounting to TL 60.000 and EUR 100 Million, respectively. Additions in the prior period include share capital increase of Ak Finansal Kiralama A.Ş. amounting to TL 50.000.

(\*\*) The amount shown in the "Bonus Shares and Contributions to Capital" line of prior period is due to the increase of TL 1.000 of Ak Portföy Yönetimi A.Ş.'s share capital.

(\*\*\*) The amount represents the value changes within the scope of fair value hedge as described in Section VI. Note XV.



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6. Sectoral information on financial subsidiaries and the related carrying amounts:

<b>Subsidiaries</b>	<b>Current Period</b>		<b>Prior Period</b>	
	<b>31 December 2015</b>		<b>31 December 2014</b>	
Banks	1.001.182		617.662	
Insurance Companies	-		-	
Factoring Companies	-		-	
Leasing Companies	281.065		221.074	
Finance Companies	-		-	
Other Financial Subsidiaries	68.494		68.494	

7. Subsidiaries quoted on a stock exchange: None.

i. **Information on finance lease receivables (Net):** None.

j. **Information on the Hedging Derivative Financial Assets:**

	<b>Current Period</b>		<b>Prior Period</b>	
	<b>31 December 2015</b>		<b>31 December 2014</b>	
	<b>TL</b>	<b>FC</b>	<b>TL</b>	<b>FC</b>
Fair Value Hedge	648.858	-	284.135	-
Cash Flow Hedge	-	-	-	-
Net Investment Hedge in a foreign operation	-	-	-	-
<b>Total</b>	<b>648.858</b>	<b>-</b>	<b>284.135</b>	<b>-</b>

k. **Information on property and equipment:**

	<b>Immovables</b>	<b>Other Tangible Fixed Assets</b>	<b>Construction in Progress</b>	<b>Total</b>
<b>Prior Period End: 31 December 2014</b>				
Cost	852.681	976.853	2.495	1.832.029
Accumulated Depreciation(-)	308.482	663.359	-	971.841
<b>Net Book Value</b>	<b>544.199</b>	<b>313.494</b>	<b>2.495</b>	<b>860.188</b>
<b>Current Period End: 31 December 2015</b>				
Net Book Value at the Beginning of the Period	<b>544.199</b>	<b>313.494</b>	<b>2.495</b>	<b>860.188</b>
Additions	6.084	69.135	5.467	80.686
Transferred	6.306	-	(6.306)	-
Disposals (-), net	7.165	1.363	-	8.528
Depreciation (-)	30.289	111.656	-	141.945
Impairment	-	-	-	-
Cost at Period End	843.356	976.094	1.656	1.821.106
Accumulated Depreciation at Period End (-)	324.221	706.484	-	1.030.705
<b>Closing Net Book Value</b>	<b>519.135</b>	<b>269.610</b>	<b>1.656</b>	<b>790.401</b>

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	Immovables	Other Tangible Fixed Assets	Construction in Progress	Total
<b>Prior Period End: 31 December 2013</b>				
Cost	838.335	876.277	203	1.714.815
Accumulated Depreciation(-)	280.218	587.217	-	867.435
<b>Net Book Value</b>	<b>558.117</b>	<b>289.060</b>	<b>203</b>	<b>847.380</b>
<b>Current Period End: 31 December 2014</b>				
Net Book Value at the Beginning of the Period	<b>558.117</b>	<b>289.060</b>	<b>203</b>	<b>847.380</b>
Additions	18.494	130.419	2.292	151.205
Transferred	-	-	-	-
Disposals (-), net	2.056	808	-	2.864
Depreciation (-)	30.356	105.177	-	135.533
Impairment	-	-	-	-
Cost at Period End	852.681	976.853	2.495	1.832.029
Accumulated Depreciation at Period End (-)	308.482	663.359	-	971.841
<b>Closing Net Book Value</b>	<b>544.199</b>	<b>313.494</b>	<b>2.495</b>	<b>860.188</b>

As of 31 December 2015, net book value of the tangible fixed assets obtained by financial leasing is TL 176.489 (31 December 2014: TL 215.391).

**l. Information on intangible assets:**

1. Cost and accumulated amortization at the beginning and end of the period:

	Current Period 31 December 2015	Prior Period 31 December 2014
Cost	566.839	496.402
Accumulated Amortization (-)	346.175	269.538
<b>Net Book Value</b>	<b>220.664</b>	<b>226.864</b>

2. Reconciliation of movements for the current period and prior period:

	Current Period 31 December 2015	Prior Period 31 December 2014
<b>Opening Balance Net Book Value</b>	<b>226.864</b>	<b>160.815</b>
Additions	71.894	130.275
Disposals (-), net	-	-
Depreciation (-)	78.094	64.226
<b>Closing Net Book Value</b>	<b>220.664</b>	<b>226.864</b>

**m. Information on the investment properties:** None.

**n. Information on deferred tax asset:**

As of 31 December 2015, deferred tax asset of the Bank is TL 146.184 (31 December 2014: TL 11.649). Temporary differences subject to deferred tax calculation result from mainly the differences between the book values and tax values of fixed assets, financial assets and liabilities 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 are netted-off and accounted. There are no carry forward tax losses that can be used as deductions for the tax calculation. An explanation about the net deferred tax liability is given in Note II-i-2 of Section Five.

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	<b>Accumulated temporary differences</b>		<b>Deferred tax assets/(liabilities)</b>	
	<b>31 December 2015</b>	<b>31 December 2014</b>	<b>31 December 2015</b>	<b>31 December 2014</b>
Employee benefits	187.178	124.445	37.436	24.889
Differences between fair value and book value of financial assets	1.213.128	500.189	242.626	100.038
Other	310.470	342.575	62.093	68.515
<b>Deferred tax asset</b>			<b>342.155</b>	<b>193.442</b>
Differences between book value and tax base of property, plant and equipment	123.540	126.098	(24.708)	(25.220)
Differences between book value and tax base of financial assets	943.163	782.865	(171.263)	(156.573)
<b>Deferred tax liability</b>			<b>(195.971)</b>	<b>(181.793)</b>
<b>Deferred tax asset/(liability), net</b>			<b>146.184</b>	<b>11.649</b>

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

	<b>Current Period 31 December 2015</b>	<b>Prior Period 31 December 2014</b>
Cost	182.908	158.570
Accumulated Depreciation (-)	3.371	276
<b>Net Book Value</b>	<b>179.537</b>	<b>158.294</b>

	<b>Current Period 31 December 2015</b>	<b>Prior Period 31 December 2014</b>
<b>Opening Balance Net Book Value</b>	<b>158.294</b>	<b>10.005</b>
Additions	35.975	152.448
Disposals (-), net	11.432	3.917
Depreciation (-)	3.300	242
<b>Closing Net Book Value</b>	<b>179.537</b>	<b>158.294</b>

**p. Information on other assets:**

Other assets amount to TL 1.497.616 (31 December 2014: TL 845.614) 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 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 December 2015:

	<b>Demand</b>	<b>Up to 1 Month</b>	<b>1 – 3 Months</b>	<b>3 – 6 Months</b>	<b>6 Months – 1 Year</b>	<b>1 Year and Over</b>	<b>Deposits Cumulative</b>	<b>Total</b>
Saving Deposits	5.854.541	11.048.811	25.059.860	533.204	423.784	607.126	88.074	<b>43.615.400</b>
Foreign Currency Deposits	8.452.937	16.571.058	25.993.027	1.323.926	3.465.462	2.412.005	4.156	<b>58.222.571</b>
Residents in Turkey	8.069.255	16.050.961	24.533.777	1.076.617	798.916	1.217.504	4.064	<b>51.751.094</b>
Residents Abroad	383.682	520.097	1.459.250	247.309	2.666.546	1.194.501	92	<b>6.471.477</b>
Public Sector Deposits	827.355	9.616	38.014	10.414	1.593	2.313	-	<b>889.305</b>
Commercial Deposits	5.129.170	6.232.593	7.131.302	251.371	396.604	251.309	-	<b>19.392.349</b>
Other Institutions Deposits	200.889	480.886	2.227.357	192.340	171.088	213.814	-	<b>3.486.374</b>
Gold Vault	721.005	4.502	22.633	23.092	6.045	-	-	<b>777.277</b>
Interbank Deposits	236.324	1.503.563	3.823.180	6.710.203	217.182	68.769	-	<b>12.559.221</b>
The CBRT	-	-	-	-	-	-	-	-
Domestic Banks	8.620	162.141	9.014	-	-	-	-	<b>179.775</b>
Foreign Banks	187.454	1.341.422	3.814.166	6.710.203	217.182	68.769	-	<b>12.339.196</b>
Participation Banks	40.250	-	-	-	-	-	-	<b>40.250</b>
Other	-	-	-	-	-	-	-	-
<b>Total</b>	<b>21.422.221</b>	<b>35.851.029</b>	<b>64.295.373</b>	<b>9.044.550</b>	<b>4.681.758</b>	<b>3.555.336</b>	<b>92.230</b>	<b>138.942.497</b>

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

	<b>Demand</b>	<b>Up to 1 Month</b>	<b>1 – 3 Months</b>	<b>3 – 6 Months</b>	<b>6 Months – 1 Year</b>	<b>1 Year and Over</b>	<b>Deposits Cumulative</b>	<b>Total</b>
Saving Deposits	4.764.506	11.032.937	21.778.811	1.126.844	578.554	626.932	100.087	<b>40.008.671</b>
Foreign Currency Deposits	6.390.503	10.516.367	11.228.378	2.614.262	3.769.521	2.102.534	4.532	<b>36.626.097</b>
Residents in Turkey	5.965.874	10.338.681	10.056.550	885.007	698.586	1.482.029	4.467	<b>29.431.194</b>
Residents Abroad	424.629	177.686	1.171.828	1.729.255	3.070.935	620.505	65	<b>7.194.903</b>
Public Sector Deposits	828.740	19.149	80.872	61.574	2.632	4.214	-	<b>997.181</b>
Commercial Deposits	4.871.291	7.082.474	4.569.906	941.592	298.919	92.880	-	<b>17.857.062</b>
Other Institutions Deposits	169.932	372.447	1.613.469	596.256	587.414	79.437	-	<b>3.418.955</b>
Gold Vault	1.179.639	5.931	16.504	19.264	4.015	-	-	<b>1.225.353</b>
Interbank Deposits	495.730	1.816.989	6.259.008	3.660.446	990.990	16.919	-	<b>13.240.082</b>
The CBRT	-	-	-	-	-	-	-	-
Domestic Banks	15.603	1.514.055	745.412	2.004	36.066	8.015	-	<b>2.321.155</b>
Foreign Banks	157.419	302.934	5.513.596	3.658.442	954.924	8.904	-	<b>10.596.219</b>
Participation Banks	322.708	-	-	-	-	-	-	<b>322.708</b>
Other	-	-	-	-	-	-	-	-
<b>Total</b>	<b>18.700.341</b>	<b>30.846.294</b>	<b>45.546.948</b>	<b>9.020.238</b>	<b>6.232.045</b>	<b>2.922.916</b>	<b>104.619</b>	<b>113.373.401</b>

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

2. Information on saving deposits insurance:

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

	Under the Guarantee of Deposit Insurance		Exceeding the Limit of Deposit Insurance	
	Current Period 31 December 2015	Prior Period 31 December 2014	Current Period 31 December 2015	Prior Period 31 December 2014
Saving Deposits	21.092.387	18.858.943	22.523.013	21.149.728
Foreign Currency Saving Deposits	7.409.503	6.515.893	26.265.420	17.001.254
Other Deposits in the Form of Saving Deposits	-	-	-	-
Foreign Branches' Deposits under Foreign Authorities' Insurance	-	-	-	-
Off-shore Banking Regions' Deposits under Foreign Authorities' Insurance	-	-	-	-

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

	Current Period 31 December 2015	Prior Period 31 December 2014
Foreign Branches' Deposits and other accounts	-	-
Saving Deposits and Other Accounts of Controlling Shareholders and Deposits of their Mother, Father, Spouse, Children in care	-	-
Saving Deposits and Other Accounts of President and Members of Board of Directors, CEO and Vice Presidents and Deposits of their Mother, Father, Spouse and Children in care	926.599	1.030.337
Saving Deposits and Other Accounts in Scope of the Property Holdings Derived from Crime Defined in Article 282 of Turkish Criminal Law no:5237 dated 26.09.2004	-	-
Saving Deposits in Deposit Banks Established in Turkey solely to Engage in Off-shore Banking Activities	-	-

**b. Information on trading derivative financial liabilities:**

Table of negative differences for trading derivative financial liabilities:

	Current Period 31 December 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
Forward Transactions	249.438	-	156.777	-
Swap Transactions	229.908	709.626	67.522	431.071
Futures Transactions	-	-	822	3.653
Options	3	257.899	102	248.039
Other	-	-	-	-
<b>Total</b>	<b>479.349</b>	<b>967.525</b>	<b>225.223</b>	<b>682.763</b>

**c. Information on borrowings:**

1. Information on banks and other financial institutions:

	Current Period 31 December 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
Borrowings from the CBRT	-	-	-	-
From Domestic Banks and Institutions	176.604	106.101	209.305	70.482
From Foreign Banks, Institutions and Funds	16.526	23.414.107	92.456	20.616.483
<b>Total</b>	<b>193.130</b>	<b>23.520.208</b>	<b>301.761</b>	<b>20.686.965</b>

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2. Information on maturity structure of borrowings:

	Current Period 31 December 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
Short-term	176.604	2.697.280	189.310	12.183.629
Medium and Long-term	16.526	20.822.928	112.451	8.503.336
<b>Total</b>	<b>193.130</b>	<b>23.520.208</b>	<b>301.761</b>	<b>20.686.965</b>

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

**d. Information on securities issued (Net):**

	Current Period 31 December 2015		Prior Period 31 December 2014	
	TL	FC	TL	FC
Bank bills	1.545.846	892.932	1.485.525	769.015
Bonds	1.636.192	7.191.097	1.569.711	5.691.592
<b>Total</b>	<b>3.182.038</b>	<b>8.084.029</b>	<b>3.055.236</b>	<b>6.460.607</b>

**e. Information on other foreign liabilities:**

Other foreign liabilities amount to TL 1.468.876 (31 December 2014: TL 1.447.296) and do not exceed 10% of the total balance sheet.

**f. Information on financial leasing agreements:**

The contingent rent installments of financial lease contracts are determined by the price of commodity, market interest rates and the maturity of funding. The financial leasing contracts do not have any conditions which cause significant commitments for the Bank.

Liabilities incurred due to financial leasing agreements:

	Current Period 31 December 2015		Prior Period 31 December 2014	
	Gross	Net	Gross	Net
Less Than 1 Year	67.104	51.860	99.299	75.598
Between 1-4 Years	15.020	12.110	41.899	33.833
More Than 4 Years	-	-	-	-
<b>Total</b>	<b>82.124</b>	<b>63.970</b>	<b>141.198</b>	<b>109.431</b>

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**g. Information on the hedging derivative financial liabilities:**

	Current Period		Prior Period	
	31 December 2015		31 December 2014	
	TL	FC	TL	FC
Fair Value Hedge	-	157.528	-	105.952
Cash Flow Hedge	-	-	-	-
Net Investment Hedge in a foreign operation	-	-	-	-
<b>Total</b>	<b>-</b>	<b>157.528</b>	<b>-</b>	<b>105.952</b>

**h. Information on provisions:**

1. Information on general provisions:

	Current Period	Prior Period
	31 December 2015	31 December 2014
<b>General Provisions</b>	<b>2.544.702</b>	<b>2.122.944</b>
Provisions for Group I. Loans and Receivables	2.065.397	1.772.666
- Additional Provision for loans with extended payment period	70.085	47.098
Provisions for Group II. Loans and Receivables	305.259	189.154
- Additional Provision for loans with extended payment period	61.506	47.264
Provisions for Non-cash Loans	108.853	115.383
Other	65.193	45.741

2. Information on reserves for employee rights:

	Current Period	Prior Period
	31 December 2015	31 December 2014
<b>Balance Sheet Obligations for:</b>		
- Post-employment benefits (pension and medical)	-	-
- Reserve for employment termination benefits	122.202	66.018
- Reserve for unused vacation	64.976	58.427
<b>Total</b>	<b>187.178</b>	<b>124.445</b>

As explained in Note 2(ii) below, there is no liability that needs to be accounted under the balance sheet since the Fund's fair value compensates for defined benefit obligations as explained in Note 2(ii).

	Current Period	Prior Period
	31 December 2015	31 December 2014
<b>Income Statement Charge for:</b>		
- Post-employment benefits (pension and medical)	(154.457)	(146.273)
- Reserve for employment termination benefits	(60.909)	(29.563)
- Reserve for unused vacation	(6.549)	(8.755)
<b>Total</b>	<b>(221.915)</b>	<b>(184.591)</b>

The charge for the post-employment benefits represents the cash payments, which represent the employer's contribution determined by the Social Security Law no: 506 and additional 2% contribution of the employer. The employer's contribution amounting to TL 154.457 (31 December 2014: TL 146.273) during the year has been included in employee costs under operating expenses.

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2 (i). Employment termination benefits and unused vacation rights:

Under the Turkish Labor Law, the Bank is 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 3.828,37 (in full TL amount) (31 December 2014: TL 3.438,22 (in full TL amount)) for each year of service. This liability is legally not funded and there is no funding requirement.

The reserve has been calculated by estimating the present value of the future probable obligation of the Bank 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:

	<b>Current Period</b> <b>31 December 2015</b>	<b>Prior Period</b> <b>31 December 2014</b>
Discount Rate (%)	4,17	3,62
Rate for the Probability of Retirement (%)	93,88	93,94

The principal actuarial assumption is that the current maximum liability will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. The amount of TL 4.092,53 (1 January 2015: TL 3.541,37) effective from 1 January 2016 has been taken into consideration in calculating the reserve for employee termination benefits.

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

	<b>Current Period</b> <b>31 December 2015</b>	<b>Prior Period</b> <b>31 December 2014</b>
<b>Prior Period Closing Balance</b>	<b>66.018</b>	<b>58.806</b>
Provisions Recognized During the Period	60.909	29.563
Actuarial Loss / (Gain)	63.783	5.785
Paid During the Period	(68.508)	(28.136)
<b>Balance at the End of the Period</b>	<b>122.202</b>	<b>66.018</b>

As of 31 December 2015, the Bank has allocated vacation liability amounting to TL 64.976 (31 December 2014: TL 58.427).

2 (ii). Post-employment benefits:

The Bank's obligation in respect of the post-employment benefits transferrable to SSI, as explained in Note XVII of Section Three, has been calculated by a registered actuary. In this context, the value of the obligation regarding these benefits to be transferred to SSI as of the balance sheet date would equal the approximate payment amount that would need to be made to SSI as part of the transfer. The actuarial parameters and results used for the calculation of this amount reflect the provisions of the New Law for the post-employment pension and medical benefits transferrable to SSI (e.g. a technical interest rate of 9.80%). Accordingly, as of 31 December 2015, the surplus of the Fund, including the obligation for other non-transferable benefits of TL 275.785 (31 December 2014: TL 314.431) amounts to TL 302.564 (31 December 2014: TL 392.975).

	<b>Current Period</b> <b>31 December 2015</b>	<b>Prior Period</b> <b>31 December 2014</b>
Present value of funded obligations	(986.395)	(812.717)
- Pension benefits transferrable to SSI	(1.377.543)	(1.125.845)
- Post-employment medical benefits transferrable to SSI	666.933	627.559
- Other non-transferable benefits	(275.785)	(314.431)
Fair value of plan assets	1.288.959	1.205.692
<b>Surplus</b>	<b>302.564</b>	<b>392.975</b>

The amount of the post-employment medical benefits transferrable to SSI is calculated over discounted net present value of medical liabilities and health premiums.



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The principal actuarial assumptions used were as follows:

<b>Discount rate</b>	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
- Pension benefits transferrable to SSI	9,80%	9,80%
- Post-employment medical benefits transferrable to SSI	9,80%	9,80%
- Other non-transferrable benefits	4,27%	3,43%

**Mortality rate**

The average life expectancy in years of a pensioner retiring at age 60 for men, 58 for women determined using mortality table depending on statistical data is 17 years for men and 23 years for women.

The movement in the fair value of plan assets of the year is as follows:

	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
<b>Prior period end</b>	<b>1.205.692</b>	<b>1.126.277</b>
Actual return on plan assets	166.008	148.312
Employer contributions	154.457	146.273
Employee contributions	132.086	124.982
Benefits paid	(369.284)	(340.152)
<b>Period end</b>	<b>1.288.959</b>	<b>1.205.692</b>

Plan assets are comprised as follows:

	<b>Current Period</b>		<b>Prior Period</b>	
	<b>31 December 2015</b>		<b>31 December 2014</b>	
Bank placements	938.789	73%	839.215	70%
Property and equipment	18.739	1%	20.104	2%
Marketable securities and share certificates	240.010	19%	290.010	24%
Other	91.421	7%	56.363	4%
<b>Period end</b>	<b>1.288.959</b>	<b>100%</b>	<b>1.205.692</b>	<b>100%</b>

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

As of 31 December 2015, the provision related to foreign currency differences of foreign indexed loans amounts to TL 23.811 (31 December 2014: TL 21.290), which is offset with the balance of foreign currency indexed loans in these financial statements.

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

Provision for non-cash loans that are non-funded and non-transformed into cash as of 31 December 2015 is amounting to TL 83.868 (31 December 2014: TL 66.434).

5. Information on other provisions:

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

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

The Bank has provisions for credit cards and banking services promotion activities amounting to TL 139.240 (31 December 2014: TL 118.379).

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**i. Explanations on tax liability:**

1. Explanations on tax liability:

Tax calculations of the Bank are explained in Note XVIII of Section Three. As of 31 December 2015, the corporate tax liability after the deduction of temporary taxes paid is TL 361.173 (31 December 2014: TL 299.363)

1 (i). Information on taxes payable:

	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
Corporate Taxes Payable	361.173	299.363
Taxation on Marketable Securities	96.179	83.041
Property Tax	1.706	1.768
Banking Insurance Transaction Tax (BITT)	89.428	75.262
Foreign Exchange Transaction Tax	-	-
Value Added Tax Payable	4.201	3.731
Other	48.543	43.438
<b>Total</b>	<b>601.230</b>	<b>506.603</b>

1 (ii). Information on premium payables:

	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
Social Security Premiums – Employee	6	5
Social Security Premiums – Employer	19	15
Bank Social Aid Pension Fund Premium- Employee	9	10
Bank Social Aid Pension Fund Premium – Employer	11	13
Pension Fund Membership Fees and Provisions – Employee	-	-
Pension Fund Membership Fees and Provisions – Employer	-	-
Unemployment Insurance – Employee	923	902
Unemployment Insurance – Employer	1.845	1.803
Other	35	-
<b>Total</b>	<b>2.848</b>	<b>2.748</b>

2. Information on deferred tax liability:

As of 31 December 2015, the Bank has no deferred tax liability (31 December 2014: (-) TL). An explanation about the net deferred tax asset is given in Note I-l of Section Five.

**j. Information on shareholders' equity:**

1. Presentation of paid-in capital:

	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
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:

<b>Capital System</b>	<b>Paid-in capital</b>	<b>Ceiling</b>
Registered Share Capital	4.000.000	8.000.000

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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 Bank's income, profitability and liquidity, and possible effects of these future assumptions on the Group's equity due to uncertainties at these indicators;

The Bank 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 Bank continues to its operations with strong shareholders' equity.

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

**k. Information on marketable securities value increase fund:**

	Current Period		Prior Period	
	31 December 2015		31 December 2014	
	TL	FC	TL	FC
From Investments in Associates, Subsidiaries, and Joint Ventures	-	-	-	-
Valuation Difference	(627.540)	(485.221)	(181.747)	(112.073)
Foreign Currency Differences	-	-	-	-
<b>Total</b>	<b>(627.540)</b>	<b>(485.221)</b>	<b>(181.747)</b>	<b>(112.073)</b>

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**III. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT**

**a. Information on interest income:**

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

	Current Period		Prior Period	
	31 December 2015		31 December 2014	
	TL	FC	TL	FC
Short-term Loans	4.001.298	96.745	3.452.562	100.207
Medium and Long-term Loans	5.942.085	1.923.987	5.125.696	1.590.798
Interest on Loans Under Follow-Up	27.565	1	34.184	-
Premiums Received from the Resource Utilization Support Fund	-	-	-	-
<b>Total</b>	<b>9.970.948</b>	<b>2.020.733</b>	<b>8.612.442</b>	<b>1.691.005</b>

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

2. Information on interest income on banks:

	Current Period		Prior Period	
	31 December 2015		31 December 2014	
	TL	FC	TL	FC
From the CBRT	396	310	-	44
From Domestic Banks	34.522	3.177	2.789	1.882
From Foreign Banks	79	11.670	12	4.212
From Headquarters and Branches Abroad	-	-	-	-
<b>Total</b>	<b>34.997</b>	<b>15.157</b>	<b>2.801</b>	<b>6.138</b>

3. Information on interest income on marketable securities:

	Current Period		Prior Period	
	31 December 2015		31 December 2014	
	TL	FC	TL	FC
From Trading Financial Assets	206	69	305	129
From Financial Assets at Fair Value through Profit or Loss	-	-	-	-
From Available-for-sale Financial Assets	1.561.618	817.298	2.456.361	558.604
From Held-to-Maturity Investments	418.215	224.497	525.095	166.013
<b>Total</b>	<b>1.980.039</b>	<b>1.041.864</b>	<b>2.981.761</b>	<b>724.746</b>

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. The inflation index used in the valuation of related securities, Bank uses the calculated index which is derived from estimated index. Related inflation rate is updated during the year when necessary. As of 31 December 2015 the valuation index of related securities based on actual coupon rates and the change between reference inflation rate at the issue date and inflation index at the reporting date.

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4. Information on interest income received from associates and subsidiaries:

	<b>Current Period</b> <b>31 December 2015</b>	<b>Prior Period</b> <b>31 December 2014</b>
Interests Received From Investments in Associates and Subsidiaries	47.281	41.094

**b. Information on interest expense:**

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

	<b>Current Period</b> <b>31 December 2015</b>		<b>Prior Period</b> <b>31 December 2014</b>	
	<b>TL</b>	<b>FC</b>	<b>TL</b>	<b>FC</b>
Banks	15.744	375.093	18.617	303.845
The CBRT	-	-		
Domestic Banks	11.682	1.551	13.281	2.705
Foreign Banks	4.062	373.542	5.336	301.140
Headquarters and Branches Abroad	-	-		
Other Institutions	-	10.680	-	3.865
<b>Total</b>	<b>15.744</b>	<b>385.773</b>	<b>18.617</b>	<b>307.710</b>

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

2. Information on interest expense given to associates and subsidiaries:

	<b>Current Period</b> <b>31 December 2015</b>	<b>Prior Period</b> <b>31 December 2014</b>
To Associates and Subsidiaries	17.322	22.584

3. Information on interest expense given to securities issued:

	<b>Current Period</b> <b>31 December 2015</b>		<b>Prior Period</b> <b>31 December 2014</b>	
	<b>TL</b>	<b>FC</b>	<b>TL</b>	<b>FC</b>
Interest expense on securities issued	282.964	398.394	282.807	287.922

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4. Maturity structure of the interest expense on deposits:

There are no seven-day notification deposits.

Current Period 31.12.2015	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	
<b>TL</b>							
Bank Deposits	34	22.137	83.777	5.310	2.756	431	<b>114.445</b>
Saving Deposits	-	1.139.410	2.172.407	55.074	42.284	55.563	<b>3.464.738</b>
Public Sector Deposits	-	1.428	4.352	4.251	168	212	<b>10.411</b>
Commercial Deposits	-	631.657	487.840	53.265	44.912	14.536	<b>1.232.210</b>
Other Deposits	3	42.410	144.657	10.436	54.773	20.538	<b>272.817</b>
<b>Total</b>	<b>37</b>	<b>1.837.042</b>	<b>2.893.033</b>	<b>128.336</b>	<b>144.893</b>	<b>91.280</b>	<b>5.094.621</b>
<b>FC</b>							
Foreign Currency Deposits	-	248.267	332.860	39.297	84.058	42.539	<b>747.021</b>
Bank Deposits	-	20.430	48.592	62.958	4.684	500	<b>137.164</b>
Precious Metals Deposits	-	-	13	-	465	113	<b>591</b>
<b>Total</b>	<b>-</b>	<b>268.697</b>	<b>381.465</b>	<b>102.255</b>	<b>89.207</b>	<b>43.152</b>	<b>884.776</b>
<b>Grand Total</b>	<b>37</b>	<b>2.105.739</b>	<b>3.274.498</b>	<b>230.591</b>	<b>234.100</b>	<b>134.432</b>	<b>5.979.397</b>

Prior Period 31.12.2014	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	
<b>TL</b>							
Bank Deposits	21	52.328	137.918	14.232	5.407	842	<b>210.748</b>
Saving Deposits	-	793.975	1.890.305	92.817	52.068	63.061	<b>2.892.226</b>
Public Sector Deposits	4	1.145	9.848	3.028	222	354	<b>14.601</b>
Commercial Deposits	-	551.741	491.308	53.114	26.745	5.144	<b>1.128.052</b>
Other Deposits	3	27.669	161.090	49.529	35.514	5.850	<b>279.655</b>
<b>Total</b>	<b>28</b>	<b>1.426.858</b>	<b>2.690.469</b>	<b>212.720</b>	<b>119.956</b>	<b>75.251</b>	<b>4.525.282</b>
<b>FC</b>							
Foreign Currency Deposits	240	207.410	260.721	66.757	81.821	45.933	<b>662.882</b>
Bank Deposits	-	17.897	58.558	43.982	7.351	34	<b>127.822</b>
Precious Metals Deposits	-	-	16	-	365	14	<b>395</b>
<b>Total</b>	<b>240</b>	<b>225.307</b>	<b>319.295</b>	<b>110.739</b>	<b>89.537</b>	<b>45.981</b>	<b>791.099</b>
<b>Grand Total</b>	<b>268</b>	<b>1.652.165</b>	<b>3.009.764</b>	<b>323.459</b>	<b>209.493</b>	<b>121.232</b>	<b>5.316.381</b>

c. Explanations on dividend income:

	Current Period 31 December 2015	Prior Period 31 December 2014
From Trading Financial Assets	-	151
From Financial Assets at Fair Value Through Profit or Loss	-	-
From Available-for-Sale Financial Assets	509	-
Other (*)	12.828	27.401
<b>Total</b>	<b>13.337</b>	<b>27.552</b>

(\*)Discloses the dividend income received from investments in associates and subsidiaries.

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

**d. Information on trading profit/loss (Net):**

	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
<b>Profit</b>	<b>6.878.028.672</b>	<b>1.630.136.786</b>
Income From Capital Market Transactions	853.407	1.206.532
Income From Derivative Financial Transactions (*)	5.704.324	4.354.302
Foreign Exchange Gains	6.871.470.941	1.624.575.952
<b>Loss (-)</b>	<b>6.877.973.860</b>	<b>1.630.247.509</b>
Loss from Capital Market Transactions	641.504	499.495
Loss from Derivative Financial Transactions (*)	6.234.264	5.706.444
Foreign Exchange Loss	6.871.098.092	1.624.041.570
<b>Total (Net)</b>	<b>54.812</b>	<b>(110.723)</b>

(\*) The net profit resulting from the foreign exchange differences related to derivative financial transactions is TL 5.080 (31 December 2014: TL (-) 187.404).

**e. Explanations on other operating income:**

"Other Operating Income" in the Income Statement mainly includes collections from receivables for which provision has been allocated in prior periods and the sale from non-performing loans portfolio. In addition, prior period balance includes the reversal of the general reserve.

**f. Provision expenses related to loans and other receivables of the Bank:**

	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
Specific Provisions for Loans and Other Receivables	1.757.858	1.520.251
III. Group Loans and Receivables	449.245	275.842
IV. Group Loans and Receivables	870.334	925.809
V. Group Loans and Receivables	438.279	318.600
General Provision Expenses	421.758	422.306
Provision Expense for Possible Risks	-	-
Marketable Securities Impairment Expense	87.910	102.313
Financial Assets at Fair Value through Profit or Loss	-	32
Available-for-sale Financial Assets	87.910	102.281
Investments in Associates, Subsidiaries and Held-to-maturity		
Securities Value Decrease	54.674	8.447
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Held-to-maturity Investments	54.674	8.447
Other	-	-
<b>Total</b>	<b>2.322.200</b>	<b>2.053.317</b>

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**g. Information related to other operating expenses:**

	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
Personnel Expenses	1.593.719	1.436.687
Reserve for Employee Termination Benefits	-	1.427
Bank Social Aid Provision Fund Deficit Provision	-	-
Impairment Expenses of Fixed Assets	-	-
Depreciation Expenses of Fixed Assets	141.945	135.533
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expenses	-	-
Amortization Expenses of Intangible Assets	78.094	64.226
Impairment Expenses of Equity Participations for which Equity Method is Applied	-	-
Impairment Expenses of Assets Held for Resale	-	23
Depreciation Expenses of Assets Held for Resale	3.300	242
Impairment Expenses of Fixed Assets Held for Sale	-	-
Other Operating Expenses	1.592.131	1.432.799
Operational Leasing Expenses	170.868	160.168
Maintenance Expenses	23.248	24.139
Advertisement Expenses	117.799	107.438
Other Expenses	1.280.216	1.141.054
Loss on Sales of Assets	328	506
Other(*)	804.298	641.221
<b>Total</b>	<b>4.213.815</b>	<b>3.712.664</b>

(\*) The balance shown in the "other" line includes fees and commissions reimbursements as per the decision of Consumer Arbitration Board, Courts and Offices of Enforcement amounting to TL 217.281 (31 December 2014: TL 109.431).

**h. Information on profit/(loss) from continued and discontinued operations before tax:**

The Bank's income before tax consists of net interest income amounting to TL 7.337.444, net fees and commission income amounting to TL 2.354.254 and the amount of other operating expense is TL 4.213.815.

The Bank has no discontinued operations

**i. Information on tax provision of continued and discontinued operations:**

As of 31 December 2015, the Bank has a current tax expense of TL 806.798 and deferred tax expense of TL 26.025. The amount of deferred tax income that occurred due to the temporary differences is TL 18.634 and deferred tax expense is TL 65.332; the amounts of deferred tax income occurred due to the closing of temporary differences is TL 66.502 and deferred tax expense is TL 45.829.

The Bank has no discontinued operations.

**j. Explanations on current period net profit and loss of continued and discontinued operations:**

Net profit of the Bank is TL 2.994.848

The Bank has no discontinued operations.

**k. Explanations 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 Bank for the current period: None.
2. Explanation on the changes in the estimations regarding the figures on the financial statements, if there is a possibility that the profit and loss for the current or the following periods will be impacted: None.



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**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2015**

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

**I. Other figures on profit and loss statement:**

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

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

**a. Explanations on off-balance sheet commitments:**

1. Type and amount of irrevocable commitments: TL 5.154.131 asset purchase commitments (31 December 2014: TL 9.748.211). TL 17.672.898 commitments for credit card limits (31 December 2014: TL 21.109.490). TL 5.764.751 commitments for cheque books (31 December 2014: TL 5.409.062)

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

The Bank 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:

	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
Bank Acceptance Loans	933.230	1.131.505
Letters of Credit	5.326.661	5.904.981
Other Guarantees	3.788.809	3.471.016
<b>Total</b>	<b>10.048.700</b>	<b>10.507.502</b>

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

	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
Revocable Letters of Guarantee	651.210	513.423
Irrevocable Letters of Guarantee	12.025.211	11.414.007
Letters of Guarantee Given in Advance	2.681.029	2.334.608
Guarantees Given to Customs	3.012.808	4.119.296
Other Letters of Guarantee	4.256.270	4.062.855
<b>Total</b>	<b>22.626.528</b>	<b>22.444.189</b>

3. Information on non-cash loans:

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

	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
Non-cash Loans Given against Cash Loans	3.379.264	3.293.232
With Original Maturity of 1 Year or Less Than 1 Year	1.582.036	1.670.154
With Original Maturity of More Than 1 Year	1.797.228	1.623.078
Other Non-cash Loans	29.295.964	29.658.459
<b>Total</b>	<b>32.675.228</b>	<b>32.951.691</b>

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**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2015**

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

3 (ii). Information on sectoral risk concentrations of non-cash loans:

	Current Period 31 December 2015				Prior Period 31 December 2014			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	14.438	0,11	360	-	18.441	0,12	236	-
Farming and Raising	973	0,01	-	-	396	-	-	-
Livestock		0,10	360	-	18.043	0,12	236	-
Forestry	13.457	0,10	360	-	18.043	0,12	236	-
Fishing	8	0,00	-	-	2	-	-	-
Manufacturing	5.141.241	37,36	6.693.169	35,39	6.074.553	40,95	6.318.559	34,87
Mining	79.290	0,58	81.367	0,43	88.492	0,60	128.708	0,71
Production	3.758.802	27,31	5.243.795	27,73	4.140.882	27,91	5.162.056	28,49
Electric, Gas and Water	1.303.149	9,47	1.368.007	7,23	1.845.179	12,44	1.027.795	5,67
Construction	1.720.886	12,50	2.137.690	11,30	1.412.181	9,52	1.543.664	8,52
Services	6.472.976	47,04	9.024.681	47,71	7.081.007	47,73	9.635.190	53,19
Wholesale and Retail Trade	4.909.257	35,67	4.697.020	24,83	4.963.029	33,45	5.524.017	30,49
Hotel, Food and Beverage Services	55.337	0,40	68.933	0,36	47.058	0,32	57.302	0,32
Transportation and Telecommunication	180.641	1,31	193.573	1,02	169.498	1,14	195.006	1,08
Financial Institutions	1.107.266	8,05	3.948.685	20,88	1.706.259	11,50	3.806.827	21,01
Real Estate and Leasing Services	4.967	0,04	33	0,00	6.211	0,04	22	-
Self-Employment Services	17.778	0,13	8.961	0,05	22.379	0,15	12.494	0,07
Education Services	13.957	0,10	2.272	0,01	12.817	0,09	1.054	0,01
Health and Social Services	183.773	1,34	105.204	0,56	153.756	1,04	38.468	0,21
Other	412.662	2,99	1.057.125	5,60	249.445	1,68	618.415	3,42
<b>Total</b>	<b>13.762.203</b>	<b>100,00</b>	<b>18.913.025</b>	<b>100,00</b>	<b>14.835.627</b>	<b>100,00</b>	<b>18.116.064</b>	<b>100,00</b>

3 (iii). Information on the non-cash loans classified in Group I and Group II:

	Group I		Group II	
	TL	FC	TL	FC
<b>Non-Cash Loans</b>	<b>13.648.977</b>	<b>18.829.693</b>	<b>113.226</b>	<b>83.332</b>
Letters of Guarantee	11.751.463	10.684.793	110.965	79307
Bank Acceptances	-	933.230	-	-
Letters of Credit	396	5.323.464	-	2.801
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Guarantees	-	22.866	-	-
Other Commitments and Contingencies	1.897.118	1.865.340	2.261	1.224

4. Mutual Funds :

As of 31 December 2015, the Bank is the founder of 3 mutual funds (31 December 2014: 43 unit) with an unaudited total fund value of TL 214.758 (31 December 2014: TL 3.228.667). The decrease in the number of the mutual funds, which are founded by the Bank, results from the transfer of some funds to Ak Portföy Yönetim Şirketi A.Ş., a 100% subsidiary of the Bank, according to "Communiqué on Portfolio Management Companies and Activities of Such Companies" published by the CMB. The shares of the mutual funds established in accordance with the Capital Markets Board legislation are kept dematerialized by İstanbul Settlement and Custody Bank, Inc.

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**b. Information on derivative transactions:**

	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
<b>Types of Trading Transactions</b>		
Foreign Currency Related Derivative Transactions (I)	115.011.451	77.201.688
FC Trading Forward Transactions	15.086.699	9.024.234
Trading Swap Transactions	75.872.688	48.706.848
Futures Transactions	-	-
Trading Option Transactions	24.052.064	19.470.606
Interest Related Derivative Transactions (II)	103.377.438	72.871.798
Forward Interest Rate Agreements	-	-
Interest Rate Swaps	58.271.782	38.389.728
Interest Rate Options	45.105.656	34.482.070
Interest Rate Futures	-	-
Other Trading Derivative Transactions (III)	11.410.433	6.427.357
A. Total Trading Derivative Transactions (I+II+III)	229.799.32	156.500.843
<b>Types of Hedging Transactions</b>		
Fair Value Hedges	12.426.033	9.626.238
Cash Flow Hedges	-	-
Foreign Currency Investment Hedges	-	-
B. Total Hedging Related Derivatives	12.426.033	9.626.238
<b>Total Derivative Transactions (A+B)</b>	<b>242.225.355</b>	<b>166.127.081</b>

**c. Explanations on credit derivatives and risks beared due to these:**

Credit derivative transactions are also part of Bank's trading activities due to which the Bank is exposed to fair value risk. The transactions made are credit default swaps that carry Turkish Treasury credit risk. As of 31 December 2015 the Bank holds credit default swaps with 5 year maturity and a nominal value of USD 55 million.

**d. Explanations on contingent assets and liabilities:**

**1. Contingent Liabilities:**

The Bank has accounted a provision amounting to TL 9.581 (31 December 2014: 10.342 TL) for the contingent liabilities with a high probability of realization regarding continuing opposing trials. There are also some other opposing trials. In Addition the probability of realization of these trials is low so no cash outflow expected regarding these trials.

**2. Contingent Assets:**

None.

**e. Explanations on the activities carried out on behalf and account of other persons:**

The policy is explained on note XIII in Section Four.

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**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2015**

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**V. EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY**

**a. Information on distribution of profit:**

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

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

**b. Information on hedge funds:**

Information on cash flow hedge:

Due to facts described in "Explanations of Hedging Transactions" section in Note XIV of Section Four, there are discontinued hedge accounting transactions. As of 31 December 2015, the fair value change of the hedging instrument since the beginning of hedge accounting left after amortization has been reflected to profit/loss accounts that is shown under "hedging funds" in equity is TL (-) 60.377 (31 December 2014: TL (-) 82.447).

**c. Information on available-for-sale financial assets:**

"Unrealized gains and losses" arising from changes in the fair value of securities classified as available-for-sale are not recognized in current year income statements; they are recognized in the "Marketable securities valuation differences" account under equity, until the financial assets are sold, disposed of or impaired.

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**VI. EXPLANATIONS AND NOTES RELATED TO STATEMENT OF CASH FLOWS**

**a. Information on cash and cash equivalents:**

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

Cash and foreign currency, money in transit, bought bank cheques 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 and investment in marketable securities excluding equity securities are defined as "Cash equivalents".

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

	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
<b>Cash</b>	<b>1.993.013</b>	<b>2.507.551</b>
Cash, Foreign Currency and Other	1.478.793	1.531.775
Demand Deposits in Banks (*)	514.220	975.776
<b>Cash Equivalents</b>	<b>2.815.278</b>	<b>1.531.384</b>
Interbank Money Market Placements	700.000	-
Time Deposits in Banks	1.229.762	1.009.300
Marketable Securities	885.516	522.084
<b>Total Cash and Cash Equivalents</b>	<b>4.808.291</b>	<b>4.038.935</b>

(\*) The restricted demand accounts are not included.

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

	<b>Current Period</b>	<b>Prior Period</b>
	<b>31 December 2015</b>	<b>31 December 2014</b>
<b>Cash</b>	<b>2.427.096</b>	<b>1.993.013</b>
Cash, Foreign Currency and Other	1.409.682	1.478.793
Demand Deposits in Banks (*)	1.017.414	514.220
<b>Cash Equivalents</b>	<b>3.725.376</b>	<b>2.815.278</b>
Interbank Money Market Placements	-	700.000
Time Deposits in Banks	3.697.688	1.229.762
Marketable Securities	27.688	885.516
<b>Total Cash and Cash Equivalents</b>	<b>6.152.472</b>	<b>4.808.291</b>

(\*) The restricted demand accounts are not included.

**b. Explanation about other cash flows items and the effect of changes in foreign exchange rates on cash and cash equivalents**

The "Other" item under "Operating profit before changes in operating assets and liabilities" amounting to (-) TL 2.165.942 (31 December 2014: TL (-) 81.711) consists mainly of items such as fees and commissions paid, other operating income excluding income from doubtful receivables, other operating expense excluding personnel expenses.

The "Net increase/decrease in other liabilities" item under "Changes in operating assets and liabilities" amounting to TL 717.465 (31 December 2014: TL (17.275)) consists mainly of changes in miscellaneous payables and other liabilities.

The effect of changes in foreign exchange rates on cash and cash equivalents includes the foreign exchange differences resulted from the translations of cash and cash equivalents in foreign currencies into TL at the exchange rates prevailing at the three months periods, and amounts to TL781.802 (31 December 2014: TL 60.210).

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**VII. EXPLANATIONS AND NOTES RELATED TO BANK'S RISK GROUP**

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

1. Current Period – 31 December 2015:

Bank's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Bank		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	547.714	210.514	2.458.297	1.986.485	-	-
Balance at the End of the Period	619.370	190.178	3.367.840	1.447.302	-	-
Interest and Commission Income Received	47.281	28	253.257	5.321	-	-

According to the German deposit insurance law, the Bank has given a "letter of undertaking" to the German Banking Institute related to Akbank AG, a subsidiary of the Bank. This letter of undertaking amounts to TL 5.043.561 as of 31 December 2015 (31 December 2014: TL 4.494.356).

2. Prior Period -31 December 2014:

Bank's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Bank		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	519.266	234.643	2.362.211	2.413.859	-	-
Balance at the End of the Period	547.714	210.514	2.458.297	1.986.485	-	-
Interest and Commission Income Received	41.094	22	171.985	3.559	-	-

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

Bank's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Bank		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
	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Balance at the Beginning of the Period	429.208	421.675	1.337.103	1.809.480	2.115.511	1.995.056
Balance at the End of the Period	451.485	429.208	2.102.609	1.337.103	2.181.203	2.115.511
Interest on Deposits	17.322	22.584	194.782	167.987	129.147	116.414

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

Bank's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Bank		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
	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Transactions at Fair Value Through Profit or Loss						
Beginning of the Period	289.816	239.027	2.364.278	2.626.534	-	-
Balance at the End of the Period	175.142	289.816	3.501.482	2.364.278	-	-
Total Income/Loss	(606)	(2.767)	(2082)	(12.534)	-	-
Transactions for Hedging Purposes						
Beginning of the Period	-	-	-	-	-	-
Balance at the End of the Period	329.126	-	-	-	-	-
Total Income/Loss	(1.139)	-	-	-	-	-

Figures presented in the table above show the total of "sale" and "purchase" amounts of related transactions. Due to the nature of these transactions, the difference between the "sale" and "purchase" transactions affects the net exposure of the Bank. As of 31 December 2015, the net exposure for investments in associates and subsidiaries is TL 20.675 (31 December 2014: TL (-) 1.907). For direct and indirect shareholders of the Bank TL (-) 10.244 (31 December 2014: TL 1.184).

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

As of 31 December 2015 benefits provided to the Bank's key management amount to TL 25.362 (31 December 2014: TL 23.872).

**VIII. EXPLANATIONS AND NOTES RELATED TO DOMESTIC, FOREIGN, OFF-SHORE BRANCHES AND FOREIGN REPRESENTATIVES OF THE BANK**

1. Information on the domestic and foreign branches and representatives of the bank:

	Number	Number of Employees				
Domestic Branches	901	14.037				
			<b>Country of Incorporation</b>			
Foreign Representation Office	-	-	-			
				<b>Total Assets</b>	<b>Statutory Share Capital</b>	
Foreign Branch Off-shore Banking Region Branches	- 1	- 13	- Malta	- 35.322.514	- -	- -

2. Information on the Bank's branch or representative office openings, closings, significant changes in the organizational structure: In 2015, the Bank has opened 4 domestic branches and closed up 93 domestic branches.

**IX. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS**

None.

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**SECTION SIX  
OTHER EXPLANATIONS**

**I. OTHER EXPLANATIONS**

None.

**SECTION SEVEN  
EXPLANATIONS ON AUDITOR'S REPORT**

**I. EXPLANATIONS ON INDEPENDENT AUDITOR'S REPORT**

The unconsolidated financial statements for the period ended 31 December 2015 have been audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member firm of Ernst&Young Global Limited). The auditor's report dated 2 February 2016 is presented preceding the unconsolidated financial statements.

**II. EXPLANATIONS AND NOTES PREPARED BY INDEPENDENT AUDITORS**

None.