



**Türkiye İhracat Kredi Bankası Anonim Şirketi**

**Unconsolidated Financial Statements**

**As of and For Year Ended 31 December 2015**

**With Independent Auditors' Report Thereon**

*(Convenience Translation of Unconsolidated Financial Statements  
and Related Disclosures and Footnotes Originally Issued in Turkish)*

12 February 2016

*This report includes "Independent Auditors' Report"  
comprising 3 pages and; "Unconsolidated Financial  
Statements and Related Disclosures and Footnotes"  
comprising 99 pages.*



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**Convenience Translation of the Independent Auditors' Report  
Originally Prepared and Issued in Turkish to English**

To the Board of Directors of Türkiye İhracat Kredi Bankası Anonim Şirketi,

**Report on the Unconsolidated Financial Statements**

We have audited the accompanying unconsolidated financial statements of Türkiye İhracat Kredi Bankası Anonim Şirketi ("the Bank") which comprise the unconsolidated balance sheet as at 31 December 2015 and the unconsolidated income statement, unconsolidated statement of income and expense items accounted under shareholders' equity, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Unconsolidated Financial Statements*

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



### *Auditors' Responsibility*

Our responsibility is to express an opinion on these unconsolidated financial statements based on our audit. We conducted our audit in accordance with the "Regulation on Independent Audit of the Banks" published in the Official Gazette No.29314 dated 2 April 2015 by BRSA and Independent Standards on Auditing which is a component of the Turkish Auditing Standards published 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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Türkiye İhracat Kredi Bankası Anonim Şirketi as at 31 December 2015, and its financial performance and its cash flows for the year then ended in accordance with BRSA Accounting and Reporting Legislation.

## Report on Other Legal and Regulatory Requirements

1) Pursuant to the fourth paragraph of Article 402 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 1 January - 31 December 2015 are not in compliance with TCC and provisions of the Bank's articles of association in relation to financial reporting.

2) Pursuant to the fourth paragraph of Article 402 of the TCC; the Board of Directors provided us the necessary explanations and required documents in connection with the audit.

Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.  
A member of KPMG International Cooperative



Orhan Akova, SMMM  
Partner  
12 February 2016  
Istanbul, Turkey



### *Additional paragraph for convenience translation to English*

The accounting principles summarized in note 1 section 3, may differ from the accounting principles generally accepted in countries in which the accompanying consolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS"). Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in accordance with accounting principles generally accepted in such countries of users of the financial statements and IFRS.



**CONVENIENCE TRANSLATION  
OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH,  
SEE NOTE 1.3 IN SECTION THREE**

**THE UNCONSOLIDATED FINANCIAL REPORT OF  
TÜRKİYE İHRACAT KREDİ BANKASI AŞ (“TÜRK EXIMBANK”)  
AS OF 31 DECEMBER 2015**

Saray Mah. Ahmet Tevfik İleri Cad. No: 19 34768 Ümraniye / İSTANBUL  
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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.

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATION RELATED TO THE FINANCIAL POSITION OF THE BANK
- EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
- OTHER EXPLANATIONS AND NOTES
- INDEPENDENT AUDITOR’S REPORT

The accompanying unconsolidated financial statements and notes to these financial statements which are expressed, unless otherwise stated, in **thousands of Turkish lira**, have been prepared and presented 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 and Turkish Financial Reporting Standards; the related appendices and interpretations of these financial statements have been independently audited.

**12 February 2016**

**Cavit DAĞDAŞ**  
Chairman of Board of Directors

**İbrahim ŞENEL**  
Vice Chairman of the Board of  
Directors / Member of the  
Audit Committee

**A.Doğan ARIKAN**  
Member of the Board of Directors  
/ Member of the  
Audit Committee

**Hayrettin KAPLAN**  
General Manager

**Necati YENİARAS**  
Executive Vice President

**Muhittin AKBAS**  
Head of Accounting and  
Reporting Unit

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

Name-Surname/Title: Muhittin AKBAS/ Head of Accounting and Reporting Unit

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# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## SECTION ONE

### GENERAL INFORMATION

#### 1.1 Reporting period along with the information on the trading name of the Bank, the address of the head office, the website address and e-mail address,

The commercial title of the Bank:	Türkiye İhracat Kredi Bankası AŞ
The Bank's head office address:	Saray Mahallesi Ahmet Tevfik İleri Cad., No:19 34768 Ümraniye / İSTANBUL
The Bank's telephone and fax numbers:	Telephone: (0216) 666 55 00 Facsimile: (0216) 666 55 99
The Bank's web site:	www.eximbank.gov.tr
The Bank's e-mail address:	info@eximbank.gov.tr
Reporting period:	1 January - 31 December 2015

#### 1.2 Bank's date of foundation, initial status, history regarding the changes in this status

Türkiye İhracat Kredi Bankası AŞ ("the Bank" or "Eximbank") was established as Turkey's "Official Export Credit Agency" on 25 March 1987 with Act number 3332 as a development and investment bank and accordingly, the Bank does not accept deposits.

#### 1.3 Explanation about the Bank's capital structure and shareholders who are in charge of the management and/or auditing of the Bank directly or indirectly, changes in these matters throughout the year (if any) and the group of the Bank

The total share capital of the Bank is TL 2.500.000.000 (two billion and five-hundred million). The Bank's paid-in-capital committed by the Republic of Turkey Prime Ministry Undersecretariat of Treasury ("the Turkish Treasury") consists of 2.500.000.000 shares of TL 1 nominal each.

#### 1.4 Explanation on the Board of directors, members of the audit committee, president and executive vice presidents and their shareholding at the Bank, if applicable

	<u>Name:</u>	<u>Academic Background:</u>
<b>Chairman of the Board of Directors<sup>(1)</sup></b>	Cavit DAĞDAŞ	Post Graduate
<b>Vice Chairman of the Board of Directors<sup>(1)</sup>:</b>	İbrahim ŞENEL	Post Graduate
<b>Members of the Board of Directors<sup>(1)</sup>:</b>	Dr. Hayrettin KAPLAN Oğuz SATICI Mehmet BÜYÜKEKŞİ Adnan Ersoy ULUBAŞ A.Doğan ARIKAN	Postgraduate Undergraduate Undergraduate Undergraduate Undergraduate
<b>Members of the Audit Committee:</b>	İbrahim Şenel A.Doğan ARIKAN	Graduate Undergraduate
<b>General Manager:</b>	Dr. Hayrettin KAPLAN	Postgraduate
<b>Deputy General Managers:</b>	Necati YENİARAS Mesut GÜRSOY Enis GÜLTEKİN M.Ertan TANRIYAKUL Ahmet KOPAR Alaaddin METİN	Graduate Undergraduate Undergraduate Undergraduate Graduate Undergraduate

(1) In the General Assembly of the Bank held on 30 March 2015, Ministry of Economy Undersecretary İbrahim ŞENEL was appointed as board member, due to the resignation of Ziya ALTUNYALDIZ on 10 February 2015 and it is resolved other board members to continue with their duties. In the Board of Directors meeting numbered 15/06 and dated 25 May 2015, Deputy Chairman of the Board of Directors Cavit DAĞDAŞ was appointed as the Chairman of the Board of Directors and Board Member İbrahim ŞENEL was appointed as the Vice Chairman of the Board.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## GENERAL INFORMATION (Continued)

### 1.4 Explanation on the Board of directors, members of the audit committee, president and executive vice presidents and their shareholding at the Bank, if applicable (continued)

General Manager of the Bank is Dr. Hayrettin KAPLAN, General Manager responsible for Loans of the Bank is Mesut GÜRSOY, Deputy General Manager responsible for Accounting Transactions and Reporting, Information Technologies and Economic Research is Necati YENİARAS (Coordination/Technology), Deputy General Manager responsible for Social Affairs and Communication, Human Resources and Board of Examination of the Bank is Ahmet KOPAR (Technology/Support), Deputy General Manager responsible for Insurance and Guarantee Operations of the Bank is Enis GÜLTEKİN, Deputy General Manager responsible for International Loans of the Bank is Alaaddin METİN and Deputy General Manager responsible for Risk Analysis and Assessment, Finance and Treasury Operations of the Bank is Mustafa Ertan TANRIYAKUL.

The Bank's chairman and members of the board of directors, the members of the audit committee, general manager and deputy general managers do not own shares of the Bank.

### 1.5 Information on the shareholders owning control shares

Name/Commercial title	Share amount	Share percentage	Paid-in capital	Unpaid portion
The Turkish Treasury	All	100%	2.500.000	-

### 1.6 Brief information on the Bank's service type and fields of operation

The Bank has been founded to support the development of export, venture investments, foreign trade through diversification of the exported goods and services, by increasing the share of exporters and entrepreneurs in international trade, to encourage foreign investments and production and sales of foreign currency earning commodities and to create new markets for the exported commodities, to provide exporters and overseas contractors with support to increase their competitiveness.

As a means of aiding export development services, the Bank performs loan, guarantee and insurance services in order to financially support export and foreign currency earning services. While performing the above mentioned operations, in addition to its own equity, the Bank provides short, medium or long term, domestic and foreign currency lending through borrowings from domestic and foreign money and capital markets.

On the other hand, the Bank also performs fund management (treasury) operations related with its core banking operations. These operations are Turkish Lira and foreign currency capital market operations, Turkish Lira and foreign currency money market operations, foreign currency market operations and derivative transactions, all of which are approved by the Board of Directors. As a result of Decision No. 4106 dated 11 March 2011 of the Banking Regulation and Supervisory Board published in Official Gazette No. 27876, dated 16 March 2011, permission was granted to the Bank to allow it to be engaged in the purchase and sale of foreign exchange-based options. The losses due to the political risks arising on loan, guarantee and insurance operations of the Bank, are transferred to the Turkish Treasury according to article 4/c of Act number 3332 that was appended by Act number 3659 and according to Act regarding the Public Financing and Debt Management, No 4749, dated 28 March 2002. In addition, Banking Regulation and Supervision Agency authorized the Bank to operate in "Purchase and sale of precious metals and stones" and "purchase and sale of the transaction based on the precious metals" on 8 April 2014 and published in the Official Gazette No. 28966 within the scope of paragraphs (h) and (i) paragraph of article number 4 of the Banking Law No. 5411.

### 1.7 Organisation of the information stated in the financial report in "thousand Turkish Lira"

Amounts in the financial statements and the accompanying explanations and notes are expressed in thousands of Turkish Lira unless otherwise stated.

### 1.8 Short explanation about those entities subject to full consolidation or proportionate consolidation with the differences regarding the consolidation transactions performed in accordance with the Communiqué on Preparation of Consolidated Financial Statements of Banks and Turkish Accounting Standards, those deducted from the equities or not included in these three methods

There are not any transactions of the Bank subject to consolidation.

### 1.9 Existing or potential, actual or legal barriers for the immediate transfer of equities among the subsidiaries of the Bank or the repayment of debts

The Bank does not have any subsidiaries.

# **TÜRKİYE İHRACAT KREDİ BANKASI AŞ**

## **SECTION TWO**

### **UNCONSOLIDATED FINANCIAL STATEMENTS**

- I. Balance sheet
- II. Off-balance sheet items
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- VI. Statement of cash flows
- VII. Statement of profit distribution

**TÜRKİYE İHRACAT KREDİ BANKASI A.Ş. UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)**

ASSETS		Notes (Section V)	THOUSANDS OF TURKISH LIRA					
			CURRENT PERIOD 31.12.2015			PRIOR PERIOD 31.12.2014		
			TL	FC	TOTAL	TL	FC	TOTAL
<b>I.</b>	<b>CASH AND BALANCES WITH CENTRAL BANK</b>		1,227	-	1,227	289	-	289
<b>II.</b>	<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT/LOSS (Net)</b>	(1.1)	11,382	2,923	14,305	45,793	26,131	71,924
2.1	Trading Financial Assets		11,382	2,923	14,305	45,793	26,131	71,924
2.1.1	Government Debt Securities		10,593	-	10,593	42,599	8,684	51,283
2.1.2	Share Certificates		-	-	-	-	-	-
2.1.3	Derivative Financial Assets Held for Trading	(1.3)	789	2,923	3,712	3,194	17,447	20,641
2.1.4	Other Marketable Securities		-	-	-	-	-	-
2.2	Financial Assets Designated at Fair Value through Profit or (Loss)		-	-	-	-	-	-
2.2.1	Government Debt Securities		-	-	-	-	-	-
2.2.2	Share Certificates		-	-	-	-	-	-
2.2.3	Loans		-	-	-	-	-	-
2.2.4	Other Marketable Securities		-	-	-	-	-	-
<b>III.</b>	<b>BANKS</b>	(1.4)	41,667	122,735	164,402	348,053	643,306	991,359
<b>IV.</b>	<b>MONEY MARKET PLACEMENTS</b>		-	-	-	75,105	-	75,105
4.1	Interbank Money Market Placements		-	-	-	-	-	-
4.2	Receivables from Istanbul Stock Exchange Money Market		-	-	-	75,105	-	75,105
4.3	Receivables from Reverse Repurchase Agreements		-	-	-	-	-	-
<b>V.</b>	<b>AVAILABLE-FOR-SALE FINANCIAL ASSETS (Net)</b>	(1.6)	18,051	-	18,051	20,538	-	20,538
5.1	Share Certificates		18,051	-	18,051	20,538	-	20,538
5.2	Government Debt Securities		-	-	-	-	-	-
5.3	Other Marketable Securities		-	-	-	-	-	-
<b>VI.</b>	<b>LOANS</b>	(1.7)	6,961,396	36,197,730	43,159,126	6,395,207	25,494,657	31,889,864
6.1	Loans		6,961,396	36,197,730	43,159,126	6,395,207	25,494,657	31,889,864
6.1.1	Loans to Bank's Risk Group		-	-	-	-	-	-
6.1.2	Government Debt Securities		-	-	-	-	-	-
6.1.3	Other		6,961,396	36,197,730	43,159,126	6,395,207	25,494,657	31,889,864
6.2	Loans under Follow-up		131,688	-	131,688	127,478	-	127,478
6.3	Specific Provisions (-)		(131,688)	-	(131,688)	(127,478)	-	(127,478)
<b>VII.</b>	<b>FACTORING RECEIVABLES</b>		-	-	-	-	-	-
<b>VIII.</b>	<b>HELD-TO-MATURITY SECURITIES (Net)</b>	(1.8)	255,968	-	255,968	249,381	47,573	296,954
8.1	Government Debt Securities		255,968	-	255,968	249,381	47,573	296,954
8.2	Other Marketable Securities		-	-	-	-	-	-
<b>IX.</b>	<b>INVESTMENTS IN ASSOCIATES (Net)</b>	(1.9)	-	-	-	-	-	-
9.1	Accounted for Under Equity Method		-	-	-	-	-	-
9.2	Unconsolidated		-	-	-	-	-	-
9.2.1	Financial Investments in Associates		-	-	-	-	-	-
9.2.2	Non-Financial Investments in Associates		-	-	-	-	-	-
<b>X.</b>	<b>SUBSIDIARIES (Net)</b>	(1.10)	-	-	-	-	-	-
10.1	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
10.2	Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
<b>XI.</b>	<b>JOINT VENTURES (Net)</b>	(1.11)	-	-	-	-	-	-
11.1	Accounted for Under Equity Method		-	-	-	-	-	-
11.2	Unconsolidated		-	-	-	-	-	-
11.2.1	Financial Joint Ventures		-	-	-	-	-	-
11.2.2	Non-Financial Joint Ventures		-	-	-	-	-	-
<b>XII.</b>	<b>FINANCIAL LEASE RECEIVABLES</b>	(1.12)	-	-	-	-	-	-
12.1	Financial Lease Receivables		-	-	-	-	-	-
12.2	Operating Lease Receivables		-	-	-	-	-	-
12.3	Other		-	-	-	-	-	-
12.4	Unearned Income (-)		-	-	-	-	-	-
<b>XIII.</b>	<b>DERIVATIVE FINANCIAL ASSETS FOR HEDGING PURPOSES</b>	(1.13)	25,270	79,868	105,138	81,360	10,242	91,602
13.1	Fair Value Hedge		25,270	50,690	75,960	81,360	10,242	91,602
13.2	Cash Flow Hedge		-	29,178	29,178	-	-	-
13.3	Foreign Net Investment Hedge		-	-	-	-	-	-
<b>XIV.</b>	<b>PROPERTY AND EQUIPMENT (Net)</b>	(1.14)	13,189	-	13,189	17,766	-	17,766
<b>XV.</b>	<b>INTANGIBLE ASSETS (Net)</b>	(1.15)	2,230	-	2,230	1,875	-	1,875
15.1	Goodwill		-	-	-	-	-	-
15.2	Other		2,230	-	2,230	1,875	-	1,875
<b>XVI.</b>	<b>INVESTMENT PROPERTY (Net)</b>	(1.16)	-	-	-	-	-	-
<b>XVII.</b>	<b>TAX ASSET</b>		-	-	-	-	-	-
17.1	Current Tax Asset		-	-	-	-	-	-
17.2	Deferred Tax Asset	(1.17)	-	-	-	-	-	-
<b>XVIII.</b>	<b>ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)</b>	(1.18)	-	-	-	-	-	-
18.1	Assets Held for Sale		-	-	-	-	-	-
18.2	Assets Related to Discontinued Operations		-	-	-	-	-	-
<b>XIX.</b>	<b>OTHER ASSETS</b>	(1.19)	104,841	599,318	704,159	36,212	248,789	285,001
	<b>TOTAL ASSETS</b>		<b>7,435,221</b>	<b>37,002,574</b>	<b>44,437,795</b>	<b>7,271,579</b>	<b>26,470,698</b>	<b>33,742,277</b>

The accompanying notes are an integral part of these unconsolidated financial statements

TÜRKİYE İHRACAT KREDİ BANKASI A.Ş. UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

LIABILITIES	Notes (Section V)	THOUSANDS OF TURKISH LIRA					
		CURRENT PERIOD 31.12.2015			PRIOR PERIOD 31.12.2014		
		TL	FC	TOTAL	TL	FC	TOTAL
<b>I. DEPOSITS</b>	(2.1)	-	-	-	-	-	-
1.1 Deposits of Bank's risk group		-	-	-	-	-	-
1.2 Other		-	-	-	-	-	-
<b>II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING</b>	(2.2)	333	302	635	345	1,915	2,260
<b>III. BORROWINGS</b>	(2.3.1)	50,110	32,938,140	32,988,250	-	24,251,343	24,251,343
<b>IV. MONEY MARKETS</b>		200,000	-	200,000	220,064	-	220,064
4.1 Funds from Interbank Money Market		-	-	-	-	-	-
4.2 Funds from Istanbul Stock Exchange Money Market		-	-	-	-	-	-
4.3 Funds Provided Under Repurchase Agreements		200,000	-	200,000	220,064	-	220,064
<b>V. MARKETABLE SECURITIES ISSUED (Net)</b>	(2.3.3)	-	5,088,218	5,088,218	-	4,054,191	4,054,191
5.1 Bills		-	-	-	-	-	-
5.2 Asset Backed Securities		-	-	-	-	-	-
5.3 Bonds		-	5,088,218	5,088,218	-	4,054,191	4,054,191
<b>VI. FUNDS</b>		16	-	16	16	-	16
6.1 Borrower funds		-	-	-	-	-	-
6.2 Other		16	-	16	16	-	16
<b>VII. MISCELLANEOUS PAYABLES</b>		13,096	885,251	898,347	31,243	460,833	492,076
<b>VIII. OTHER LIABILITIES</b>	(2.4)	4,709	82,971	87,680	3,999	61,216	65,215
<b>IX. FACTORING PAYABLES</b>		-	-	-	-	-	-
<b>X. LEASE PAYABLES (Net)</b>	(2.5)	-	-	-	-	-	-
10.1 Financial Lease Payables		-	-	-	-	-	-
10.2 Operational Lease Payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred Financial Lease Expenses ( - )		-	-	-	-	-	-
<b>XI. DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING PURPOSES</b>	(2.6)	32,854	9,969	42,823	1,544	17,394	18,938
11.1 Fair Value Hedge		32,854	9,969	42,823	1,544	17,394	18,938
11.2 Cash Flow Hedge		-	-	-	-	-	-
11.3 Hedge of Net Investment in Foreign Operations		-	-	-	-	-	-
<b>XII. PROVISIONS</b>	(2.7)	223,922	-	223,922	182,768	-	182,768
12.1 General Loan Loss Provision		130,214	-	130,214	130,214	-	130,214
12.2 Restructuring Provisions		-	-	-	-	-	-
12.3 Reserve for Employee Rights		44,953	-	44,953	24,224	-	24,224
12.4 Insurance Technical Provisions (Net)		-	-	-	-	-	-
12.5 Other Provisions		48,755	-	48,755	28,330	-	28,330
<b>XIII. TAX LIABILITY</b>	(2.7.5)	5,608	-	5,608	4,682	-	4,682
13.1 Current Tax Liability		5,608	-	5,608	4,682	-	4,682
13.2 Deferred Tax Liability		-	-	-	-	-	-
<b>XIV. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)</b>		-	-	-	-	-	-
14.1 Held for Sale Purpose		-	-	-	-	-	-
14.2 Related to Discontinued Operations		-	-	-	-	-	-
<b>XV. SUBORDINATED LOANS</b>	(2.7.7)	-	121,591	121,591	-	135,809	135,809
<b>XVI. SHAREHOLDERS' EQUITY</b>	(2.7.8)	4,780,372	333	4,780,705	4,314,905	10	4,314,915
16.1 Paid-in capital		2,500,000	-	2,500,000	2,400,000	-	2,400,000
16.2 Capital Reserves		606,992	333	607,325	609,581	10	609,591
16.2.1 Share Premium		-	-	-	-	-	-
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Marketable Securities Valuation Differences		8,886	-	8,886	11,373	10	11,383
16.2.4 Property and Equipment Revaluation Differences		-	-	-	-	-	-
16.2.5 Intangible Fixed Assets Revaluation Differences		-	-	-	-	-	-
16.2.6 Revaluation Differences of Investment Property		-	-	-	-	-	-
16.2.7 Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures		-	-	-	-	-	-
16.2.8 Hedging Funds (Effective portion)		-	333	333	-	-	-
16.2.9 Value increase of Non-current Asset Held for Sale and Discounted Operations		-	-	-	-	-	-
16.2.10 Other Capital Reserves		598,106	-	598,106	598,208	-	598,208
16.3 Profit Reserves		1,183,974	-	1,183,974	878,315	-	878,315
16.3.1 Legal Reserves		302,905	-	302,905	280,954	-	280,954
16.3.2 Status Reserves		-	-	-	-	-	-
16.3.3 Extraordinary Reserves		858,326	-	858,326	574,618	-	574,618
16.3.4 Other Profit Reserves		22,743	-	22,743	22,743	-	22,743
16.4 Profit or Loss		489,406	-	489,406	427,009	-	427,009
16.4.1 Prior Years' Profit/Loss		-	-	-	-	-	-
16.4.2 Current Year Profit/Loss		489,406	-	489,406	427,009	-	427,009
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>5,311,020</b>	<b>39,126,775</b>	<b>44,437,795</b>	<b>4,759,566</b>	<b>28,982,711</b>	<b>33,742,277</b>

**TÜRKİYE İHRACAT KREDİ BANKASI A.Ş. UNCONSOLIDATED OFF-BALANCE SHEET ITEMS**

	Notes (Section V)	THOUSANDS OF TURKISH LIRA					
		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>4,226,667</b>	<b>22,644,583</b>	<b>26,871,250</b>	<b>3,987,989</b>	<b>15,791,381</b>	<b>19,779,370</b>
<b>I. GUARANTEES AND WARRANTIES</b>	<b>(3.2)</b>		<b>2,754,481</b>	<b>2,754,481</b>		<b>1,613,307</b>	<b>1,613,307</b>
1.1. Letters of Guarantee		-	-	-	-	-	-
1.1.1. Guarantees Subject to State Tender Law		-	-	-	-	-	-
1.1.2. Guarantees Given for Foreign Trade Operations		-	-	-	-	-	-
1.1.3. Other Letters of Guarantee		-	-	-	-	-	-
1.2. Bank Acceptances		-	-	-	-	-	-
1.2.1. Import Letter of Acceptance		-	-	-	-	-	-
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letters of Credit		-	-	-	-	-	-
1.3.1. Documentary Letters of Credit		-	-	-	-	-	-
1.3.2. Other Letters of Credit		-	-	-	-	-	-
1.4. Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of the Republic of Turkey		-	-	-	-	-	-
1.5.2. Other Endorsements		-	-	-	-	-	-
1.6. Securities Issue Purchase Guarantees		-	-	-	-	-	-
1.7. Factoring Guarantees		-	-	-	-	-	-
1.8. Other Guarantees		-	2,754,481	2,754,481	-	1,613,307	1,613,307
1.9. Other Collaterals		-	-	-	-	-	-
<b>II. COMMITMENTS</b>		<b>1,717,787</b>	<b>8,464,215</b>	<b>10,182,002</b>	<b>1,471,671</b>	<b>4,962,387</b>	<b>6,434,058</b>
2.1. Irrevocable Commitments		-	1,051,140	1,051,140	-	-	-
2.1.1. Asset Purchase and Sale Commitments		-	-	-	-	-	-
2.1.2. Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3. Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4. Loan Granting Commitments		-	-	-	-	-	-
2.1.5. Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7. Commitments for Cheques		-	-	-	-	-	-
2.1.8. Tax and Fund Liabilities from Export Commitments		-	-	-	-	-	-
2.1.9. Commitments for Credit Card Limits		-	-	-	-	-	-
2.1.10. Commitments for Credit Cards and Banking Services Promotions		-	-	-	-	-	-
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		-	1,051,140	1,051,140	-	-	-
2.2. Revocable Commitments		1,717,787	7,413,075	9,130,862	1,471,671	4,962,387	6,434,058
2.2.1. Revocable Loan Granting Commitments		1,717,787	7,413,075	9,130,862	1,471,671	4,962,387	6,434,058
2.2.2. Other Revocable Commitments		-	-	-	-	-	-
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>		<b>2,508,880</b>	<b>11,425,887</b>	<b>13,934,767</b>	<b>2,516,318</b>	<b>9,215,687</b>	<b>11,732,005</b>
3.1. Hedging Derivative Financial Instruments		2,356,135	9,416,970	11,773,105	2,204,803	7,404,051	9,608,854
3.1.1. Transactions for Fair Value Hedge		2,319,915	9,358,706	11,678,621	2,204,803	7,404,051	9,608,854
3.1.2. Transactions for Cash Flow Hedge		36,220	58,264	94,484	-	-	-
3.1.3. Transactions for Net Investment in Foreign Operations		-	-	-	-	-	-
3.2. Trading Transactions		152,745	2,008,917	2,161,662	311,515	1,811,636	2,123,151
3.2.1. Forward Foreign Currency Buy/Sell Transactions		50,150	47,302	97,452	9,669	24,887	34,556
3.2.1.1. Forward Foreign Currency Transactions-Buy		26,765	22,053	48,818	7,273	10,197	17,470
3.2.1.2. Forward Foreign Currency Transactions-Sell		23,385	25,249	48,634	2,396	14,690	17,086
3.2.2. Swap Transactions Related to Foreign Currency and Interest Rates		102,595	1,961,615	2,064,210	296,446	1,781,663	2,078,109
3.2.2.1. Foreign Currency Swap-Buy		102,595	625,232	727,827	-	811,596	811,596
3.2.2.2. Foreign Currency Swap-Sell		-	724,611	724,611	296,446	498,113	794,559
3.2.2.3. Interest Rate Swap-Buy		-	305,886	305,886	-	235,977	235,977
3.2.2.4. Interest Rate Swap-Sell		-	305,886	305,886	-	235,977	235,977
3.2.3. Foreign Currency, Interest rate and Securities Options		-	-	-	5,400	5,086	10,486
3.2.3.1. Foreign Currency Options-Buy		-	-	-	2,700	2,543	5,243
3.2.3.2. Foreign Currency Options-Sell		-	-	-	2,700	2,543	5,243
3.2.3.3. Interest Rate Options-Buy		-	-	-	-	-	-
3.2.3.4. Interest Rate Options-Sell		-	-	-	-	-	-
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		-	-	-	-	-	-
<b>B. CUSTODY AND PLEDGES RECEIVED (IV+V+VI)</b>		<b>113,115</b>	<b>16,878,488</b>	<b>16,991,603</b>	<b>104,157</b>	<b>17,115,698</b>	<b>17,219,855</b>
<b>IV. ITEMS HELD IN CUSTODY</b>							
4.1. Customer Fund and Portfolio Balances		-	-	-	-	-	-
4.2. Investment Securities Held in Custody		-	-	-	-	-	-
4.3. Cheques Received for Collection		-	-	-	-	-	-
4.4. Commercial Notes Received for Collection		-	-	-	-	-	-
4.5. Other Assets Received for Collection		-	-	-	-	-	-
4.6. Assets Received for Public Offering		-	-	-	-	-	-
4.7. Other Items Under Custody		-	-	-	-	-	-
4.8. Custodians		-	-	-	-	-	-
<b>V. PLEDGES RECEIVED</b>		<b>22,412</b>	<b>172,250</b>	<b>194,662</b>	<b>22,412</b>	<b>198,124</b>	<b>220,536</b>
5.1. Marketable Securities		-	19,577	19,577	-	15,624	15,624
5.2. Guarantee Notes		-	-	-	-	-	-
5.3. Commodity		-	-	-	-	-	-
5.4. Warranty		-	-	-	-	-	-
5.5. Immovable		9,400	39,920	49,320	9,400	83,565	92,965
5.6. Other Pledged Items		13,012	112,753	125,765	13,012	98,935	111,947
5.7. Pledged Items-Depository		-	-	-	-	-	-
<b>VI. ACCEPTED BILLS OF EXCHANGE AND COLLATERALS</b>		<b>90,703</b>	<b>16,706,238</b>	<b>16,796,941</b>	<b>81,745</b>	<b>16,917,574</b>	<b>16,999,319</b>
<b>TOTAL OFF-BALANCE SHEET ITEMS (A+B)</b>		<b>4,339,782</b>	<b>39,523,071</b>	<b>43,862,853</b>	<b>4,092,146</b>	<b>32,907,079</b>	<b>36,999,225</b>

TÜRKİYE İHRACAT KREDİ BANKASI A.Ş. UNCONSOLIDATED INCOME STATEMENT

INCOME AND EXPENSE ITEMS		Notes (Section V)	THOUSANDS OF TURKISH LIRA	
			CURRENT PERIOD (01.01.2015-31.12.2015)	PRIOR PERIOD (01.01.2014-31.12.2014)
<b>I.</b>	<b>INTEREST INCOME</b>	(4.1)	1,193,866	962,847
1.1	Interest on loans		1,134,114	886,588
1.2	Interest Received from Reserve Requirements		-	-
1.3	Interest Received from Banks		32,433	29,564
1.4	Interest Received from Money Market Transactions		2,005	15,034
1.5	Interest Received from Marketable Securities Portfolio		24,599	29,164
1.5.1	Trading Financial Assets		1,698	8,609
1.5.2	Financial Assets Designated at Fair Value Through Profit or (loss)		-	-
1.5.3	Available-for-sale Financial Assets		-	-
1.5.4	Held to maturity Investments		22,901	20,555
1.6	Financial Lease Income		-	-
1.7	Other Interest Income		715	2,497
<b>II.</b>	<b>INTEREST EXPENSE</b>	(4.2)	482,628	333,491
2.1	Interest on Deposits		-	-
2.2	Interest on Funds Borrowed		191,166	153,580
2.3	Interest Expense on Money Market Transactions		-	-
2.4	Interest on Securities Issued		271,867	166,677
2.5	Other Interest Expenses		19,595	13,234
<b>III.</b>	<b>NET INTEREST INCOME/EXPENSE (I - II)</b>		711,238	629,356
<b>IV.</b>	<b>NET FEES AND COMMISSIONS INCOME</b>		13,798	29,779
4.1	Fees and Commissions Received		25,475	35,365
4.1.1	Non-cash Loans		-	-
4.1.2	Other		25,475	35,365
4.2	Fees and Commissions Paid		(11,677)	(5,586)
4.2.1	Non-cash Loans		-	-
4.2.2	Other		(11,677)	(5,586)
<b>V.</b>	<b>DIVIDEND INCOME</b>	(4.4)	-	-
<b>VI.</b>	<b>TRADING INCOME/LOSS (Net)</b>	(4.5)	(145,196)	(164,819)
6.1	Trading Gains /Losses on Securities		(719)	(4,294)
6.2	Trading Gains /Losses on Derivative Financial Assets		556,359	41,309
6.3	Foreign Exchange Gains /Losses		(700,836)	(201,834)
<b>VII.</b>	<b>OTHER OPERATING INCOME</b>	(4.6)	125,702	124,812
<b>VIII.</b>	<b>TOTAL OPERATING INCOME (III+IV+V+VI+VII)</b>		705,542	619,128
<b>IX.</b>	<b>PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)</b>	(4.7)	24,685	18,905
<b>X.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	(4.8)	191,451	173,214
<b>XI.</b>	<b>NET OPERATING INCOME/LOSS (VIII-IX-X)</b>		489,406	427,009
<b>XII.</b>	<b>EXCESS AMOUNT RECORDED AS 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 TAXES ON INCOME FROM CONTINUED OPERATIONS (XI+.....+XIV)</b>	(4.9)	489,406	427,009
<b>XVI.</b>	<b>PROVISION FOR TAXES ON INCOME FROM CONTINUED OPERATIONS(+)</b>		-	-
16.1	Current Tax Provision		-	-
16.2	Deferred Tax Provision		-	-
<b>XVII.</b>	<b>NET PROFIT/LOSS FROM CONTINUED OPERATIONS (XV±XVI)</b>		489,406	427,009
<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	Other Income from Discontinued Operations		-	-
<b>XIX.</b>	<b>EXPENSES FROM 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	Other Expenses from Discontinued Operations		-	-
<b>XX.</b>	<b>PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII - XIX)</b>		-	-
<b>XXI.</b>	<b>PROVISION FOR INCOME TAXES FROM DISCONTINUED OPERATIONS (±)</b>		-	-
21.1	Current Tax Provision		-	-
21.2	Deferred Tax Provision		-	-
<b>XXII.</b>	<b>NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX ± XXI)</b>		-	-
<b>XXIII.</b>	<b>NET PROFIT/LOSS (XVII+XXII)</b>	(4.10)	489,406	427,009
	Earnings/Loss per share		0.19576	0.18165

**TÜRKİYE İHRACAT KREDİ BANKASI A.Ş.**  
**UNCONSOLIDATED STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY**

		THOUSANDS OF TURKISH LIRA	
		CURRENT PERIOD Audited (01.01.2015 - 30.09.2015)	PRIOR PERIOD Audited (01.01.2014 - 30.09.2014)
<b>INCOME AND EXPENSE ITEMS UNDER SHAREHOLDERS' EQUITY</b>			
I.	ADDITIONS TO THE MARKETABLE SECURITIES VALUATION DIFFERENCES FROM AVAILABLE FOR SALE FINANCIAL ASSETS		
II.	PROPERTY AND EQUIPMENT REVALUATION DIFFERENCES	(2,487)	3,187
III.	INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV.	CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	-	-
V.	PROFIT/LOSS ON CASH FLOW HEDGE DERIVATIVE FINANCIAL ASSETS (Effective part of the fair value changes)	333	-
VI.	PROFIT/LOSS ON FOREIGN INVESTMENT HEDGE DERIVATIVE FINANCIAL ASSETS (Effective part of fair value changes)	-	-
VII.	EFFECT OF CHANGES IN ACCOUNTING POLICY AND ADJUSTMENT OF ERRORS	-	-
VIII.	OTHER INCOME/EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY ACCORDING TO TAS	(102)	(1,045)
IX.	DEFERRED TAX RELATED TO VALUATION DIFFERENCES	-	-
X.	NET PROFIT/LOSS ACCOUNTED DIRECTLY UNDER SHAREHOLDERS' EQUITY (I+II+...+IX)	(2,256)	2,142
XI.	CURRENT YEAR PROFIT/LOSS	489,406	427,009
11.1	Net change in fair value of marketable securities (Transfer to Profit/Loss)	(10)	(25)
11.2	Part of Cash Flow Hedge Derivative Financial Assets Reclassified and Presented on the Income Statement	-	-
11.3	Part of Foreign Investment Hedge Derivative Financial Assets Reclassified and Presented on the Income Statement	-	-
11.4	Other	489,416	427,034
<b>XII.</b>	<b>TOTAL PROFIT/LOSS RELATED TO CURRENT PERIOD (X±XI)</b>	<b>487,150</b>	<b>429,151</b>

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



**TÜRKİYE İHRACAT KREDİ BANKASI A.Ş. UNCONSOLIDATED STATEMENT OF CASH FLOWS**

		THOUSANDS OF TURKISH LIRA	
		CURRENT PERIOD	PRIOR PERIOD
		(01/01/2015-31/12/2015)	(01/01/2014-31/12/2014)
		Notes (Section V)	
<b>A.</b>	<b>CASH FLOWS FROM BANKING OPERATIONS</b>		
<b>1.1</b>	<b>Operating Profit before changes in operating assets and liabilities</b>		<b>849,244</b>
1.1.1	Interest received	1,187,437	937,768
1.1.2	Interest paid	(466,475)	(316,073)
1.1.3	Dividend received	-	-
1.1.4	Fees and commissions received	25,475	35,365
1.1.5	Other income	676,003	166,254
1.1.6	Collections from previously written-off loans and other receivables	41,833	31,351
1.1.7	Payments to personnel and service suppliers	(90,304)	(94,143)
1.1.8	Taxes paid	(926)	(774)
1.1.9	Other	1,472,258	89,496
<b>1.2</b>	<b>Changes in operating assets and liabilities</b>		<b>(1,831,531)</b>
1.2.1	Net (increase) / decrease in trading securities	38,354	65,993
1.2.2	Net (increase) / decrease in fair value through profit/(loss) financial assets	-	-
1.2.3	Net (increase) / decrease in due from banks	822	(762)
1.2.4	Net (increase) / decrease in loans	(11,238,757)	(8,842,226)
1.2.5	Net (increase) / decrease in other assets	(419,158)	7,631
1.2.6	Net increase / (decrease) in bank deposits	-	-
1.2.7	Net increase / (decrease) in other deposits	-	-
1.2.8	Net increase / (decrease) in funds borrowed	7,466,019	6,909,780
1.2.9	Net increase / (decrease) in payables	-	-
1.2.10	Net increase / (decrease) in other liabilities	408,258	28,053
<b>I.</b>	<b>Net cash provided from banking operations</b>		<b>(899,161)</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>II.</b>	<b>Net cash provided from investing activities</b>		<b>(2,998)</b>
2.1	Cash paid for acquisition of associates, subsidiaries and joint ventures	-	-
2.2	Cash obtained from disposal of associates, subsidiaries and joint ventures	-	-
2.3	Purchases of property and equipment	(1.14) (1,641)	(1,388)
2.4	Disposals of property and equipment	7,402	167
2.5	Cash paid for purchase of available-for-sale investments	-	-
2.6	Cash obtained from sale of available-for-sale investments	-	-
2.7	Cash paid for purchase of investment securities	(1.8.4) (160,054)	(1,961)
2.8	Cash obtained from sale of investment securities	(1.8.4) 204,489	1,961
2.9	Other	(903)	(1,777)
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III.</b>	<b>Net cash provided from financing activities</b>		<b>1,004,981</b>
3.1	Cash obtained from funds borrowed and securities issued	-	1,058,200
3.2	Cash used for repayment of funds borrowed and securities issued	(38,746)	(35,273)
3.3	Issued capital instruments	-	-
3.4	Dividends paid	(21,350)	(17,946)
3.5	Payments for finance leases	-	-
3.6	Other	-	-
<b>IV.</b>	<b>Effect of change in foreign exchange rate on cash and cash equivalents</b>		<b>26,910</b>
<b>V.</b>	<b>Net increase in cash and cash equivalents</b>		<b>46,606</b>
<b>VI.</b>	<b>Cash and cash equivalents at the beginning of the year</b>	(6.1.2) 1,065,931	1,019,325
<b>VII.</b>	<b>Cash and cash equivalents at the end of the year</b>	(6.1.2) 165,629	1,065,931

**TÜRKİYE İHRACAT KREDİ BANKASI A.Ş. UNCONSOLIDATED STATEMENT OF PROFIT DISTRIBUTION**

	THOUSANDS OF TURKISH LIRA	
	CURRENT PERIOD 31.12.2015 (*)	PRIOR PERIOD 31.12.2014
<b>I. STATEMENT OF PROFIT DISTRIBUTION</b>		
1.1 CURRENT YEAR INCOME	499,394	435,723
1.2 TAXES AND DUTIES PAYABLE (-)	9,988	8,714
1.2.1 Corporate Tax (Income tax)	-	-
1.2.2 Income withholding tax	-	-
1.2.3 Other taxes and duties	9,988	8,714
<b>A. NET INCOME FOR THE YEAR (1.1-1.2)</b>	<b>489,406</b>	<b>427,009</b>
1.3 PRIOR YEAR LOSSES (-)	-	-
1.4 FIRST LEGAL RESERVES (-)	-	21,350
1.5 OTHER STATUTORY RESERVES (-)	-	-
<b>B. NET INCOME AVAILABLE FOR DISTRIBUTION [(A)-(1.3+1.4+1.5)]</b>	<b>-</b>	<b>405,659</b>
1.6 FIRST DIVIDEND TO SHAREHOLDERS (-)	-	21,350
1.6.1 To Owners of Ordinary Shares	-	21,350
1.6.2 To Owners of Privileged Shares	-	-
1.6.3 To Owners of Preferred Shares	-	-
1.6.4 To Profit Sharing Bonds	-	-
1.6.5 To Holders of Profit and Loss Sharing Certificates	-	-
1.7 DIVIDENDS TO PERSONNEL (-) (**)	-	6,000
1.8 DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
1.9 SECOND DIVIDEND TO SHAREHOLDERS (-)	-	-
1.9.1 To Owners of Ordinary Shares	-	-
1.9.2 To Owners of Privileged Shares	-	-
1.9.3 To Owners of Preferred Shares	-	-
1.9.4 To Profit Sharing Bonds	-	-
1.9.5 To Holders of Profit and Loss Sharing Certificates	-	-
1.10 SECOND LEGAL RESERVES (-)	-	601
1.11 STATUTORY RESERVES (-)	-	-
1.12 EXTRAORDINARY RESERVES (-)	-	383,708
1.13 OTHER RESERVES	-	-
1.14 SPECIAL FUNDS	-	-
<b>II. DISTRIBUTION OF RESERVES</b>		
2.1 APPROPRIATED RESERVES	-	-
2.2 SECOND LEGAL RESERVES (-)	-	-
2.3 DIVIDENDS TO SHAREHOLDERS (-)	-	-
2.3.1 To Owners of Ordinary Shares	-	-
2.3.2 To Owners of Privileged Shares	-	-
2.3.3 To Owners of Preferred Shares	-	-
2.3.4 To Profit Sharing Bonds	-	-
2.3.5 To Holders of Profit and Loss Sharing Certificates	-	-
2.4 DIVIDENDS TO PERSONNEL (-)	-	-
2.5 DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
<b>III. EARNINGS PER SHARE</b>		
3.1 TO OWNERS OF ORDINARY SHARES	0.1958	0.1817
3.2 TO OWNERS OF ORDINARY SHARES ( % )	19.58	18.17
3.3 TO OWNERS OF PRIVILEGED SHARES	-	-
3.4 TO OWNERS OF PRIVILEGED SHARES ( % )	-	-
<b>IV. DIVIDEND PER SHARE</b>		
4.1 TO OWNERS OF ORDINARY SHARES	-	-
4.2 TO OWNERS OF ORDINARY SHARES ( % )	-	-
4.3 TO OWNERS OF PRIVILEGED SHARES	-	-
4.4 TO OWNERS OF PRIVILEGED SHARES ( % )	-	-

(\*) As at report date, no resolution has been decided regarding about 2015 profit distribution. Accordingly, net profit available for distribution has not been presented.  
(\*\*) Dividends to personnel which is added to 2014 net profit as a provision not sentenced in profit distribution, only shown in the table for information.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

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### SECTION THREE

#### ACCOUNTING POLICIES

##### 1 Basis of presentation

##### 1.1 The preparation of the financial statements and related notes and explanations in accordance with the Turkish Accounting Standards and Regulation on the Accounting Applications for Banks and Safeguarding of Documents

The Bank prepares its financial statements and underlying documents in accordance with the “Regulation on Accounting Applications for Banks and Safeguarding of Documents” and other regulations, explanations and circulars on accounting and financial reporting principles announced by the Banking Regulation and Supervision Agency (“BRSA”) and Turkish Accounting Standards (“TAS”) published by Public Oversight Accounting and Auditing Standards Authority (“POA”).

Accounting policies applied and valuation methods used in the preparation of the unconsolidated financial statements are expressed in detail below.

Amounts in the financial statements and related explanations and disclosures are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.

The financial statements are prepared as Turkish Lira (“TL”) in accordance with the historical cost basis except for the financial assets at fair value through profit or loss, available-for-sale financial assets whose fair value can be reliably measured, derivative financial assets and liabilities held for trading purpose and derivative financial assets and liabilities held for cash flow hedges.

The preparation of the unconsolidated financial statements in conformity with TAS requires the Bank management to use of certain make assumptions and estimates on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates are reviewed regularly and, when necessary, corrections are made and the effects of these corrections are reflected to the income statement.

##### 1.2 Accounting policies and valuation principles applied in the preparation of the financial statements

The accounting policies and valuation principles applied in the preparation of the financial statements are determined and applied in accordance with the principles of TAS. These accounting policies and valuation principles are explained in Notes 2.1 to 2.23 below.

##### 1.3 Additional paragraph for convenience translation to English

The differences between accounting principles, as described in the preceding paragraphs, and the accounting principles generally accepted in countries, in which the accompanying financial statements are to be distributed, and International Financial Reporting Standards (“IFRS”), may have significant influence on the accompanying financial statements. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in accordance with the accounting principles generally accepted in such countries and IFRS.

##### 2 Explanations on accounting policies

##### 2.1 Explanations on strategy of using financial instruments and explanations on foreign currency transactions

The Bank uses derivatives to balance its foreign currency asset/liability positions for managing its exposure to currency risk.

Foreign currency denominated monetary assets and liabilities are translated with the exchange rates of the Bank prevailing at the balance sheet date. Gains and losses arising from such transactions are recognized in the income statement under the account of “foreign exchange gains/losses”.

As of 31 December 2015, the exchange rates used in translation of foreign currency denominated balances into Turkish Lira are TL 2,9132 for US dollar, TL 3,1821 for Euro, TL 2,4196 for 100 JPY and TL 4,3194 for GBP.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

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### ACCOUNTING POLICIES (Continued)

#### 2.2 Presentation of the information regarding the consolidated affiliates

None.

#### 2.3 Explanations on forward transactions, options and derivative instruments

The Bank uses derivative financial instruments in order to avoid exposure to foreign currency and interest rate risks.

As of the balance sheet date, there are outstanding currency and interest rate swap purchase and sales contracts and forward transactions in TL and foreign currency.

Derivatives are initially recorded with their fair values and related transaction costs as of the contract date are recorded in profit or loss. The following periods of initial reporting, they are measured with their fair values. The result of this assessment, offsetting debit and credits stemming from each contract debit and credits are reflected to the financial statements as a contract-based single asset and liability. The method of accounting gain or loss changes according to related derivative transaction whether to be held for cash flow hedges or not and to the content of hedge account.

The Bank notifies in written the relationship between hedging instrument and related account, risk management aims of hedge and strategies and the methods using to measure of the hedge effectiveness. The Bank evaluates the method of hedge whether to be effective on the expected changes in fair values in this process or not or each result of hedge effectiveness whether to be between the range of 80% and 125%.

Changes in fair values of derivative transactions under fair value hedges are recorded in profit or loss together with changes in hedging asset or liability. The difference in current values of derivative transactions fair value hedge is shown in "Trading Gains/Losses on derivative financial instruments" account. In the balance sheet, change in fair value of hedge asset or liability during the hedge accounting to be effective is shown with the related asset or liability. In case of inferring hedge accounting, corrections made to the value of hedge account using straight-line amortization method within the days to maturity are reflected to "Trading gains/losses on derivative financial instruments" account in the income statement.

The Bank is protected from cash flow risk arising from floating-rate liabilities in foreign currency and TL by cross-currency swaps. In this context, the fair value changes of the effective portion of the hedging instruments are accounted under the "hedge funds" account within equity. In the period in which the cash flows affect the income statement for the hedged item, the hedging instrument relating to the profit / loss extracted from equity and recognized in the income statement.

In cash flow hedge accounting, if it is not continued to hedge because of termination, realization, sale, stop hedging and inefficient hedge effectiveness of hedging instruments, hedge oriented account amounts that realized under shareholders' equity will transferred to profit/loss accounts.

The Bank classifies its derivative instruments except for derivatives held for cash flow hedges as "Held-for-hedging" or "Held-for-trading" in accordance with "Financial Instruments: Turkish Accounting Standard for Recognition and Measurement ("TAS 39")". According to this, certain derivative transactions while providing effective economic hedges under the Bank's risk management position, are recorded under the specific rules of TAS 39 and 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. If the fair value of a derivative financial instrument is positive, it is disclosed under the main account "Financial assets at fair value through profit or loss" in "Derivative financial assets held for trading" and if the fair value difference is negative, it is disclosed under "Derivative financial liabilities held for trading". Differences in the fair value of trading derivative instruments are accounted under "trading income/loss" in the income statement. The fair values of the derivative financial instruments are calculated using quoted market prices or by using discounted cash flow models.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

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### ACCOUNTING POLICIES (Continued)

#### 2.4 Explanations on interest income and expense

Interest income and expenses are recognized in profit or loss on an accrual basis.

The Bank ceases accruing interest income on non-performing loans. Interest income is recorded for non-performing loans when the collection is made.

#### 2.5 Explanations on fee and commission income and expenses

All fees and commission income/expenses are recognized on an accrual basis, except for certain commission income and fees for various banking services which are recorded as income at the time of collection.

#### 2.6 Explanations on financial assets

The Bank categorizes and recognitions its financial assets as “Fair value through profit/loss”, “Available-for-sale”, “Loans and receivables” or “Held-to-maturity”. 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 holding the investment.

Financial assets at the fair value through profit or loss category have two sub categories: “Trading financial assets” and “Financial assets designated at fair value through profit/loss at initial recognition.”

Trading financial assets are initially recognized at cost. Acquisition and sale transactions of trading financial assets are recognized and derecognized at the settlement date.

The government bonds and treasury bills recognized under trading financial assets which are traded on Borsa İstanbul AŞ (“BIST”) are valued with weighted average prices settled on the BIST as of the balance sheet date; and those government bonds and treasury bills traded on the BIST but which are not subject to trading on the BIST as of the balance sheet date are valued with weighted average prices at the latest trading date.

The financial assets classified under trading financial assets and whose fair values cannot be measured reliably are carried at amortized cost using the “effective yield method”. The difference between the purchase cost and the amortized cost at the selling date is recorded as interest income.

If the selling price of a trading financial asset is above its amortized cost as of the sale date, the positive difference between the selling price and the amortized cost is recognized as income under trading gains on securities and if the selling price of a trading security is lower than its amortized cost as of the sale date, the negative difference between the selling price and the amortized cost is recognized as expense under trading losses on securities.

Derivative financial instruments are classified as trading financial assets unless they are designated as hedging instruments. The principles regarding the accounting of derivative financial instruments are explained in detail in Note 2.3 of Section Three.

The Bank does not have any financial assets designated as financial assets at fair value through profit or loss.

Held-to-maturity financial assets are assets that are not classified under loans and receivables with fixed maturities and fixed or determinable payments where management has the intent and ability to hold the financial assets to maturity. Loans and receivables are financial assets that are originated by the Bank by providing money, services or goods to borrowers other than trading financial assets and financial assets held for the purpose of short-term profit making. Available for sale financial assets are financial assets other than loans and receivables, held to maturity financial assets and financial assets at fair value through profit or loss. Held-to-maturity financial assets and available-for-sale financial assets are initially recognized at cost.

All regular way purchases and sales of financial assets are recognized and derecognized at the settlement date. The Bank holds Government Bonds, Treasury Bills and foreign currency bonds issued in Turkey and abroad by the Turkish Treasury under the held-to-maturity portfolio.

Held-to-maturity financial assets are initially recognized at cost and are subsequently carried at amortized cost using the effective interest method. Interest earned from held-to-maturity financial assets is recorded as interest income. All regular way purchases and sales of held-to-maturity financial assets are accounted at the settlement date. There are not any financial assets that were previously classified as held-to-maturity but which cannot be subject to this classification for two years due to the contradiction of classification principles.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

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### ACCOUNTING POLICIES (Continued)

#### 2.6 Explanations on financial assets (continued)

Available-for-sale financial assets are marketable securities other than “Held-to-maturity investments” and “Trading securities”. Available-for-sale financial assets are subsequently remeasured at fair value. Available-for-sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are carried at amortized cost, less provision for impairment.

“Unrealized gains and losses” arising from changes in the fair value of securities classified as available-for-sale are recognized under shareholders’ equity as “Marketable securities value increase fund”, until the collection of the fair value of financial assets, the sale of the financial assets, permanent impairment in the fair values of such assets or the disposal of the financial assets. When these securities are disposed of or the fair value of such securities is collected, the accumulated fair value differences in the shareholders’ equity are reflected to profit or loss.

#### 2.7 Explanations on loans and receivables

Bank loans and receivables; consist of other than those, goods or services to be created by the purchase-sale or the financial assets that held for sale in the short term. Bank loans and receivables are initially recognized at cost value. Banks are accounted for at cost-based loans at amortized cost, they are classified as short and long-term loans, open and covered. FX type loans are recognized at fixed prices and are revalued with the Bank's spot foreign exchange buying rate at the end of the period.

#### 2.8 Explanations on impairment of financial assets

Financial assets are considered as impaired when the recoverable amount of financial assets, which is calculating expected future cash flows with using “internal rate of return” method, are lower than book value. A provision is made for the diminution in value of the impaired financial asset and this is charged against the income for the year.

The Bank is exempted from the general and specific provisions in accordance with Article 13 “Exceptions” of The Regulation on Principles and Procedures Related to the Determination of the Qualifications of Banks’ Loans and Other Receivables and Provisioning for these Loans and Other Receivables which says specific and general provision rates for transactions made in accordance with Law No: 3332 dated 25 March 1987 are considered as zero percent.

#### 2.9 Explanations on offsetting financial instruments

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 related financial assets and liabilities on a net basis, or to realize the asset and settle the liability simultaneously. Otherwise, no offsetting is made in relation with the financial assets and liabilities.

#### 2.10 Explanations on sales and repurchase agreements and securities lending transactions

The Bank does not have any sales and repurchase agreements and securities lending transactions at the balance sheet date.

#### 2.11 Explanations on assets held for sale and discontinued operations and explanations on liabilities related with these assets

Assets which meet the criteria to be classified as held for sale are measured by the book value and no more amortization is made for these assets; and these assets are shown separately on the balance sheet. In order to classify an asset as an asset held for sale, the related asset (or the group of assets to be disposed of) should be able to be sold immediately and the probability of sale for such assets (or group of assets to be disposed of), should be high under current conditions. In order for the sale to be highly probable, a plan should have been made by the suitable management for the sale of the asset (or group of assets to be disposed of) and an active program should have been started to determine the buyers and to carry out the plan.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

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### ACCOUNTING POLICIES (Continued)

#### 2.11 Explanations on assets held for sale and discontinued operations and explanations on liabilities related with these assets (continued)

Furthermore, the asset (or group of assets to be disposed of) should be actively marketed at a price consistent with its fair value. Various events and conditions may extend the period for the completion of the sales process to more than a year. If there is sufficient evidence that the related delay has occurred beyond the Bank's control and that the Bank's plans for selling the related asset (or group of assets to be disposed of) is still in progress, the related assets are continued to be classified as assets held for sale.

A discontinued operation is a division of a bank that is either disposed or held for sale. Results of discontinued operations are included in the income statement separately.

#### 2.12 Explanations on goodwill and other intangible assets

As of 31 December 2015 and 31 December 2014, the Bank does not have any goodwill in its accompanying financial statements.

Intangible assets consist of computer software licenses. Intangible assets result in net book value as of the balance sheet date by deducting their acquisition cost to accumulated amortization. Intangible assets are amortized by the straight-line method, considering their useful life and amortization rates published by Republic of Turkey Ministry of Finance. During the current year, there has been no change in the depreciation method. The Bank does not expect any changes in accounting estimates, useful lives, depreciation method and residual value during the current and the following periods.

Implemented yearly amortization rates as follows;

Intangible assets : 33%

#### 2.13 Explanations on property and equipment

All property and equipment are initially recognized at cost. Subsequently property and equipment are carried at cost less accumulated depreciation at the balance sheet date. Depreciation is calculated over the cost of property and equipment using the straight-line method over its estimated useful life. There has been no change in the depreciation method during the current period.

The depreciation rates are as follows;

Buildings : 2-3%

Furniture, fixtures and vehicles : 6-33%

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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

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**ACCOUNTING POLICIES (Continued)**

**2.13 Explanations on property and equipment (continued)**

The depreciation charge for items remaining in property and equipment for less than an accounting period at the balance sheet date is calculated in proportion to the period the item remained in property and equipment. Gains and losses on the disposal of property and equipment are booked to the income statement accounts for the period at an amount equal to the book value. Where the carrying amount of an asset is greater than its estimated “Recoverable amount”, it is written down to its “Recoverable amount” and the provision for the diminution in value is charged to the income statement. Expenditures for the repair and renewal of property and equipment are recognized as expense. The capital expenditures made in order to increase the capacity of the tangible asset or to increase the future benefit of the asset are capitalized over the cost of the tangible asset. The capital expenditures include the cost components that increase the useful life, capacity of the asset or quality of the product or that decrease the costs.

There are not any pledges, mortgages or any other contingencies and commitments over property and equipment that restrict their usage. The Bank does not expect any changes in accounting estimates that will have a material impact in future periods in relation with the property and equipment.

**2.14 Explanations on lease**

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 instalments that are going to be paid for the leased asset”. Leased assets are included in the property and equipment and depreciation is charged on a straight-line basis over the useful life of the asset. If there is any diminution in value of the leased asset, a “Provision for value decrease” 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 perform financial leasing transactions as a “Lessor”.

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

**2.15 Explanations on provisions and contingent liabilities**

Provisions and contingent liabilities except for the specific and general provisions recognized for loans and other receivables are accounted in accordance with “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. The provision for contingent liabilities arising from past events should be recognized in the same period of occurrence in accordance with the “Matching principle”. When the amount of the obligation cannot be estimated reliably it is considered that a “Contingent” liability exists. When the amount of the obligation can be estimated reliably and when there is a high possibility of an outflow of resources from the Bank, the Bank recognizes a provision for such liability.

As of the balance sheet date, there is not any contingent liability based on past events for which there is a possibility of an outflow of resources and whose obligation can be reliably estimated.

**2.16 Explanations on obligations related to employee rights**

Under the Turkish Labor Law, the Bank is required to pay a specific amount to employees who have retired or whose employment is terminated other than for the reasons specified in the Turkish Labor Law.

Obligations related to employee termination and vacation rights are calculated for in accordance with “Turkish Accounting Standard for Employee Benefits” (“TAS 19”).

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### ACCOUNTING POLICIES (Continued)

#### 2.16 Explanations on obligations related to employee rights (continued))

Revised TAS 19 are effective being published on the Official Gazette dated 12 March 2013 by Public Oversight Accounting and Auditing Standards Authority. According to revised TAS 19, once the Actuarial Gains and Losses occur, they are recorded under equity and are not associated with the income statement. Benefit costs arising interest cost due to being 1 year more closer to the payment of benefit and service cost as a result of given service by employee are required to be shown in income statement. TL 102 accounted as actuarial valuation difference is recorded under equity, TL 1.262 accounted as service and interest cost is associated with the income statement accounts. Assumptions used in the calculation are shown below.

	Current Period 31.12.2015	Prior Period 31.12.2014
Discount ratio	10,65%	9,40%
Inflation	7,65%	6,40%
Salary increase rate	8,65%	7,40%

As of 31 December 2015, the calculated employment termination obligation amounts to TL 15.565. For the year ended 31 December 2015, the Bank also provided a 100% provision for vacation pay liability relating to prior periods amounting to TL 11.020.

For all year long, the Bank has made provision for principally of success fee amounting TL 11.518 to be paid in January 2016, and dividend to personnel, amounting TL 6.750 to be paid in 2016, from 2015 profit.

#### 2.17 Explanations on taxation

According to Act number 3332 and article 4/b of Act number 3659, dated 25 March 1987 and 26 September 1990, respectively, the Bank is exempt from Corporate Tax. Due to the 3<sup>rd</sup> Article of the same act; the above mentioned exemption became valid from 1 January 1988. In accordance with clause 9 of the Provisional Article 1 of Corporate Tax Law No. 5520, which states “The provision of Article 35 shall not apply to exemptions, allowances and deductions included in other laws in relation to Corporation Tax prior to the effective date of the Law No. 5520”, the exemption from Corporation Tax continues. Accordingly, deferred tax asset or liability is not recognized in these financial statements.

#### 2.18 Additional explanations on borrowings

Trading financial liabilities and derivative instruments are carried at their fair values and other financial liabilities including debt securities issued are carried at “Amortized cost” using the “Effective interest method”.

In October 2011, the Bank issued bonds amounting USD 500 million (TL 1.456.600). The bond is subject to annual fixed interest payment of 5,38% every six months and the total maturity is five years and also, the bond issued on April 2012 with an amount of USD 500 million (TL 1.456.600) is subject to biannual fixed payment of 5.88% and its total maturity is seven years. In addition to this bond, there was a bond increase corresponding to USD 250 million (TL 728.300) as of October 2012 and also the bond issued on September 2014 with amount of USD 500 million (TL 1.456.600) which is subject to annual fixed interest payment of 5 per cent every six months and the total maturity is seven years. The Bank applied hedge accounting for the measurement of derivative financial instruments which are related to the bonds issued and accounted for hedge accounting during this period.

Moreover, the Bank has provided fixed rate TL loans that were provided as part of the foreign source FC with floating rate of by Rediscount Credit Programs of the CBRT. Hedge accounting has been made to the risk of currency risk as a result of these measurement of derivative transactions was calculated within the scope of hedge accounting was also reflected to the relevant accounts.

The amounts calculated on the basis of related hedge accounting and details about derivatives details are disclosed in fourth section Note 5.2.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

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### ACCOUNTING POLICIES (Continued)

#### 2.19 Explanations on issuance of share certificates

As the Bank's total paid-in capital is owned by the Turkish Treasury, there is no cost related to share issuance. Profit appropriation of the Bank is resolved at the General Assembly meeting. As of 30 March 2015, dividend distribution for 2014 was approved by Banking Regulation and Supervision Agency.

#### 2.20 Explanations on avalized drafts and acceptances

The Bank keeps its guarantee bills and acceptances in the off-balance liabilities.

#### 2.21 Explanations on government grants

As of the balance sheet date, the Bank does not utilise any government grant.

#### 2.22 Explanations on segment reporting

The Bank emphasizes the scope of business method for segment reporting by considering the Bank's main source and character of risks and earnings. The Bank's activities mainly concentrate on corporate and investment banking.

#### 2.23 Explanations on other issues

The Bank does not accept deposits. The Bank has been mandated to export loan operations, export loan insurance and export grants. On the other hand, the Bank also performs domestic and foreign currency money capital and FX market operations within the context of Fund management (Treasury) operations.

The Bank engages in derivative transactions, currency and interest rate swaps, forward and option transactions and obtains funds by means of syndicated loans, subordinated loans, bond issuance and bank borrowings.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### SECTION FOUR

#### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK

#### 1 Capital adequacy ratio

##### 1.1 Information related to capital adequacy ratio

As of the balance sheet date, the capital adequacy ratio of the Bank is 18.94%.

##### 1.2 Measurement methods used in the determination for capital adequacy ratio

For the calculation of the capital adequacy ratio, the Bank classifies the risk weighted assets and non-cash loans according to the risk weights defined by the regulations and calculates “Total risk weighed assets” which is the sum of market risk on securities and the Bank’s currency risk. The standard method is used for credit and market risk while the basic indicator approach is applied for the calculation of operational risk.

Thousand (TL)	RISK WEIGHTS											
	BANK											
	0%	10%	20%	20% Not Rated	50% Guaranteed with Real Estate Mortgages	50%	50% Not Rated	75%	100%	100% Not Rated	150%	200%
<b>THE AMOUNT TAKEN AS A BASIS OF CREDIT RISK (TOTALS)</b>	<b>975.045</b>	-	-	<b>1.620.952</b>	<b>13.563</b>	<b>765.601</b>	<b>42.039.191</b>	<b>331.491</b>	<b>730.032</b>	<b>2.412.010</b>	-	-
Conditional or Unconditional Receivables from Central Administrations or Central Banks	457.436	-	-	-	-	765.601	-	-	-	-	-	-
Conditional or Unconditional Receivables from Regional Administrations or Local Administrations	-	-	-	-	-	-	-	-	-	-	-	-
Conditional or Unconditional Receivables from Administrative Units and Non-commercial Ventures	-	-	-	-	-	-	-	-	-	-	-	-
Conditional or Unconditional Receivables from Multi-lateral Development Banks	-	-	-	-	-	-	-	-	-	-	-	-
Conditional or Unconditional Receivables from International Organizations	-	-	-	-	-	-	-	-	-	-	-	-

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

Thousand (TL)	RISK WEIGHTS											
	BANK											
	0%	10%	20%	20% Not Rated	50% Guaranteed with Real Estate Mortgages	50%	50% Not Rated	75%	100%	100% Not Rated	150%	200%
Conditional or Unconditional Receivables from Banks and Intermediary Institutions	194.500	-	-	1.620.952	-	-	42.039.191	-	-	21.162	-	-
Conditional and Unconditional Corporate Receivables	-	-	-	-	-	-	-	-	-	2.386.327	-	-
Conditional and Unconditional Retail Receivables	-	-	-	-	-	-	-	331.491	-	-	-	-
Conditional and Unconditional Receivables Collateralized with Real Estates	-	-	-	-	13.563	-	-	-	-	4.521	-	-
Non-performing Receivables (Net)	-	-	-	-	-	-	-	-	-	-	-	-
Receivables determined to have high levels of risk by the Board	-	-	-	-	-	-	-	-	-	-	-	-
Securities with Mortgage Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
Securitization Positions	-	-	-	-	-	-	-	-	-	-	-	-
Short Term Receivables from Banks and Intermediary Institutions and Short Term Corporate Receivables	-	-	-	-	-	-	-	-	-	-	-	-
Investments in the Nature of Collective Investment Organisation	-	-	-	-	-	-	-	-	-	-	-	-
Other receivables (Net)	323.109	-	-	-	-	-	-	-	730.032	-	-	-

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

#### 1.3 Summary information related to capital adequacy ratio

Summary information related to capital adequacy ratio	Current Period 31.12.2015	Prior Period 31.12.2014
Capital Liability Required for Credit Risk (Amount Subject to Credit Risk*0.08) (ASCR)	2.009.922	1.411.587
A Amount Subject to Market risk (ASMR)	13.323	17.809
C Amount Subject to Operational Risk (ASOR)	66.088	51.298
Shareholders' Equity	4.945.331	4.463.152
Shareholders' Equity/((ASCR+ASMR+ASOR)*12.5) *100	18,94	24,11
Core Capital/((ASCR+ASMR+ASOR)*12.5) *100	18,44	23,41
Supplementary Capital/((ASCR+ASMR+ASOR)*12.5) *100	18,44	23,42

#### 1.4 Information about shareholders' equity items

	Current Period 31.12.2015	Prior Period 31.12.2014
<b>TIER CAPITAL</b>	4.816.455	4.334.438
Paid in Capital to be Entitled for compensation after all Creditors	2.500.000	2.400.000
Share Premium	-	-
Share Cancellation Profits	-	-
Legal Reserves	1.783.631	1.477.972
Other Comprehensive Income according to TAS	23.544	25.708
Profit	489.406	427.009
Net Current Period Profit	489.406	427.009
Prior Period Profit	-	-
Provisions for possible losses	42.008	28.330
Bonus shares from Associates, Subsidiaries and Joint-Ventures not Accounted in Current Period's Profit	-	-
<b>Tier 1 Capital before Deductions</b>	4.838.589	4.359.019
<b>Deductions from Tier 1 Capital</b>	<b>22.134</b>	<b>24.581</b>
Current and Prior Periods' Losses not Covered by Reserves, and Losses Accounted under Equity according to TAS(-)	15.876	15.774
Leasehold Improvements on Operational Leases (-)	5.366	8.432
Goodwill and Intangible Assets and Related Deferred Tax Liabilities (-)	892	375
Net Deferred tax assets/liabilities (-)	-	-
Shares obtained against Article 56, Paragraph 4 of the Banking Law (-)	-	-
Investments in own common equity (-)	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial institutions where the Banks does not own 10% or less of the Issued share Capital Exceeding the 10% Threshold of above Tier 1 Capital (-)	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial institutions where the Banks does not own 10% or less of the Issued share Capital Exceeding the 10% Threshold of above Tier 1 Capital (-)	-	-
Mortgage Servicing Rights Exceeding the 10% Threshold of Tier 1 Capital (-)	-	-
Net Deferred tax Assets arising from Temporary Differences Exceeding the 10% Threshold of Tier 1 Capital (-)	-	-
Amount Exceeding the 15% Threshold of Tier 1 Capital as per the Artical 2, Clause 2 of the Regulation on Measurement and Assessment of Capital Adequacy Rations Banks(-)	-	-

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

The Portion of Net Portion of the Investments in Equity of Unconsolidated Banks and Financial Institutions where the Bank own 10% or more of the Issues Share Capital Not Deducted from Tier I Capital (-)	-	-
Mortgage Servicing Rights not deductions (-)	-	-
Excess Amount arising from Deffered Tax Assets from Temporary Differences (-)	-	-
Other Items to be Defined by the BRSA (-)	-	-
Deductions from Tier I Capital in cases where there are no adequate Additional Tier 1 or Tier II Capitals (-)	-	-
<b>Total regulatory adjustments to Tier 1 capital</b>	<b>22.134</b>	<b>24.581</b>
<b>Tier Capital</b>	<b>4.816.455</b>	<b>4.334.438</b>
<b>ADDITIONAL CORE CAPITAL</b>		
Preferred Stock not Included in Tier I Capital and the related Share Premiums	-	-
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Issued or Obtained after 1.1.2014)	-	-
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Issued or Obtained before 1.1.2014)	-	-
<b>Additional Core Capital before Deductions</b>	-	-
<b>Deductions from Core Capital</b>		
Direct and Indirect Investments of the Bank on its own Additional Core Capital(-)	-	-
Total of Net Long Positions of the Investments in the Equity Items of Unconsolidated Banks and Financial Institutions where the Bank own 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	-	-
Total of Net Long Positions of the Direct and Indirect Investments in Additional Tier I Capital of Unconsolidated Banks of Financial Institutions where the Banks owns more than 10% of the Issued Share Capital (-)	-	-
Other Items to be Defined by the BRSA (-)	-	-
Deductions from Additional Core Capital in cases where there are no adequate Tier II Capital (-)	-	-
<b>Total Deductions from Additional Core Capital</b>	-	-
<b>Total Additional Core Capital</b>	-	-
<b>Deductions from Core Capital</b>		
	<b>1.338</b>	<b>1.500</b>
Goodwill and other Intangible Assets and Related Deferred taxes not deducted from Tier I Capital as per the Temporary Article2, Clause 1 of the Regulation on Measurement and Assessment of Capital Adequacy Rations of Banks (-)	1.338	1.500
Net Deffered Tax Assets/Liabilities not deducted from Tier I Capital as per the Temporary Article2, Clause 1 of the Regulation on Measurement and Assessment of Capital Adequacy Rations of Banks (-)	-	-
<b>Total Core Capital</b>	<b>4.815.117</b>	<b>4.332.938</b>
<b>Supplementary Capital</b>	<b>130.214</b>	<b>130.214</b>
Debts Instruments and the Related Issuance Premiums Defined by the BRSA (issued or obtained after 1.1.2014)	-	-
Debts Instruments and the Related Issuance Premiums Defined by the BRSA (issued or obtained before 1.1.2014)	-	-
Pledged Assets of the Shareholders to be used for the Bank's Capital Increases	-	-
General Provisions	130.214	130.214
Tier II Capital Before	130.214	130.214
<b>Deductions from Tier II Capital</b>		
Direct and Indirect Investments of the Bank on its own Tier II Capital (-)	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank own 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank own 10% or more of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	-	-
Other Items to be Defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	-	-
<b>Total Tier II Capital</b>	<b>130.214</b>	<b>130.214</b>

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

<b>CAPITAL</b>	<b>4.945.331</b>	<b>4.463.152</b>
Loans Granted against the Article 50 and 51 of the Banking Law (-)	-	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Astes Acquired against Overdue Receivables and Held for sale but Retained more than Five Years (-)	-	-
Loans to Banks , Financial Institutions (domestic/foreign) or Qualified Shareholders in the from of Subordinated Debts or Debt Instruments Purchased from Such Parties and Qualified as Subordinated Debts (-)	-	-
Deductions as per the Article 20, Clause 2 of the Regulations on Measurement and Assessment of the Capital Adequacy Ratios of Banks (-)	-	-
Other Items to be Defined by the BRSA(-)	-	-
The Portion of Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Banks own 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Tier I Capital, Additional Core Capital or Tier II Capitals as per the Temporary Article 2, Clause 1 of the Regulations(-)	-	-
The Portion of Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Banks own 10% or more of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Tier I Capital, Additional Core Capital or Tier II Capitals as per the Temporary Article 2, Clause 1 of the Regulations(-)	-	-
The Portion of Net Long Position of the Investments in Equity items of Unconsolidated Banks and Financial Institutions Where the Banks own 10% or more of the Issued Share Capital of the Net Deferred Tax Assets arising from Temporary Differences and of the Mortgage Servicing Rights not deducted from Tier I Capital as per the Temporary Article 2, Clause2 Paragraph (1) and (2) and Temporary Article 2 Clause 1 of the Regulations ( -)	-	-
<b>EQUITY</b>	<b>4.945.331</b>	<b>4.463.152</b>
<b>Amounts Lower then Excesses as per Deduction Rules</b>	<b>18.051</b>	<b>20.538</b>
Remaining Total of the Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank owns 10% or less of the Issued Share Capital	18.051	20.538
Remaining Total of the Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank owns 10% or more of the Issued Share Capital	-	-
Remaining Mortgage Servicing Rights	-	-
Net Deferred Tax Assets arising from Temporary Differences	-	-

## 2 Market risk

The market risk means the possibility of damage arising from interest, exchange and price changes due to the fluctuations in financial markets affecting the Bank's on and off balance positions and as a result of this, the possible changes occurring in the Bank's income and expense items along with its return on equity. The Bank marks to market all its Turkish Lira and foreign currency marketable security positions as a result of its daily financial activities in order to be able to hedge market risk (mark to market).

In order to limit any probable losses from market risk, the Bank applies a maximum daily transaction and stop/loss limits for all trading Turkish lira and foreign currency transactions including marketable security transactions; such limits are approved by the Board of Directors of the Bank calculates an amount subject to market risk, including "Currency Risk" and "Interest Rate Risk (The Bank does not carry common stock position) in the Capital Adequacy Analysis Form in accordance with "Communiqué Related to Market Risk Measurement by Standard Method" ("Standard Method") issued by BRSA. In accordance with such method, currency risk is calculated on a weekly basis and market risk including both "currency risk" and "interest risk" is calculated on a monthly basis.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

#### 2.1 Information on market risk

	<b>AMOUNT</b>
(I) Capital to be Employed for General Market Risk - Standard Method	2.618
(II) Capital to be Employed for Specific Risk - Standard Method	-
Capital Liability Required for Specific Risk regarding Securitisation Positions - Standard Method	-
(III) Capital to be Employed for Currency Risk - Standard Method	5.176
(IV) Capital to be Employed for Commodity Risk - Standard Method	-
(V) Capital to be Employed for Exchange Risk-Standard Method	-
(VI) Capital to be Employed for Market Risk Due to Options-Standard Method	-
(VII) Capital Liability Calculated for Credit Risk of Counter-Party - Standard Method	5.529
(VIII) Total Capital to be Employed for Market Risk for Banks Applying Risk Measurement Model	-
(IX) Total Capital to be Employed for Market Risk (I+II+III+IV+V+VI+VII)	13.323
(X) Amount Subject to Market Risk (12,5xVIII) or (12,5xIX)	166.538

#### 2.2 Market risk table of calculated month-end market risk during the year

	Current Period 31.12.2015			Prior Period 31.12.2014		
	Average	Maximum	Minimum	Average	Maximum	Minimum
Interest Rate Risk	9.316	14.166	988	22.056	33.990	12.162
Share Certificate Risk	-	-	-	-	-	-
Currency Risk	4.854	10.106	12	104.343	123.577	4.815
Commodity Risk	-	-	-	-	-	-
Settlement Risk	-	-	-	-	-	-
Operational Risk	50	260	-	84	219	-
Counterparty Credit Risk	3.720	6.258	776	1.324	2.714	559
Total Amount Subject to Risk	224.250	384.875	22.200	1.597.588	2.006.250	219.200

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

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### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

3

#### Credit risk

According to Article No. 25 of the decree (regulating the “Articles of Association” of the Bank) of the Council of Ministers dated 17 June 1987; the scope of the annual operations of the Bank is determined by the Bank’s Annual Program that is approved by the Supreme Advisory and Credit Guidance Committee (“SCLGC”). The SCLGC is chaired by the Prime Minister or State Minister appointed by the Prime Minister and includes executive managers. The Board of Directors of the Bank is authorized to allocate the risk limits of loans and guarantee and insurance premiums to country, sector and commodity groups, within the boundaries of the Annual Program.

The Bank is not subject to the clauses stated in Article No. 77 of the Banking Law number 5411. However, the Bank applies general loan restrictions stated in the 54<sup>th</sup> article of the Banking Law.

Limit controls on the basis of the company and bank, financial statements provided for the related credits, profit and loss statements as the appendix of these statements, along with cash/non-cash guarantees given for the relevant transactions are regularly inspected by the Internal Control and Monitoring Unit. Credit ratings for the credits and other receivables are followed by the Risk Analysis and Evaluation Division together with the Credit and Risk Assessment Directorate.

In line with the Bank’s limits, forward and swap transactions are performed with the banks. There are not any control limits regarding the option transactions. For interest swaps and cross currency (money and interest) swaps, guaranteed transactions are performed by applying cash blockage. Because these tools are assessed daily through current rates (market to market) in the market, the credit risk undertaken is managed with the potential risks arising due to the market movements.

In line with the objective regarding the principles of related law and establishment conditions, Turkish Eximbank is not exposed to high market risk due to the fact that the Bank provides a significant part of its resources to meet the export sector’s credit need. And also, in the view of the fact that the market risk will increase due to the conditions where there is lack of market depth and effectiveness regarding the derivatives, these derivatives on the market basis are performed with the exporters and all of them are closed through applying reverse transactions in the interbank market and/or via derivatives exchange (hedging is performed) as a general strategy to minimize the relevant risks. In accordance with this, it is thought that the Bank has undertaken minimal risk just for the put option transactions and does not benefit from mitigating its total risks by terminating future, option, and similar contracts in a short time for the cases where the credit risk reaches a high level.

On the other hand, because there is not any forward transaction for the exporters, considering that the Bank is not currently exposed to any “credit and settlement” risk (although the Bank meets the requirement, the counter party avoids meeting it) and providing that the said service will be performed, the guarantee will be requested from the exporters to mitigate the credit risk and by considering the time differences in the markets to eliminate the settlement risk, the Bank will carry out its payment to the exporters on the next working day following their timely payment and the limit of the exporters will be decreased on the transaction amount basis till the related transaction is finalized. Moreover, for the “hedge” transactions of the Bank, the above mentioned principles are applied, the limits of the Bank for which transactions are carried out are decreased on the transaction amount basis, and the liabilities of the Bank, other than exceptional cases, are performed on the first working day on which the transaction is finalized.

In accordance with the collateralization policy of the Bank, short, medium and long-term lending is based on the domestic banks’ risks.

The cash and non-cash limits of domestic banks for short, medium and long-term credits are approved by the Board of Directors.

The Bank’s Board of Directors authorised loan extensions to real and corporate persons in the scope of the Article 5 of the Regulation for Banks’ Loan Transactions (“Loan Transactions Regulation”) and these authorisation levels were determined as restricted by loans made available with certain collateral mentioned in the Article 5 of the Loan Transactions Regulation.

The risk limits of the foreign country loans are determined by annual programs which are approved by the SCLGC within the foreign economic policy.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

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### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

#### 3 Credit risk (continued)

Country loans are granted with the approval of the Board of Directors and the approval of the Minister and the Council of Ministers, according to article 10 of Act number 4749 dated 28 March 2002 related to the regulation of Public Finance and Debt Management.

The fundamental collateral of the foreign country loans are the government guarantees of the counter country and the guarantees of banks that the Bank accepts as accredited.

The limit of a country is restricted by both the maximum limit that can be undertaken and the maximum amount that can be used annually which are determined by the Bank's Annual Program.

Each year, 60% of 90% of the commercial and politic risks that emerge in the Short Term Export Insurance Program is transferred to international reinsurance companies under renewed agreements.

According to article 4/C of Act number 3332 that was appended by Act number 3659 and the Act number 4749 regarding the regulation of Public Financing and Debt Management dated 28 March 2002, the losses incurred by the Bank in its credit, guarantee and insurance transactions as a result of political risks are covered by the Turkish Treasury.

The Bank reviews reports of OECD country risk groupings, reports of the members of the International Union of Credit (Berne - Union) and Investment Insurers, reports of independent credit rating institutions and the financial statements of the banks during the assessment and review of loans granted. At the same time, the Bank benefits from the reports prepared in-house related with the country loans and short-term country risk groupings.

Risks and limits of the banks and companies are monitored daily and weekly by the responsible departments.

The cash and non-cash limits of the Bank for transactions in terms of foreign currency and the other financial instruments are approved by the Board of Directors.

Business and geographic distribution of the loan risks run parallel with the export composition of Turkey and this is followed up by the Bank regularly.

Non-cash loans turned into cash loans are classified under follow-up accounts with the approval of the Loan Committee. Uncollected non-cash loans are subject to the same risk weights as cash loans and classified under the relevant follow-up accounts in relation to their collateral.

The Bank provides a 100% impairment provision for non-performing loans and other receivables without considering the relevant collaterals in line with a prudent approach.

In accordance with the letter sent by the Turkish Treasury No.B.02.0.1.HM.KİT.03.02.52321/4-51898 dated 6 November 1997 and the "Application Procedures of Amounts Transferred by the Undersecretariat of Treasury to Türkiye İhracat Kredi Bankası AŞ" each year, the Bank's political risks arising on loan, guarantee and insurance operations and deferred receivables are communicated to the Turkish Treasury by the end of each September.

In accordance with the decision of the Executive Committee, as there has been no improvement in the collection of the receivables amounting to USD 4.868.428 (followed under miscellaneous receivables account) from the Ministry of Internal Affairs General Headquarters of Gendarme and Ministry of Defense under the scope of Russian Federation Deferred Loan, the Bank has provided 100% additional impairment provision of the TL equivalent amounting to TL 14.183 (31 December 2014: TL 11.319) as of 31 December 2015.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

3

#### Credit risk (continued)

As of 31 December 2015, the Bank recognised provisions amounting to TL 27.825 (31 December 2014: TL 17.012) considering probable compensation payments in relation to the insured export receivables.

As of 31 December 2015, even though the Bank does not have credits restructured in the accounts of standard credits and other receivables and linked to a redemption plan, it has credits corresponding to TL 699.648 and has applied changes in their terms of contracts which are under standard credits and other receivables accounts along with the ones amounting to TL 65.929 under close monitoring and other receivables accounts

For transactions in the frame of the Law No. 3332 dated 25 March 1987, “General and special provision rates are considered to be zero” clause according to 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 No.26333 dated 1 November 2006 exemptions entitled article 13, although the Bank is within the exemption up to date by prudence within the scope of statute transaction occurs and within the context of exemption as of 1 January 2013, the Bank applied to BRSA and in accordance with the confirmation from BRSA, general provision amount of TL 62.475 was cancelled which had been made as a provision till 30 June 2013. As of 31 December 2015, the general provision is amounting to TL 130.214 as noted in Note 2.7.1. (31 December 2014: TL 130.214).

As of 31 Decemer 2015 Bank general provision amount amounting to TL 130.214 (31 December 2014:130.214) as described in Note 2.7.1.

The proportion of the Bank’s top 100 cash loan balances (whose risk belongs to the Bank) in total cash loans portfolio is 52% and 56% as of 31 December 2015 and 2014, respectively.

The proportion of the Bank’s top 200 cash loan balances (whose risk belongs to the Bank) in total cash loans portfolio is 67% and 71% as of 31 December 2015 and 2014, respectively.

The proportion of the Bank’s top 100 non-cash loan balances (whose risk belongs to the Bank) in total cash loans portfolio is 58% and 62% as of 31 December 2015 and 2014, respectively.

The proportion of the Bank’s top 200 non-cash loan balances (whose risk belongs to the Bank) in total cash loans portfolio is 72% and 76% as of 31 December 2015 and 2014, respectively.

As of 31 December 2015 and 2014, the share of cash and non-cash receivable amounts belonging to its top 100 and 200 credit customers in the total balance sheet and the assets monitored under off-balance sheets are 53% and 68%, respectively (31 December 2014: 56% and 71%).

The Bank grants loans only to corporate customers in line with its mandate and follows its credit portfolio under categories specified below:

	Current Period 31.12.2015		Prior Period 31.12.2014	
	Corporate	Personnel loans	Corporate	Personnel loans
Standard loans	43.070.241	7.569	31.862.969	6.017
Loans under close monitoring	81.316	-	20.878	-
Loans under legal follow-up	131.688	-	127.478	-
<b>Gross</b>	<b>43.283.245</b>	<b>7.569</b>	<b>32.011.325</b>	<b>6.017</b>
Specific provision	(131.688)	-	(127.478)	-
<b>Net</b>	<b>43.151.557</b>	<b>7.569</b>	<b>31.883.847</b>	<b>6.017</b>

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

3

#### Credit risk (continued)

As of 31 December 2015 and 2014, there is not any past due loans classified under standard loans and the details of the loans under close monitoring are as follows:

	Current Period 31.12.2015	Prior Period 31.12.2014
Past due up to 30 days	69.963	-
Past due 30-60 days	-	546
Past due 60-90 days	11.353	20.332
<b>Total</b>	<b>81.316</b>	<b>20.878</b>

As of 31 December 2015 and 2014, the fair value of collaterals held for loans granted by the Bank are as follows:

	Current Period 31.12.2015	Prior Period 31.12.2014
Loans under close monitoring	81.316	20.878
Loans under legal follow-up	131.688	127.478
<b>Total</b>	<b>213.004</b>	<b>148.356</b>

As of 31 December 2015, the Bank does not have any repossessed collaterals (31 December 2014: None).

#### Loan rating system of the Bank

Risk evaluation of banks and other financial institutions:

The Bank requests independent auditor's report (financial statements and notes) and net foreign currency position from banks and other financial institutions on a quarterly basis.

Financial statement information derived from the independent audit or review reports of banks and other financial institutions is recorded to a database into a standard format and percentage changes and ratios related with capital adequacy, asset quality, liquidity and profitability of banks and other financial institutions are calculated. In addition, the standard ratio percentages for capital adequacy, asset quality, liquidity and profitability ratios are redefined periodically considering the operations of the banking groups and acceptable intervals for standards ratios are defined.

In relation with the standard ratios, the financial analysis groups are defined by assigning grades from 1 to 4 to banks and other financial institutions. Group with grade 1 consists of the lowest risk profile of banks and financial institutions and group with grade 4 consists of the highest risk profile of banks and financial institutions.

In accordance with the financial analysis group of the Banks and other financial institutions, the final risk groups are determined by considering some qualitative criteria like shareholding structure, group companies, credit ratings from international credit rating institutions, quality of management and information obtained from media.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

#### 3 Credit risk (continued)

As of 31 December 2015, loans granted by the Bank to domestic banks and other financial institutions amount to TL 5.229.118 (31 December 2014: TL 4.366.618). The concentration level of the loans to Banks and other financial institutions customers in accordance with the defined financial analysis groups of the Bank are as follows:

		<b>Current Period 31 December 2015</b>	<b>Prior Period 31 December 2014</b>
	<b>Rating Class</b>	<b>Concentration Level (%)</b>	<b>Concentration Level (%)</b>
Low	1-2	67%	61%
Medium	3	25%	17%
High	4	8%	21%

The risk evaluation of companies:

In the risk evaluation of the companies, the Bank obtains financial and organizational information both from the companies and also from various sources (such as CBRT records, Trade Registry Gazette, Chamber of Trade records, information obtained from the Undersecretariat of Foreign Trade, Banks, companies operating in the same sector) and uses comprehensive investigation and verification methods. In addition to the analysis of last three year financial statements of companies, the Bank also analyzes the current status of the sectors in which the companies operate, economic and political changes affecting the target sectors in the international markets, the advantages and disadvantages of the companies compared to their rival companies operating in or outside Turkey. In case the company is a member of a group of companies not organized as holding companies, the developments that affect the group's operations are monitored and outstanding bank debts of group are also assessed and company analysis reports are prepared taking into account the group risk as well. The Bank does not utilize a separate rating system regarding the risk assessment of the companies.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

1. As of 31 December 2015 and 2014, the classification of the loans to Banks and other financial institutions and companies and individuals are as follows:

	Current Period 31.12.2015		Prior Period 31.12.2014	
	Loans	Specific Provision (%)	Loans	Specific Provision (%)
Standard loans	99,51%	-	99,53%	-
Loans under close monitoring	0,19%	-	0,07%	-
Loans under legal follow-up	0,30%	100%	0,40%	100%
<b>Total</b>	<b>100%</b>	<b>0,30%</b>	<b>100%</b>	<b>0,40%</b>

2. The Bank's maximum exposure to credit risk as of 31 December 2015 and 2014:

	Current Period 31.12.2015	Prior Period 31.12.2014
Banks	164.402	991.359
Interbank Money Market Placements	-	75.105
Loans to Domestic Banks and Other Financial Institutions	5.229.118	4.366.618
Loans to Foreign Banks and Other Financial Institutions	742.691	397.076
Loans to Companies and Individuals	37.187.317	27.126.170
Financial Assets at Fair Value Through Profit or Loss <sup>(1)</sup>	10.593	51.283
Trading Derivative Financial Assets	3.712	20.641
Held-to-Maturity Investments	255.968	296.954
Other Assets	123.189	112.140
<b>Credit risk exposures relating to off-balance sheet items:</b>		
Financial guarantees	2.754.481	1.613.307
Commitments	-	-
<b>Total</b>	<b>46.471.471</b>	<b>35.050.653</b>

- (1) Except derivative financial assets held for trading.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

#### The Risk Profile According to Substantial Regions

		Risk Groups															
	Conditional or Unconditional Receivables from Central Administrations or Central Banks	Conditional or Unconditional Receivables from Regional Administrations or Local Administrations	Conditional or Unconditional Receivables from Administrative Units and Non-commercial Ventures	Conditional or Unconditional Receivables from Multi-lateral Development Banks	Conditional or Unconditional Receivables from International Organizations	Conditional or Unconditional Receivables from Banks and Intermediary Institutions	Conditional and Unconditional Corporate Receivables	Conditional and Unconditional Retail Receivables	Conditional and Unconditional Receivables Collateralized with Real Estate	Non-performing Receivables	Receivables determined to have high levels of risk by the Board	Securities with Mortgage Guarantees	Securitization Positions	Current Receivables from Banks and Intermediary Institutions and Current Corporate Receivables	Investments in the Nature of Collective Investment Organization	Other Receivables (Net)	Total
Current Period																	
1 Domestic	1.291.666	-	-	-	-	13.520.126	37.422.093	1.288.479	18.084	-	-	-	-	-	-	1.053.143	54.593.591
2 European Union Countries <sup>(1)</sup>	-	-	-	-	-	62.915	1.280.181	211.225	-	-	-	-	-	-	-	-	1.554.321
3 OECD Countries <sup>(1)</sup>	-	-	-	-	-	908	186.333	20.193	-	-	-	-	-	-	-	-	207.434
4 Offshore Banking Regions	-	-	-	-	-	-	93.672	12.379	-	-	-	-	-	-	-	-	106.051
5 USA, Canada	-	-	-	-	-	32.955	154.565	12.765	-	-	-	-	-	-	-	-	200.285
6 Other Countries	640.295	-	-	-	-	102.467	549.385	64.919	-	-	-	-	-	-	-	-	1.357.066
7 Affiliate, Subsidiary and Jointly Controlled Partnerships	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Undistributed Assets/Liabilities <sup>(2)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Total	1.931.961	-	-	-	-	13.719.371	39.686.229	1.609.960	18.084	-	-	-	-	-	-	1.053.143	58.018.748

(1) EU countries, OECD countries except USA and Canada

(2) Assets and liabilities allocated to groups without a consistent basis

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

		Risk Groups																
	Prior Period	Conditional or Unconditional Receivables from Central Administrations or Central Banks	Conditional or Unconditional Receivables from Regional Administrations or Local Administrations	Conditional or Unconditional Receivables from Administrative Units and Non-commercial Ventures	Conditional or Unconditional Receivables from Multi-lateral Development Banks	Conditional or Unconditional Receivables from International Organizations	Conditional or Unconditional Receivables from Banks and Intermediary Institutions	Conditional and Unconditional Corporate Receivables	Conditional and Unconditional Retail Receivables	Conditional and Unconditional Receivables Guaranteed with Real Estate Mortgages	Non-performing Receivables	Receivables determined to have high levels of risk by the Board	Securities with Mortgage Guarantees	Securitization Positions	Current Receivables from Banks and Intermediary Institutions and Current Corporate Receivables	Investments in the Nature of Collective Investment Organization	Other Receivables(Net)	Total
1	Domestic	501.390	-	-	-	-	5.622.038	26.549.272	684.259	14.432	-	-	-	-	-	-	573.285	33.944.676
2	European Union Countries <sup>(1)</sup>	-	-	-	-	-	45.145	781.475	131.431	-	-	-	-	-	-	-	-	958.051
3	OECD Countries <sup>(1)</sup>	-	-	-	-	-	455	105.060	8.709	-	-	-	-	-	-	-	-	114.224
4	Offshore Banking Regions	-	-	-	-	-	-	38.768	4.522	-	-	-	-	-	-	-	-	43.290
5	USA, Canada	-	-	-	-	-	5.724	78.159	6.271	-	-	-	-	-	-	-	-	90.154
6	Other Countries	293.524	-	-	-	-	103.554	302.474	34.640	-	-	-	-	-	-	-	-	734.192
7	Affiliate, Subsidiary and Jointly Controlled Partnerships	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Undistributed Assets/Liabilities <sup>(2)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	<b>Total</b>	<b>794.914</b>	-	-	-	-	<b>5.776.916</b>	<b>27.855.208</b>	<b>869.832</b>	<b>14.432</b>	-	-	-	-	-	-	<b>573.285</b>	<b>35.884.587</b>

(1) EU countries, OECD countries except USA and Canada

(2) Assets and liabilities allocated to groups

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

#### The Risk Profile According to Sector or Third Party

		Conditional or Unconditional Receivables from Central Administrations or Central Banks	Conditional or Unconditional Receivables from Regional Administrations or Local Administrations	Conditional or Unconditional Receivables from Administrative Units and Non-commercial Ventures	Conditional or Unconditional Receivables from Multi-lateral Development Banks	Conditional or Unconditional Receivables from International Organizations	Conditional or Unconditional Receivables from Banks and Intermediary Institutions	Conditional and Unconditional Corporate Receivables	Conditional and Unconditional Retail Receivables	Conditional and Unconditional Receivables Guaranteed with Real Estate Mortgages	Non-performing Receivables	Receivables determined to have high levels of risk by the Board	Securities with Mortgage Guarantees	Securitization Positions	Current Receivables from Banks and Intermediary Institutions and Current Corporate Receivables	Investments in the Nature of Collective Investment Organization	Other Receivables (Net)	TL	FC	Total
1	Agriculture	-	-	-	-	-	1.686.407	4.721.784	161.753	-	-	-	-	-	-	-	40.946	1.098.979	5.511.911	6.610.890
1.1	Farming and Livestock	-	-	-	-	-	1.527.241	4.276.133	146.486	-	-	-	-	-	-	-	37.081	995.255	4.991.686	5.986.941
1.2	Forestry	-	-	-	-	-	159.166	445.651	15.267	-	-	-	-	-	-	-	3.865	103.724	520.225	623.949
1.3	Fishery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Industry	-	-	-	-	-	11.008.842	30.823.730	1.055.921	-	-	-	-	-	-	-	267.287	7.174.119	35.981.661	43.155.780
2.1	Mining and Quarry Sector	-	-	-	-	-	274.761	769.304	26.354	-	-	-	-	-	-	-	6.671	179.054	898.036	1.077.090
2.2	Manufacturing Industry	-	-	-	-	-	10.734.081	30.054.426	1.029.567	-	-	-	-	-	-	-	260.616	6.995.065	35.083.625	42.078.690
2.3	Electric, Gas and Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Construction	640.295	-	-	-	-	-	-	-	18.084	-	-	-	-	-	-	-	-	658.379	658.379
4	Services	-	-	-	-	-	164.402	-	-	-	-	-	-	-	-	-	-	41.667	122.735	164.402
4.1	Wholesale and retail trade	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Hotel and Restaurant Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.3	Transportation and Communications	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.4	Financial institutions	-	-	-	-	-	164.402	-	-	-	-	-	-	-	-	-	-	41.667	122.735	164.402
4.5	Real Estate and Leasing Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.6	Real Estate and Leasing Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.7	Training Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.8	Health and Social Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Other	1.291.666	-	-	-	-	859.720	4.140.715	392.286	-	-	-	-	-	-	-	744.910	941.717	6.487.580	7.429.297
6	Total	1.931.961	-	-	-	-	13.719.371	39.686.229	1.609.960	18.084	-	-	-	-	-	-	1.053.143	9.256.482	48.762.266	58.018.748

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

#### Distribution of the Risks related to Maturity by Remaining Periods to Maturity

Risk Groups	Remaining Period to Maturity				
	1 month	1-3 Months	3-6 Months	6-12 Months	More than 1 Year
Conditional or Unconditional Receivables from Central Administrations or Central Banks	839.384	-	13.247	291.806	787.524
Conditional or Unconditional Receivables from Regional Administrations or Local Administrations	-	-	-	-	-
Conditional or Unconditional Receivables from Administrative Units and Non-commercial Ventures	-	-	-	-	-
Conditional or Unconditional Receivables from Multi-lateral Development Banks	-	-	-	-	-
Conditional or Unconditional Receivables from International Organisations	-	-	-	-	-
Conditional or Unconditional Receivables from Banks and Intermediary Institutions	8.371.401	469.210	783.876	2.847.247	1.247.637
Conditional and Unconditional Corporate Receivables	4.532.010	6.341.947	9.725.252	7.102.277	11.984.743
Conditional and Unconditional Retail Receivables	242.829	157.929	233.434	428.028	547.740
Conditional and Unconditional Receivables Guaranteed with Real Estate Mortgages	-	-	-	-	18.084
Non-performing Receivables(net)	-	-	-	-	-
Receivables determined to have high levels of risk by the Board	-	-	-	-	-
Securities with Mortgage Guarantees	-	-	-	-	-
Securitisation Positions	-	-	-	-	-
Current Receivables from Banks and Intermediary Institutions and Current Corporate Receivables	-	-	-	-	-
Investments in the Nature of Collective Investment Organisation	-	-	-	-	-
Other Receivables(net)	-	-	-	-	1.053.143

There are not any companies assigned for credit rating or export credit.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

#### Risk Amounts by Risk Weights

Risk Weight	0%	10%	20%	50%	75%	100%	150%	200%
The amount before credit risk mitigation	780.545	0	682.858	6.062.114	1.477.845	39.884.523	0	0
The amount after credit risk mitigation	975.045	0	1.620.952	42.818.355	331.491	3.142.042	0	0

#### Various Information by Significant Sectors or Counter-Party Types

	Significant Sectors/Counter Parties	Loans		Value Adjustments	Provisions
		Impaired	Non-performed		
1	Agriculture	-	2.898	-	2.898
2	Energy	-	576	-	576
3	Food	-	3.183	-	3.183
4	Textile	-	41.567	-	41.567
5	Paper and Related Products	-	773	-	773
6	Chemistry and Related Products	-	78	-	78
7	Metal Industry	-	666	-	666
8	Ceramic	-	4	-	4
9	Machinery and Equipment	-	1.746	-	1.746
10	Electrical Household Appliances	-	810	-	810
11	Medical Devices	-	4	-	4
12	Ship	-	39.622	-	39.622
13	Motor Vehicles	-	471	-	471
14	Furniture	-	172	-	172
15	Construction	-	123	-	123
16	Wholesale	-	33	-	33
17	Shipping	-	18	-	18
18	Consulting	-	256	-	256
19	Leather and Leather Products Industry	-	38	-	38
20	Other Manufacturing Industry	-	7	-	7
21	Other	-	38.643	-	38.643
	<b>Total</b>	-	<b>131.688</b>	-	<b>131.688</b>

#### Information Regarding Value Adjustments and Change of Credit Provisions

	Opening Balance	Provision amounts allocated within the period	Cancellation of Provisions	Other Adjustments	Ending Balance
1 Specific Provisions	127.478	9.228	5.018	-	131.688
2 General Provisions	130.214	-	-	-	130.214

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

#### Information regarding the credit risk of counter-party

- a) Transaction limits for the credit risk of counter-party are determined by the Board of Directors and monitored by the Treasury Directorate. The allocation and distribution of internal capital are not performed.
- b) In accordance with the limits of the bank, forward and swap transactions are maintained with other banks. There are not any control limits regarding the option transactions. For interest swaps and cross currency swaps, guaranteed transactions are performed through applying cash blockage.
- c) There is not any policy regarding the reverse trend risk.
- d) The guarantee is not received for the derivatives and repo transactions stated in the credit risk of the counter-party.
- e) In the table of “Quantitative Information regarding the Counter-Party Risk”, gross positive fair value is indicated. Because the “Standard Method” and the “Internal Model Method” indicated in the fourth and fifth sections of Appendix-2 of the regulation on the Measurement and Evaluation of Capital Adequacy are not used, there are not any offsetting transactions.
- f) “Valuation Method According to Positive Fair Value” stated in the third section of Appendix-2 of the regulation on the Measurement and Evaluation of Capital Adequacy is practised.
- g) There are not this kind of transactions.
- h) There are not this kind of transactions.
- i) Because “Internal Model Method” indicated in the fourth and fifth sections of Appendix-2 of the regulation on the Measurement and Evaluation of Capital Adequacy is not practised, a value cannot be estimated.

#### Quantitative Information regarding the Counter-Party Risk

	<b>Amount</b>
Agreements on the basis of Interest Rate	4.451.944
Agreements on the basis of Exchange Rate	2.503.000
Agreements on the basis of Commodity	-
Agreements on the basis of Share	-
Other	-
Gross Positive Fair Value	187.350
Benefits of Offsetting	-
Offset Current Risk Amount	-
Guarantees Held	-
Net Position Regarding Derivatives	-

The capital requirement is not calculated via a risk measurement model which is allowed to be used. There is not any model for the use of risk measurement.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

#### 4 Operational risk

The Bank practices basic indicator approach for the calculation of operational risk. According to this method, the operational risk is calculated once per a year.

The information on the realization of the basic indicator method is as follows:

	2 Payment Amount	1 Payment Amount	Current Value Amount	Total/Number of Year regarding Positive Gross Income	Ratio (%)	Total
Gross income	299.822	402.983	618.962	3/3	15	66.088
<b>The Amount Taken as a Basis of the Operational Risk (Total*12.5)</b>						826.104

#### 5 Currency risk

##### 5.1 If the parent bank is subject to the exchange risk, the effects of such occurrence are estimated and the Board of Directors determines the limits regarding the positions monitored daily

The Bank's foreign exchange position is followed daily, and the transactions are performed in accordance with the expectations in the market and within the limits determined by the Risk Management Principles approved by the Board of Directors of the Bank.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

#### 5.2 The scale of the hedging performed through hedge-oriented derivatives for debt instruments in foreign currency and net foreign currency investments

The basic principle for foreign currency assets and liabilities is to secure a balance between currency type, maturity and interest type. For this purpose, borrowing strategies are determined in accordance with the Bank's asset structure to the extent possible. When this determination is not possible, the Bank aims to change the asset structure or utilize derivative instruments such as "cross currency" (currency and interest) and currency swaps.

	TL	USD <sup>(1)</sup>	GBP <sup>(1)</sup>	EUR <sup>(1)</sup>	JPY <sup>(1)</sup>
<b>TRADING DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>152.745</b>	<b>439.760</b>	<b>5.300</b>	<b>219.969</b>	<b>204.606</b>
<b>Forward Transactions</b>	<b>50.150</b>	<b>15.140</b>	<b>650</b>	-	<b>16.060</b>
Forward Foreign Exchange Purchase Transactions	26.765	7.570	-	-	-
Forward Foreign Exchange Sell Transactions	23.385	7.570	650	-	16.060
<b>Swap Transactions</b>	<b>102.595</b>	<b>424.620</b>	<b>4.650</b>	<b>219.969</b>	<b>188.546</b>
Swap Money Purchase Transactions	102.595	-	-	-	-
Swap Money Purchase Transactions FC - TL	-	-	-	-	-
Swap Money Purchase Transactions FC-FC	-	214.620	-	-	-
Swap Money Sale Transactions FC-TL	-	-	-	32.000	-
Swap Money Sale Transactions FC-FC	-	-	4.650	187.969	188.546
Swap Interest Purchase Transactions FC-FC	-	105.000	-	-	-
Swap Interest Sale Transactions FC-FC	-	105.000	-	-	-
<b>Option Money Purchase Transactions</b>	-	-	-	-	-
Money Purchase of Options	-	-	-	-	-
Money Sale of Options	-	-	-	-	-
<b>HEDGING DERIVATIVE FINANCIAL ASSETS</b>	<b>2.356.135</b>	<b>3.125.795</b>	-	<b>97.704</b>	-
<b>Forward Transactions</b>	<b>2.319.915</b>	<b>765.795</b>	-	-	-
Forward Foreign Exchange Purchase Transactions	-	765.795	-	-	-
Forward Foreign Exchange Sell Transactions	2.319.915	-	-	-	-
<b>Swap Transactions</b>	<b>36.220</b>	<b>2.360.000</b>	-	<b>97.704</b>	-
Swap Money Purchase Transactions	-	140.000	-	-	-
Swap Money Sale Transactions	36.220	-	-	97.704	-
Swap Interest Purchase Transactions	-	1.110.000	-	-	-
Swap Interest Sale Transactions	-	1.110.000	-	-	-

<sup>(1)</sup> Amounts shown in original currencies.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

#### 5.2 The scale of the hedging performed through hedge-oriented derivatives for debt instruments in foreign currency and net foreign currency investments (continued)

As of the balance sheet date, the Bank has used "Fair Value Hedge Accounting" starting from 1 January 2013.

Financial derivatives which are used for Fair Value Hedge Accounting are cross currency and interest swaps.

	31 December 2015		
	Principal <sup>(1)</sup>	Asset	Liability
<b>Derivative Financial Instruments</b>			
Cross currency swap and interest rate swaps	7.127.792	50.690	9.969
Forward foreign currency buy/sell transactions	4.550.829	25.270	32.854
<b>Total</b>	<b>11.678.621</b>	<b>75.960</b>	<b>42.823</b>

<sup>(1)</sup> Sum of purchase and sale.

The method of derivatives' fair value measurement shown above is explained in the accounting policy in Section Three No 2.3.

#### Fair value hedge accounting

Starting from 1 January 2013, the Bank has hedged the possible fair value effects of changes in libor interest rates on 5,375% and 5,875% fixed interest rate debt securities amounting USD 500 million with maturity 5 years and USD 610 million with maturity 7 years funding by using interest rate swaps. USD debt securities issued in total amount to USD 750 million with 5,875% fixed interest rate and maturity 7 years by the Bank. Remaining risk amount to USD 140 million hedged with cross currency swaps in year 2012 but this remaining portion is not subject to fair value hedge accounting. Starting from September 2014, the Bank issued 5% fixed interest rate debt securities with seven years maturity amounting USD 500 million (1.456.600 TL) and they are not subject to fair value hedge accounting.

Starting from 31 May 2014, the Bank hedged the possible fair value difference risk of CBRT Rediscount loans amount to TL 2.167.895 related to interest rate changes with forward transactions by using fair value hedge accounting. Changes in the fair value of forward transactions related to TL interest rate risks hedges fair value risk of the TL denominated CBRT Rediscount Loans related to changes in interest rates.

The impact of application fair value hedge accounting is summarised below:

31 December 2015					
Hedging instrument	Asset liability hedging	Risk hedge	Fair value of hedged asset	Net fair value of hedging account	
				Asset	Liability
Interest rate swaps	Fixed interest rate US dollar debt securities	Fixed interest rate risk	2.714	50.690	9.969
Forward Transactions	Originated CBT-Rediscount TL Loans	Interest rate risk	(4.244)	25.270	32.854

The Bank evaluates the effectiveness of the hedge accounting at initial date and at every reporting period. Effectiveness test is performed by using "Dollar off-set method". The Bank continues the hedge accounting if the effectiveness is between 80% and 125%.

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 5.2 The scale of the hedging performed through hedge-oriented derivatives for debt instruments in foreign currency and net foreign currency investments (continued)

##### Fair value hedge accounting (continued)

Changes in fair values of derivative transactions determined as hedge for fair value are recorded in profit or loss together with changes in hedging asset or liability. The difference in current values of derivative transactions fair value hedge is shown in "Trading gains and losses on derivative financial instruments" account. In the balance sheet, change in fair value of hedge asset or liability during the hedge accounting to be effective is shown with the related asset or liability. If the underlying hedge does not conform to the hedge accounting requirements, according to the adjustments made to the carrying value (amortised cost) of the hedged item, for which the risk is hedged by a portfolio hedge, are amortized with the straight line method within the time to maturity and recognized under the profit and loss accounts.

At the inception date, the Bank documents the relationship between the hedging instruments and hedged items required by the fair value hedge accounting in accordance with TAS 39 and its own risk management policies and principles. Every individual relationship is approved and documented in the same way in accordance with the Bank's risk management policies. Effectiveness tests were chosen among methods allowed within the context of TAS 39 in accordance with the Bank's risk management policies. The Bank's assumptions, which used for determining fair values of derivative instruments, were used while calculating fair value of hedged items on the effectiveness tests. The effectiveness tests are performed and effectiveness of risk relations are measured on a monthly basis. The effectiveness tests are performed rewardingly at the beginning of risk relations. If the underlying hedge does not conform to the accounting requirements (out of 80%-125% effectiveness range) or if the management voluntarily decides to discontinue the hedging relation or the hedging instrument is sold or closed before its maturity, in the context of the fair value hedge, adjustments on the carrying value of the hedged item is reflected on the on "Derivative Financial Transactions Gains/Losses" accounts by using straight line method of amortization.

##### Cash flow hedge accounting

Starting from 13 August 2015, the Bank uses "Cash Flow Hedge" accounting.

The impact of application cash flow hedge accounting is summarised below:

	31 December 2015		
	Principal <sup>(1)</sup>	Asset	Liability
<b>Derivative Financial Instruments</b>			
Cross Currency Swap Interest Transactions	94.484	29.178	-
<b>Total</b>	<b>94.484</b>	<b>29.178</b>	<b>-</b>

<sup>(1)</sup> Sum of purchase and sale.

The method of derivatives' cash flow hedge shown above is explained in section three no 2.3 accounting policy.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

#### 5.2 The scale of the hedging performed through hedge-oriented derivatives for debt instruments in foreign currency and net foreign currency investments (continued)

##### Cash Flow hedge accounting (continued)

The impact of cash flow hedge accounting is summarised below:

31 December 2015					
Hedging Instrument	Asset liability hedging	Risk Hedge	Fair value of hedged asset	Net fair value of hedging account	
				Asset	Liability
Cross Currency Swap	Fixed interest rate USD debt securities	Currency risk	(333)	29.178	-

At the inception date, the Bank documents the relationship between the hedging instruments and hedged items required by the cash flow hedge accounting application in accordance with TAS 39 and its own risk management policies and principles. Every individual relationship is approved and documented in the same way. In accordance with the Bank's risk management policies. The effectiveness tests are performed on a monthly basis. If the underlying hedge does not conform to the cash flow hedge accounting requirements (out of 80%-125% effectiveness range) or if the management voluntarily decides to discontinue the hedging relation or the hedging instrument is sold or closed before its maturity, the cumulative gain or loss on the hedging instrument that has been recognized in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs or is no longer expected to occur the net cumulative gain or loss is reclassified from other comprehensive income to profit or loss.

#### 5.3 Policy on foreign currency risk management

The Bank has followed a balanced policy of assets and liabilities with respect to currency risk during the year. As of 31 December 2015, the net foreign Currency Position/Shareholders' Equity ratio is 0,5% (31 December 2014: 0,5%). Foreign currency position is followed daily by the type of foreign currency. The Bank monitors the changes in the market conditions and their effect over the activities and positions of the Bank and make decisions in line with the strategies of the Bank

##### Approach adopted under internal capital adequacy assessment process for monitoring the adequacy of internal capital for current and future activities

Fully paid capital by the Turkish Republic Treasury, the Bank's legal capital is evaluated prospectively, in order to protect capital adequacy under the some stress scenario like rapid and large scale currency and interest rate changes the Bank calculates capital requirement. The Bank both within own group and within the all banking system works with shareholders equity and capital ratio which are above the average. First pillar credit for calculation of legal capital adequacy, adding to market and operational risk, interest rate risk (BHFOR) due to second pillar banking calculations and concentration risk are considered.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

- 5.4 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

DATE	25/12/2015	28/12/2015	29/12/2015	30/12/2015	31/12/2015
USD	2,9106	2,9192	2,9085	2,9083	2,9132
AUD	2,1207	2,1188	2,1142	2,1202	2,1307
DKK	0,4278	0,4291	0,4283	0,4262	0,4264
SEK	0,3466	0,3478	0,3492	0,3479	0,3467
CHF	2,9454	2,9529	2,9477	2,9315	2,9391
JPY	2,4186	2,4206	2,4155	2,4147	2,4196
CAD	2,1082	2,1045	2,0933	2,0991	2,0973
NOK	0,3346	0,3357	0,3353	0,3319	0,3307
GBP	4,3575	4,3554	4,3278	4,3086	4,3194
SAR	0,7757	0,7779	0,7754	0,7747	0,7761
EUR	3,1825	3,2027	3,1953	3,1799	3,1821
KWD	9,5870	9,6185	9,5864	9,5794	9,5955
XDR	4,0434	4,0554	4,0437	4,0399	4,0403
BGN	1,6270	1,6374	1,6340	1,6257	1,6268
IRR	0,0098	0,0098	0,0098	0,0098	0,0098
RON	0,7020	0,7091	0,7035	0,7002	0,7039
RUB	0,0414	0,0408	0,0400	0,0398	0,0395

- 5.5 The simple arithmetic averages of the Bank's foreign exchange bid rates for the last thirty days preceding the balance sheet date are presented in the table below

Currency	Average December 2015
USD	2,9161
AUD	2,1145
DKK	0,4253
SEK	0,3433
CHF	2,9288
JPY	2,3962
CAD	2,1296
NOK	0,3354
GBP	4,3712
SAR	0,7770
EUR	3,1726
KWD	9,5985
XDR	4,0396
BGN	1,6221
IRR	0,0098
RON	0,7043
RUB	0,0416

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 5.6 Information related to Bank's Currency Risk

Current Period 31 December 2015	EUR	USD	Other FC	Total
<b>Assets</b>				
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased)	-	-	-	-
Banks	12.851	106.599	3.285	122.735
Financial Assets at Fair Value Through Profit or Loss	-	2.918	5	2.923
Interbank Money Market Placements	-	-	-	-
Available-for-sale Financial Assets	-	-	-	-
Loans	15.330.721	20.834.951	32.058	36.197.730
Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-
Held-to-maturity Investments	-	-	-	-
Derivative Financial Assets for Hedging Purposes	-	79.868	-	79.868
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets	513.163	86.131	24	599.318
<b>Total Assets</b>	<b>15.856.735</b>	<b>21.110.467</b>	<b>35.372</b>	<b>37.002.574</b>
<b>Liabilities</b>				
Bank Deposits	-	-	-	-
Foreign Currency Deposits	-	-	-	-
Funds From Interbank Money Market	-	-	-	-
Funds Borrowed From Other Financial Institutions	14.175.231	18.757.985	4.924	32.938.140
Marketable Securities Issued	-	5.088.218	-	5.088.218
Miscellaneous Payables	656.498	228.751	2	885.251
Derivative Financial Liabilities for Hedging Purposes	-	9.969	-	9.969
Other Liabilities	1.615	203.527	55	205.197
<b>Total Liabilities</b>	<b>14.833.344</b>	<b>24.288.450</b>	<b>4.981</b>	<b>39.126.775</b>
<b>Net on Balance Sheet Position</b>	<b>1.023.391</b>	<b>(3.177.983)</b>	<b>30.391</b>	<b>(2.124.201)</b>
<b>Net off Balance Sheet Position</b>	<b>(1.010.867)</b>	<b>2.856.146</b>	<b>(27.843)</b>	<b>1.817.436</b>
Financial Derivative Assets	-	6.417.737	-	6.417.737
Financial Derivative Liabilities	1.010.867	3.561.591	27.843	4.600.301
Non-Cash Loans	8.411	2.746.070	-	2.754.481
<b>Prior Period 31 December 2014</b>				
Total Assets	8.911.238	17.527.086	32.374	26.470.698
Total Liabilities	8.061.796	20.915.398	5.517	28.982.711
<b>Net on Balance Sheet Position</b>	<b>849.442</b>	<b>(3.388.312)</b>	<b>26.857</b>	<b>(2.512.013)</b>
<b>Net off Balance Sheet Position</b>	<b>(493.626)</b>	<b>3.060.646</b>	<b>(15.257)</b>	<b>2.551.763</b>
Financial Derivative Assets	3.306	5.880.419	-	5.883.725
Financial Derivative Liabilities	496.932	2.819.773	15.257	3.331.962
Non-Cash Loans	4.860	1.608.447	-	1.613.307

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 5.6 Information related to Bank's Currency Risk (continued)

The effect of the Bank's currency positions as of 31 December 2015 and 2014 on net profit and equity under the assumption of devaluation of TL against other currencies by 10% with all other variables held constant is as follows:

	Current Period 31.12.2015		Prior Period 31.12.2014	
	Gain/(Loss) Effect	Effect on Equity <sup>(1)</sup>	Gain/(Loss) Effect	Effect on Equity <sup>(1)</sup>
USD	(33.072)	(32.184)	(33.905)	(32.767)
EUR	1.252	1.252	35.582	35.582
YEN	-	-	-	-
Other foreign currency	255	255	1.160	1.160
<b>Total, net</b>	<b>(31.565)</b>	<b>(30.677)</b>	<b>2.837</b>	<b>3.975</b>

<sup>(1)</sup> Effect on equity also includes effect on net profit.

As of 31 December 2015 and 2014, the effect of the appreciation of TL by 10% against other currencies with all other variables held constant on net profit and equity of the Bank is the same as the total amount with a negative sign as presented in the above table.

#### 6 Interest rate risk

The Bank estimates the effects of the changes in interest rates over the profitability of the Bank by analyzing TL and foreign currency denominated interest rate sensitive assets and liabilities considering both their interest components as being fixed rate or variable rate and also analyzing their weights among the Bank's total assets and liabilities. Long or short positions (gapping report) arising from interest rate risk are determined by currency types at the related maturity intervals (1 month, 1-3 months, 3-12 months, 1-5 years and over 5 years) as of the period remaining to reprising date, considering the reprising of TL and foreign currency-denominated "interest sensitive" assets and liabilities at maturity date (for fixed rate) or at interest payment dates (for floating rate). By classifying interest sensitive assets and liabilities according to their reprising dates, Bank's exposure to possible variations in market interest rates are determined.

The Bank determines maturity mismatches of assets and liabilities by analyzing the weighted average days to maturity of TL and foreign currency-denominated (for each currency and their USD equivalent) assets and liabilities.

According to the Risk Management Policy approved by the Board of Directors, the Bank emphasizes the matching of foreign currency denominated assets and liabilities with fixed and floating interest rates. The Bank also pays special attention to the level of maturity mismatch of assets and liability with floating and fixed interests in order to restrict negative effects of interest rate changes on the Bank's profitability.

As of 31 December 2015, the Bank has hedged the risk between variable interest rate liabilities and fixed interest rate assets with 20 interest swaps denominated in USD.

As of 31 December 2015, 19 FC-FC and, 2 FC-TL short-term, and 1 TL-FC, 2 FC-FC long-term currency swap transactions and 392 FC-TL forward transactions have been carried out.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 6.1 Interest rate sensitivity of assets, liabilities and off-balance sheet items

(Periods remaining to reprising dates)

Current Period End 31.12.2015	Up to 1 Month	1 - 3 Months	3 - 12 Months	1- 5 Years	Over 5 Year	Non-Interest Bearing	Total
<b>Assets</b>							
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and CBRT	-	-	-	-	-	1.227	1.227
Banks	146.366	-	-	-	-	18.036	164.402
Financial Assets at Fair Value Through Profit/Loss	678	287	2.747	1.963	8.630	-	14.305
Interbank Money Market Placements	-	-	-	-	-	-	-
Available-for-sale Financial Assets	-	-	-	-	-	18.051	18.051
Loans	5.876.095	11.989.871	24.590.526	693.138	9.496	-	43.159.126
Held-to-maturity investments	59.399	-	186.633	9.936	-	-	255.968
Other Assets	679	287	2.747	-	-	821.003	824.716
<b>Total Assets</b>	<b>6.083.217</b>	<b>11.990.445</b>	<b>24.782.653</b>	<b>705.037</b>	<b>18.126</b>	<b>858.317</b>	<b>44.437.795</b>
<b>Liabilities</b>							
Bank Deposits	-	-	-	-	-	-	-
Other Deposits	-	-	-	-	-	-	-
Funds From Interbank Money Market	200.000	-	-	-	-	-	200.000
Miscellaneous Payables	-	-	5.084	5.085	-	888.178	898.347
Issued Marketable Securities	-	-	3.560.744	57.340	1.470.134	-	5.088.218
Funds Borrowed from other Financial Institutions	2.983.845	12.326.037	17.678.368	-	-	-	32.988.250
Other Liabilities <sup>(1)</sup>	7.094	2.562	161.001	-	-	5.092.323	5.262.980
<b>Total Liabilities</b>	<b>3.190.939</b>	<b>12.328.599</b>	<b>21.405.197</b>	<b>62.425</b>	<b>1.470.134</b>	<b>5.980.501</b>	<b>44.437.795</b>
Balance Sheet Long Position	2.892.278	-	3.377.456	642.612	-	-	6.912.346
Balance Sheet Short Position	-	(338.154)	-	-	(1.452.008)	(5.122.184)	(6.912.346)
Off-balance Sheet Long Position	461.561	871.815	5.621.568	-	-	-	6.954.944
Off-balance Sheet Short Position	(455.399)	(874.744)	(5.649.679)	-	-	-	(6.979.822)
<b>Total Position</b>	<b>2.898.440</b>	<b>(341.083)</b>	<b>3.349.345</b>	<b>642.612</b>	<b>(1.452.008)</b>	<b>(5.122.184)</b>	<b>(24.878)</b>

(1) In other liabilities line the "non-interest bearing" column amounting TL 5.092.323, includes equity amounting to TL 4.780.705 and provisions amounting to TL 223.922.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 6.1 Interest rate sensitivity of assets, liabilities and off-balance sheet items (continued)

(Periods remaining to reprising dates)

Prior Period End 31.12.2014	Up to 1 month	1-3 Months	3 -12 Months	1-5 Years	Over 5 Year	Non-Interest Bearing	Total
<b>Assets</b>							
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and CBRT	-	-	-	-	-	289	289
Banks	980.520	-	-	-	-	10.839	991.359
Financial Assets at Fair Value Through Profit or Loss	9.270	237	42.073	1.964	18.380	-	71.924
Interbank Money Market Placements	75.105	-	-	-	-	-	75.105
Available-for-sale Financial Assets	-	-	-	-	-	20.538	20.538
Loans	6.289.033	9.537.730	15.431.701	631.400	-	-	31.889.864
Held-to-maturity Investments	59.164	47.573	187.164	3.053	-	-	296.954
Other Assets	27.934	32.881	20.545	10.242	-	304.642	396.244
<b>Total Assets</b>	<b>7.441.026</b>	<b>9.618.421</b>	<b>15.681.483</b>	<b>646.659</b>	<b>18.380</b>	<b>336.308</b>	<b>33.742.277</b>
<b>Liabilities</b>							
Bank Deposits	-	-	-	-	-	-	-
Other Deposits	-	-	-	-	-	-	-
Funds From Interbank Money Market	220.064	-	-	-	-	-	220.064
Miscellaneous Payables	-	96	13.783	-	-	478.197	492.076
Marketable Securities Issued	-	1.172.409	2.835.089	46.693	-	-	4.054.191
Funds Borrowed From Other Financial Institutions	1.495.144	12.046.493	10.709.706	-	-	-	24.251.343
Other Liabilities <sup>(1)</sup>	5.802	1.075	154.811	-	-	4.562.915	4.724.603
<b>Total Liabilities</b>	<b>1.721.010</b>	<b>13.220.073</b>	<b>13.713.389</b>	<b>46.693</b>	<b>-</b>	<b>5.041.112</b>	<b>33.742.277</b>
Balance Sheet Long Position	5.720.016	-	1.968.094	599.966	-	-	8.288.076
Balance Sheet Short Position	-	(3.601.652)	-	-	18.380	(4.704.804)	(8.288.076)
Off-balance Sheet Long Position	1.187.357	858.629	3.847.712	-	-	-	5.893.698
Off-balance Sheet Short Position	(1.158.180)	(835.102)	(3.845.025)	-	-	-	(5.838.307)
<b>Total Position</b>	<b>5.749.193</b>	<b>(3.578.125)</b>	<b>1.970.781</b>	<b>599.966</b>	<b>18.380</b>	<b>(4.704.804)</b>	<b>55.391</b>

(1) In other liabilities line the "non-interest bearing" column amounting TL 4.562.915, includes equity amounting to TL 4.314.915 and provisions amounting to TL 182.768.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 6.2 Average interest rates for monetary financial instruments

As of 31 December 2015, average interest rates applied to monetary financial instruments are shown below;

	EUR	USD	YEN	TL
<b>Current Period End 31.12.2015</b>				
<b>Assets</b>				
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and CBRT	-	-	-	-
Banks	0,30	0,36	-	10,77
Financial Assets at Fair Value Through Profit/Loss	-	4,44	-	6,02
Interbank Money Market Placements	-	-	-	10,30
Available-for-sale Financial Assets	-	-	-	-
Loans	1,68	1,80	1,93	7,91
Held-to-maturity Investments	-	6,81	-	10,00
<b>Liabilities</b>				
Bank Deposits	-	-	-	-
Other Deposits	-	-	-	-
Funds From Interbank Money Market	-	-	-	10,11
Miscellaneous Payables	-	-	-	-
Issued Marketable Securities	-	5,35	-	-
Funds Borrowed from Other Financial Institutions	0,61	0,64	-	11,35

As of 31 December 2014, average interest rates applied to monetary financial instruments are shown below;

	EUR	USD	YEN	TL
<b>Prior Period End 31.12.2014</b>				
<b>Assets</b>				
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and CBRT	-	-	-	-
Banks	0,36	0,43	-	9,95
Financial Assets at Fair Value Through Profit/Loss	-	4,57	-	5,89
Interbank Money Market Placements	-	-	-	10,15
Available-for-sale Financial Assets	-	-	-	-
Loans	1,85	1,69	2,11	7,58
Held-to-maturity Investments	-	6,81	-	10,09
<b>Liabilities</b>				
Bank Deposits	-	-	-	-
Other Deposits	-	-	-	-
Funds From Interbank Money Market	-	-	-	-
Miscellaneous Payables	-	-	-	-
Issued Marketable Securities	-	3,78	-	-
Funds Borrowed from Other Financial Institutions	0,91	0,65	-	-

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 6.3 Interest rate risk resulting from the banking accounts

##### 6.3.1 Measurement frequency of the interest rate risk with important estimations including the ones relating to the quality of the interest rate resulting from banking accounts, advance loan repayment and movements of the deposits other than the time deposits

The ratio regarding interest rate risk resulting from the banking accounts are calculated once in a month and sent to BRSA.

##### 6.3.2 The table below divided into different currencies presents the economic value differences resulting from the fluctuations in the interest rates in accordance with “Regulation on Measurement and Evaluation of Interest Rate Risk resulting from Banking Accounts with Standard Shock Method”

	Currency	Applied Shock (+/- basis point) <sup>(1)</sup>	Gains / Losses	Gains / Equities- Losses / Equities
1	TL	500	(107.610)	(2,18) %
	TL	(400)	93.263	1,89%
2	EUR	200	(9.982)	(0,20) %
	EUR	(200)	1.572	0,03%
3	USD	200	128.080	2,59%
	USD	(200)	(144.744)	(2,93) %
	Total (For Negative Shocks)		(49.909)	(1,01) %
	Total (For Positive Shocks)		10.488	0,21%

<sup>(1)</sup> There are separate lines for each shock that has a different direction and severity applied to the currency.

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## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 6.4 Share position risk resulting from the banking accounts

##### 6.4.1 Categorisation of the risks by their relations with the earnings indicated in the equities and their purposes including strategic reasons and general information on used accounting techniques along with the assumptions regarding the relevant practices, the factors affecting the evaluation, and significant changes

Being an investee of the Bank, with a share ratio of 9,78%, Garanti Faktoring AŞ shares are listed in the stock exchange. As of the end of the month, these shares are assessed on the basis of their value in the stock exchange and once recognized, they are followed in the account of available-for-sale securities in line with Turkish Accounting Standards.

The Bank has 1,75% share of Credit Guarantee Fund. Following the registration and announcement articles of association of 6362 numbered Capital Markets Board (CMB) in the frame of article “four percent of the capital is assigned to the available member of Borsa İstanbul AŞ (BİST) by bonus issue”, each Borsa İstanbul AŞ (C) group shareholding interest, 1 kurus nominal, 15.971.094 in total, TL 160 amounted share is assigned to the Bank by bonus issues.

##### 6.4.2 The balance sheet value, the fair value and, if the ones listed in the exchange stock have critical difference compared to the fair value, the comparison with the market price

	Share Investments	Comparison		
		The balance sheet value	Fair Value	The balance sheet value
1	Stock Investment Group A	-	-	-
	Listed on stock Exchange	-	-	-
2	Stock Investment Group B	13.681	13.681	13.681
	Listed on stock Exchange	13.681	13.681	13.681
3	Stock Investment Group C	-	-	-
	Listed on stock exchange	-	-	-
	Stock Investment Group	-	-	-

##### 6.4.3 Types and amounts of the positions quoted to the stock market, private and equity investments with sufficient diversity and other risks

Garanti Faktoring AŞ shares are included in B Group shares are valued with stock market price and the total sum of these valued shares is TL 13.681 as of the date of the report.

##### 6.4.4 Cumulative gain or loss due to sales and liquidation within the period

There is not any cumulative gain or loss due to sales and liquidation within the period.

##### 6.4.5 Total sum of unrealized gain or loss, total revaluation appreciation and the amounts related to those which have been included in the core and supplementary capital

Portfolio	Gain/ loss realised within the period	Revaluation appreciation		Unrealised gain and loss		
		Total	Those included in supplementary capital	Total	Those included in core capital	Total
1 Private equity investments	-	-	-	-	-	-
2 Shares quoted to the stock market	-	(2.487)	-	-	-	-
3 Other shares	-	-	-	-	-	-
4 Total	-	(2.487)	-	-	-	-

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
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**INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)**

7

**Liquidity risk**

(1) a) The Bank's risk capacity, the BRSA Banks' Liquidity Adequacy Measurement and Assessment of are foreseen in the legal limit. general policy of the Bank's liquidity risk, cost-effective in amounts that can meet the needs of potential cash flow under various operational conditions are based on maintaining a liquidity level. For this purpose, the existing loan stock and move weekly from existing cash balances, including the monthly and annual basis, debt payment obligations, estimated disbursements, credit collections, taking into account the political risk of loss compensation with potential capital inflows Turkish lira and foreign currency denominated cash flow statements are prepared separately and the need for additional resources from the movement and timing of cash flows results are determined. The Bank's cash flow, credit collections and optimistic in terms of additional resources can be found, it is organized in a way that helps the neutral and pessimistic scenarios under decision in terms of liquidity management mechanisms. as well as liquidity ratios liquidity management, other balance sheet ratios, liquid assets in the amount and maturity structure and rules relating to the diversification of funding sources are taken into account.

b) The Bank's sole shareholder is the Republic of Turkey Undersecretariat of Treasury. Therefore another partnership structure is not available. In terms of liquidity, share of resources that has original maturity longer than 1 year, cannot exceed 20% share in total resources of future repayments.

c) The Bank meets its short term liquidity demand from domestic and foreign banks, and long-term liquidity demand from international institutions like the World Bank or Japan Bank for International Cooperation ("JBIC") through medium-long term funds and issued marketable securities and trying to reduce mismatches related to this issue.

d) The Bank's main sources of funds denominated in USD and EUR and TL denominated loans are financed with equity and liabilities side in USD and EUR denominated loans to avoid to foreign currency risk in its credit is granted.

e) In terms of liquidity, Bank prefer to use borrowing limits from Central bank, Foreign Exchange markets and other domestic and foreign sources only in emergency situations. In addition, due to the status of the bank's investment and participation bank to eliminate the risk of sudden absence of deposits and draws are a significant contribution to the reduction of liquidity risk. As well as resource availability before then and syndicated loans to V. S. type accumulating money before amortization of external liabilities of the bank's liquidity risk mitigation fundamental principles such as the implementation of these techniques are redeemed.

f) Stress tests of banks' internal systems made by the end of the period. Within the frame of Regulation on Internal Capital Adequacy Assessment Process and BRSA best practice guidelines. Then sent to BRSA at the end of January of the following year. The bank stress test results are also reported to senior management and considered on Banks' domestic decisions.

g) The first measure for unexpected liquidity needs that may arise, having more short term assets with a high liquidity rather than short term greater amount of liabilities

In this context:

Increasing the level of liquid assets and /or

Trying to extend the maturity of existing debt and / or,

Limited new loan demand are covered and / or,

Maturity of the loans be shortened and / or,

Limits of traded financial institutions are constantly reviewed and / or,

Part of the securities turn into more liquid form through outright sale or repurchase.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### (2) Liquidity Coverage Ratio (%) Max and Minimum Weeks

Current Period							
Week Info	TL+FC (Max)	Week Info	TL+FC (Min)	Week Info	FC (Max)	Week Info	FC (Min)
27.11.2015	11,35	6.11.2015	4,74	All weeks Between 02.10.2015 01.01.2016	0	All weeks Between 02.10.2015 01.01.2016	0

Prior Period							
Week Info	TL+FC (Max)	Week Info	TL+FC (Min)	Week Info	FC (Max)	Week Info	FC (Min)
3.10.2014	74,13	2.1.2015	22,40	14.11.2014	45,66	02.01.2015	11,14

As of 1 January 2014 weekly liquidity coverage ratio application is started with a one year transition period. Until 1 January 2015, there will be no compliance control for proportional limit. Later on 29 December 2014 in accordance with the BRSA and Central Bank's opinion on the basis of the development and requirements of the liquidity coverage ratio of total minimum investment banks as well as foreign currency would be implemented at zero percent until 2016. Yet the application referred to in the previous sentence, according to the article dated 04/01/2016 from the BRSA will continue until 2017.

In consideration of upper description, Eximbank is subject to relevant application due to its investment and development bank status. Due to Banks' only activity is providing loans for exporters, to more effective usage of its sources, rather than keeping them inactive, offers its sources to exporters use. Eximbank has sufficient sources to keep the liquidity coverage ratio higher than the specified limits both in total or foreign based. However, the alternative cost of this application will show itself as a decline in exports and support to the real economy.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

Current Period (31.12.2015)		Total Unweighted Value (Average) (*)		Total Weighted Value (Average) (*)	
		TL+FC	FC	TL+FC	FC
<b>High-Quality Liquid Assets</b>					
1	Total high-quality liquid assets (HQLA)			57.724	
<b>Cash Outflows</b>					
2	Retail deposits and deposits from small business customers, of which:				
3	Stable deposits				
4	Less stable deposits				
5	Unsecured wholesale funding, of which:				
6	Operational deposits				
7	Non-operational deposits				
8	Unsecured funding	4.112.767	4.108.482	2.063.047	2.058.761
9	Secured wholesale funding				
10	Other cash outflows of which:				
11	Outflows related to derivative exposures and other collateral requirements	1.003.858	681.653	1.003.857	681.652
12	Outflows related to restructured financial instruments				
13	Payment commitments and other off-balance sheet commitments granted for debts to financial markets	6.950	4.702	2.780	1.881
14	Other revocable off-balance sheet commitments and contractual obligations	9.771.219	7.686.049	488.560	384.302
15	Other irrevocable or conditionally revocable off-balance sheet obligations				
16	<b>Total Cash Outflows</b>			3.558.244	3.126.596
<b>Cash Inflows</b>					
17	Secured receivables				
18	Unsecured receivables	5.666.804	4.506.735	3.638.772	2.752.493
19	Other cash inflows	931.742	919.637	931.742	919.636
20	<b>Total Cash Inflows</b>	6.598.546	5.426.372	4.570.514	3.672.129
				Max Limit applied values	
21	<b>Total HQLA</b>			57.724	0
22	<b>Total Net Cash Outflows</b>			889.561	782.309
23	<b>Liquidity Coverage Ratio (%)</b>			6,49%	0,00%

(\*) The average of last three months' liquidity coverage ratio calculated by monthly and weekly simple averages.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

Prior Period (31.12.2014)		Total Unweighted Value (Average) (*)		Total Weighted Value (Average) (*)	
		TL+FC	FC	TL+FC	FC
<b>High-Quality Liquid Assets</b>					
1	Total high-quality liquid assets (HQLA)			180.460	106.965
<b>Cash Outflows</b>					
2	Retail deposits and deposits from small business customers, of which:				
3	Stable deposits				
4	Less stable deposits				
5	Unsecured wholesale funding, of which:				
6	Operational deposits				
7	Non-operational deposits				
8	Unsecured funding	2.760.829	2.760.829	1.163.052	1.163.052
9	Secured wholesale funding				
10	Other cash outflows of which:				
11	Outflows related to derivative exposures and other collateral requirements	4.566	-	5.269	-
12	Outflows related to restructured financial instruments				
13	Payment commitments and other off-balance sheet commitments granted for debts to financial markets	9.949	7.095	5.254	3.541
14	Other revocable off-balance sheet commitments and contractual obligations	6.055.111	4.448.642	303.161	222.598
15	Other irrevocable or conditionally revocable off-balance sheet obligations				
16	<b>Total Cash Outflows</b>			1.476.736	1.389.191
<b>Cash Inflows</b>					
17	Secured receivables				
18	Unsecured receivables	5.074.689	3.597.504	3.561.259	2.352.429
19	Other cash inflows	7.315	639.047	6.846	639.465
20	<b>Total Cash Inflows</b>	5.082.004	4.236.551	3.568.105	2.991.894
				Max Limit applied values	
21	<b>Total HQLA</b>			180.460	106.965
22	<b>Total Net Cash Outflows</b>			369.184	347.298
23	<b>Liquidity Coverage Ratio (%)</b>			48,88%	30,80%

(\*) The average of last three months' liquidity coverage ratio calculated by monthly and weekly simple averages

(3) With regard of the Liquidity Coverage Ratio banks explain the essential issues as follows;

a) The LCR which has been introduced to ensure banks to preserve sufficient stock of high quality assets to meet their net cash outflows that may occur in the short term is calculated as per the Communiqué on "Measurement and Assessment of the Liquidity Coverage Ratio of Banks". The ratio is directly affected by the level of unencumbered high quality assets which can be liquidated at any time and net cash inflows and outflows arising from the Bank's assets, liabilities and off-balance sheet transactions.

b) The Bank's high quality liquid asset stock primarily consists of cash, the accounts held at CBRT and unencumbered government bonds which are issued by Turkish Treasury.

c) Important funding sources of the Bank are funds from CBRT rediscount loans, short-term loans from domestic and overseas banks, medium and long-term funds borrowed from international organizations like World Bank, JBIC and funds obtained from capital market transactions by issuing debt securities.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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d) Cash flows of derivatives that will taken into account in calculation of liquidity coverage ratio. Cash outflows of derivatives that arise from margin obligations, are reflected to the results in accordance with the methodology articulated in the related legislation

e) Total amount of funds borrowed from a single counterparty or a risk group is closely and instantaneously monitored, taking liquidity concentration limits into account.

Bank distribute funding sources between CBRT, domestic banks and international development and investment banks carefully and balanced manner. Bank's principle to take first quality collaterals like guarantee letters and aval. To prevent concentration risk the bank monitoring the breakdown of the collaterals taken from banks and made policy limit controls for to not take risks up to 20% of each banks' total cash and non-cash loans.

f) Taking into account the legal and operational liquidity transfer inhibiting factors, the needed funds and the liquidity risk exposure based on Banks itself, the branches in foreign countries and consolidated partnerships.

None.

g) Taken in the calculation of liquidity coverage ratio but not included in the disclosure template in the second paragraph and the information regarding the other cash inflows and cash outflows items which are thought to be related to the Bank's liquidity profile:

None.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 7.1 Groupings of assets and liabilities on the remaining period to maturity

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Unallocated <sup>(1)</sup>	Total
<b>Current Period 31.12.2015</b>								
<b>Assets</b>								
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and CBRT	1.227	-	-	-	-	-	-	1.227
Banks	18.036	146.366	-	-	-	-	-	164.402
Financial Assets at Fair Value Through Profit or Loss	-	679	287	431	1.962	10.946	-	14.305
Interbank Money Market Placements	-	-	-	-	-	-	-	-
Available-for-sale Financial Assets	18.051	-	-	-	-	-	-	18.051
Loans	-	3.699.937	7.744.013	20.309.902	11.276.158	129.116	-	43.159.126
Held-to-maturity Investments	-	-	-	157.332	98.636	-	-	255.968
Other Assets	-	7.726	13.940	10.352	73.119	-	719.579	824.716
<b>Total Assets</b>	<b>37.314</b>	<b>3.854.708</b>	<b>7.758.240</b>	<b>20.478.017</b>	<b>11.449.875</b>	<b>140.062</b>	<b>719.579</b>	<b>44.437.795</b>
<b>Liabilities</b>								
Bank Deposits	-	-	-	-	-	-	-	-
Other Deposits	-	-	-	-	-	-	-	-
Funds Borrowed From Other Financial Institutions	-	607.356	10.667.836	17.247.401	2.833.651	1.632.006	-	32.988.250
Funds From Interbank Money Market	-	200.000	-	-	-	-	-	200.000
Marketable Securities Issued	-	-	-	1.448.498	2.169.586	1.470.134	-	5.088.218
Miscellaneous Payables	-	-	-	5.084	5.085	-	888.178	898.347
Other Liabilities <sup>(2)</sup>	-	7.094	2.550	78.619	82.394	-	5.092.323	5.262.980
<b>Total Liabilities</b>	<b>-</b>	<b>814.450</b>	<b>10.670.386</b>	<b>18.779.602</b>	<b>5.090.716</b>	<b>3.102.140</b>	<b>5.980.501</b>	<b>44.437.795</b>
<b>Liquidity Gap</b>	<b>37.314</b>	<b>3.040.258</b>	<b>(2.912.146)</b>	<b>1.698.415</b>	<b>6.359.159</b>	<b>(2.962.078)</b>	<b>(5.260.922)</b>	<b>-</b>
<b>Net Off Balance Sheet Position</b>	<b>-</b>	<b>6.163</b>	<b>(2.929)</b>	<b>(90.720)</b>	<b>60.724</b>	<b>1.885</b>	<b>-</b>	<b>(24.877)</b>
Derivative Financial Assets	-	461.562	740.721	3.063.204	2.184.900	504.558	-	6.954.945
Derivative Financial Liabilities	-	455.399	743.650	3.153.924	2.124.176	502.673	-	6.979.822
Non-Cash Loans	-	-	-	-	-	-	2.754.481	2.754.481
<b>Prior Period 31.12.2014</b>								
Total Assets	31.666	6.583.414	7.624.485	13.781.147	5.324.741	92.182	304.642	33.742.277
Total Liabilities	-	288.842	10.987.198	11.645.902	3.598.116	2.181.107	5.041.112	33.742.277
<b>Net Liquidity Gap</b>	<b>31.666</b>	<b>6.294.572</b>	<b>(3.362.713)</b>	<b>2.135.245</b>	<b>1.726.625</b>	<b>(2.088.925)</b>	<b>(4.736.470)</b>	<b>-</b>
<b>Net Off-Balance Sheet Position</b>	<b>-</b>	<b>29.177</b>	<b>23.528</b>	<b>(10.517)</b>	<b>13.203</b>	<b>-</b>	<b>-</b>	<b>55.391</b>
Derivative Financial Assets	-	1.030.426	823.756	1.133.391	2.906.125	-	-	5.893.698
Derivative Financial Liabilities	-	1.001.249	800.228	1.143.908	2.892.922	-	-	5.838.307
Non-Cash Loans	-	-	-	-	-	-	1.613.307	1.613.307

- (1) Assets and liabilities that are necessary for banking activities and that cannot be liquidated in the short-term, such as property and equipment and intangible assets, investments, subsidiaries, office supply inventory, prepaid expenses, miscellaneous receivables and other assets and shareholders' equity, provisions and miscellaneous payables, are classified in this column.
- (2) In other liabilities line amount of TL 5.092.323 at the "unallocated" column, includes the shareholders' equity amounting to TL 4.780.705 and provisions amounting to TL 223.922.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

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### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 7.2 The undiscounted cash flows of liabilities based on the remaining period to maturity dates are as follows:

31 December 2015	Book Value	Demand and up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Unallocated	Total
<b>Liabilities</b>								
Bank deposits	-	-	-	-	-	-	-	-
Other deposits	-	-	-	-	-	-	-	-
Funds borrowed from other financial institutions	32.988.250	593.409	10.668.318	17.258.998	2.891.137	1.748.342	-	33.160.204
Funds borrowed from Interbank money market	200.000	200.214	-	-	-	-	-	200.214
Marketable securities issued	5.088.218	-	36.415	1.699.707	2.797.182	1.529.430	-	6.062.734
Miscellaneous payables	898.347	-	-	5.084	5.085	-	888.178	898.347
Other liabilities	258.353	7.094	2.550	78.619	82.394	-	87.696	258.353
<b>Total liabilities</b>	<b>39.433.168</b>	<b>800.717</b>	<b>10.707.283</b>	<b>19.042.408</b>	<b>5.775.798</b>	<b>3.277.772</b>	<b>975.874</b>	<b>40.579.852</b>
<b>Guarantees and commitments</b>								
		-	-	2.754.481	-	-	-	2.754.481

31 December 2014	Book Value	Demand and up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Unallocated	Total
<b>Liabilities</b>								
Bank deposits	-	-	-	-	-	-	-	-
Other deposits	-	-	-	-	-	-	-	-
Funds borrowed from other financial institutions	24.251.343	55.725	10.979.232	11.621.748	670.799	1.046.794	-	24.374.298
Funds borrowed from Interbank money market	220.064	220.121	-	-	-	-	-	220.121
Marketable securities issued	4.054.191	-	29.061	194.013	3.559.713	1.278.695	-	5.061.482
Miscellaneous payables	492.076	-	96	13.783	-	-	478.197	492.076
Other liabilities	226.920	5.012	1.075	41.792	113.809	-	65.232	226.920
<b>Total liabilities</b>	<b>29.244.594</b>	<b>280.858</b>	<b>11.009.464</b>	<b>11.871.336</b>	<b>4.344.321</b>	<b>2.325.489</b>	<b>543.429</b>	<b>30.374.897</b>
<b>Guarantees and commitments</b>								
		-	-	1.613.307	-	-	-	1.613.307

#### 7.3 The undiscounted cash inflows and outflows of derivatives of the Bank

31 December 2015	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
<b>Derivatives held for trading</b>						
Foreign exchange derivatives						
- Outflow	210.309	13.039	97.069	1.032.440	804.199	2.157.056
- Inflow	211.377	15.382	106.882	1.146.492	781.217	2.261.351
Interest rate derivatives						
- Outflow	44.079	-	265.911	-	-	309.990
- Inflow	43.868	1.231	264.642	-	-	309.741
<b>Derivatives held for hedging</b>						
Foreign exchange derivatives						
- Outflow	201.390	744.555	1.373.971	-	-	2.319.916
- Inflow	206.490	741.202	1.283.220	-	-	2.230.911
Interest rate derivatives						
- Outflow	-	-	1.622.008	1.621.432	-	3.243.440
- Inflow	-	-	1.639.056	2.038.056	-	3.677.112
<b>Total outflow</b>	<b>455.778</b>	<b>757.594</b>	<b>3.358.959</b>	<b>2.653.872</b>	<b>804.199</b>	<b>8.030.402</b>
<b>Total inflow</b>	<b>461.735</b>	<b>757.815</b>	<b>3.293.800</b>	<b>3.184.548</b>	<b>781.217</b>	<b>8.479.115</b>

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 7.3 The undiscounted cash inflows and outflows of derivatives of the Bank (continued)

31 December 2014	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
<b>Derivatives held for trading</b>						
Foreign exchange derivatives						
- Outflow						
- Inflow	478.493	7.162	21.825	689.754	-	1.197.234
Interest rate derivatives	482.037	7.266	25.600	717.885	-	1.232.788
- Outflow						
- Inflow	-	47.277	194.014	-	-	241.291
	283	45.602	193.685	-	-	239.570
<b>Derivatives held for hedging</b>						
Foreign exchange derivatives						
- Outflow						
- Inflow	577.389	782.627	857.700	-	-	2.217.716
Interest rate derivatives	605.469	806.765	843.594	-	-	2.255.828
- Outflow						
- Inflow	-	-	122.650	2.966.450	-	3.089.100
<b>Total outflow</b>	-	-	145.988	2.934.545	-	3.080.533
	<b>1.055.882</b>	<b>837.066</b>	<b>1.196.189</b>	<b>3.656.204</b>	-	<b>6.745.341</b>
<b>Total inflow</b>						
<b>Derivatives held for trading</b>	<b>1.087.789</b>	<b>859.633</b>	<b>1.208.867</b>	<b>3.652.430</b>	-	<b>6.808.719</b>

#### 7.4 Securitization position

None.

#### 7.5 Credit risk mitigation techniques

##### 7.5.1 Offsettings related to the processes and policies for offsetting on and off balance sheet and the level of offsetting applied by the bank

On the side of assets in the balance sheet, offsetting is applied by deducting the provisions for impairment of the trading securities and the held to maturity securities. On the side of liabilities, offsetting is applied by deducting the amounts recognized in the security issuance differences from the securities issued. Other than that, the transactions of the type mentioned in the communiqué regarding loan risk mitigation techniques, such as on balance sheet offsetting and private offsetting agreements are not performed.

##### 7.5.2 Practices related to valuation and management of guarantees

Bank guarantee letters received are not subject to any valuation. As long as the company has a short position, the Bank's guarantee letter is kept in the company's file. In the event that the term of Bank's guarantee letter becomes shorter than the loan's term in any way, the relevant company is contacted and asked to replace the guarantee letter with the one which has a longer term. It is noted whether the company takes back the guarantee letter on the same day when it pays its debt to Türk Eximbank through an intermediary bank. Expertise valuation is performed for commercial real estate mortgages.

##### 7.5.3 Types of main guarantees received

Domestic bank confirmation given to irrevocable letter of credit, Credit Guarantee Fund bailment, Bank Overdraft Covenant, pledge and assignment of natural and legal persons' remuneration receivables in terms of public sector, guarantee, bailment, aval, admission, confirmation, endorsement or Bank Overdraft Covenant given by Factoring Companies operated in Turkey which has credit limit in the Eximbank, other guarantees classified in Group 1 Guarantees in 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 regulation.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

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### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 7.5.4 Main guarantors and counter-party of loan derivatives and related credit rating

The main guarantor in relation to the political risk is the government. 60% of the commercial risk arising from insurance transactions is transferred to reinsurance.

#### 7.5.5 Information regarding the market with credit reduction or credit risk concentration

The share of risk amount of cash credit, guarantee and insurance extended to a country, bank or company within the total cash, guarantee and insurance risk balances is indicated in percentage. The borrowers listed among the first 200 in risk ranking are monitored closely by practice units. Risk Management Directorate may propose to lower down the limit for cash credit, guarantee and insurance facilities provided to any borrower in order to prevent risk concentration.

Based on the following table;

1) Total risk relating to each of the risk groups after on and off balance sheet offsetting which was guaranteed after making volatility adjustments, through a considerable guarantee,

2) Total risk amounts relating to each of the risk groups and guaranteed with guarantees or loan derivatives after on and off balance sheet offsetting.

#### 7.5.6 Guarantees according to risk groups

Risk group	Amount	Financial Guarantees	Other/ Material Guarantees	Guarantees and Loan Derivatives
Contingent or other receivables from central administrations or central banks	1.097.731	-	-	640.295
Contingent or other receivables from banks and intermediary institutions	6.847.440	194.500	-	5.383.739
Contingent or other corporate receivables	38.393.644	-	-	36.007.317
Contingent or other retail receivables	1.477.845	-	-	1.146.354
Contingent or Other Receivables Guaranteed with Real Estate Mortgages	18.084	-	18.084	-
Other Receivables (Net)	1.053.141	-	-	-
Total	48.887.885	194.500	18.084	43.177.705

### 7.6 Targets and policies of risk management

#### 7.6.1 Strategies and practices relating to risk management

Acting as the Turkish government's major export incentive instrument, Türk Eximbank promotes export through credit, guarantee and insurance programs. The Bank abides by the generally accepted banking and investment principles in all of its operations. The Bank does not carry out any profit-oriented activities, endeavours to achieve a proper return rate in order to maintain its capital and financial power, and follows generally accepted banking and investment principles in all its operations. Accordingly, the Bank maintains the level of risk which it should assume while performing its legal functions, defined as "providing financial support to the export sector", with an approach that would not weaken its financial power.

#### 7.6.2 Structure and organization of risk management system

Practice units bear the ultimate responsibility in risk management. The risk management unit is affiliated with the board of directors through the audit committee. Personnel regulation of the risk management division states that risk management personnel may not be involved in executive activities.

#### 7.6.3 Scope and nature of risk reporting and measurement systems

Credit risk, market risk, equity, and capital adequacy are reported to BRSA on a monthly basis according to the standard method. Operational risk report is issued annually according to the basic indicator approach.

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**INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)**

**7.6.4 Risk protection and mitigation policies and processes relating to continuous control of effectiveness of such policies**

The Bank is not obliged to conform to Article 54 on loan limits of Banking Law No. 5411. Nevertheless, the Bank obeys the general loan limits constraints (like single customer loan limits or related customers' group limits) mentioned in the Banking Law. According to collateralization policy, in order to fulfill the lending mission, depending on the economic conjuncture the Bank can undertake risks up to 20% of the total risk exposures for cash and non-cash loans, except treasury operations for a single bank.

Even though the Bank has a very limited foreign currency position due to its general exchange rate policy (almost long position), another principle adopted by Türk Eximbank within the scope of categorizing exchange rate risk is applying the legal ratio related to the exchange rate risk, which is calculated by dividing the foreign currency net position by equity ratio as 10% while the said ratio is maximum 20% in the Turkish banking system. The Bank's positions which are exposed to exchange rate risk are monitored daily; and authorized personnel can perform transactions within the limits defined according to the risk management principles which are approved by the Board of Directors, considering the realizations and expectations in the market. The basic principle for foreign currency assets and liabilities is to secure a balance between currency, maturity and interest type at the highest possible level. For this purpose, borrowing strategies are determined in accordance with the Bank's asset structure to the extent possible. When this determination is not possible, the Bank aims to change the asset structure or utilize derivative instruments such as cross currency (currency and interest) and currency swaps.

In line with the Risk Management Principles approved by the Board of Directors, the Bank regards it as important to achieve balance in assets and liabilities in different foreign currencies with fixed and floating interest rates and pursues to maintain the level of asset and liability imbalance with fixed/floating interest rate below 20% of the balance sheet size in order to limit possible negative effects of interest rate changes to the Bank's profitability. The interest sensitive amount (gapping report) is determined by currency types at the related maturity intervals (1 month, 1-3 months, 3-12 months, 1-5 years and over 5 years) as of the period remaining to reprising date, considering the reprising of TL and foreign currency-denominated interest sensitive assets and liabilities at maturity date (for fixed rate) or at interest payment dates (for floating rate). By classifying interest sensitive assets and liabilities according to their reprising dates, the Bank's exposure to possible variations in market interest rates are determined. The Bank determines maturity mismatches of assets and liabilities by analysing the weighted average days to maturity of TL and foreign currency-denominated (for each currency and their US equivalent) assets and liabilities periodically.

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**INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)**

**7.6.4 Risk protection and mitigation policies and processes relating to continuous control of effectiveness of such policies (continued)**

In order to mitigate the interest rate risk arising due to the maturity differences between Türk EximBank's assets and liabilities, derivative transactions such as interest rate swaps or currency-interest swap can be performed through approval of the Board of Directors when the market conditions are suitable. To manage the interest rate risk, the Bank adopted the policy of matching interest rates in assets and liabilities by creating assets with mid-long maturity and fixed interest rate for some of its mid-long maturity liabilities and accordingly, created a foreign securities portfolio.

The Bank's cash flows are prepared under positive, neutral and negative scenarios, taking into account the collection of loans and prospective additional funds for better liquidity management. On the other hand, the Board of Directors of the Bank determines the minimum liquidity levels and urgent liquidity sources in order to fulfil short-term liabilities. The Bank meets its short-term liquidity demand from domestic and foreign banks, and long-term liquidity demand from international institutions like the World Bank or Japan Bank for International Cooperation ("JBIC") through medium long-term funds and issued marketable securities such as bills and bonds. The Bank tries to match short-term loans with short-term borrowings and long-term loans with long-term borrowings and tries to minimise the maturity mismatch of assets and liabilities. As the weighted average of remaining days to maturity of funds is slightly higher than the weighted average of remaining days to maturity of placement and the loans, the Bank is hedged against the frequent roll-over risk of the assets, which contributes to its liquidity management. On the other hand, the Bank is willing to use borrowing limits in Turkish Lira and the foreign currency market of the CBRT and of domestic and foreign banks, in the case of urgency.

The Bank manages the liquidity risk of TL and foreign currency as per the BRSA Communiqué, "Measurement and Assessment of the Adequacy of Banks' Liquidity". Board of Directors is responsible for keeping the 25% ratio limit for TL and foreign currency denominated marketable securities investments over total assets. On the other hand, for liquidity management it is important to keep the ratio at 20% for fund with maturity more than 1 year over the total funds which have due payment dates in the same year.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

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### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 7.7 Leverage Ratio

(1) Because of the increasing volume of the insurance and balance sheet, the leverage ratio of the bank decreased compared to previous year. However, it is still above of 3% Basel and BRSA standards.

(2) The Bank does not prepared consolidated financial statements.

The leverage ratio table is presented below:

	Current Period <sup>(*)</sup>	Prior Period <sup>(*)</sup>
<b>On-Balance Sheet Items</b>		
On-balance sheet items (excluding derivatives and SFTs, but including	44.784.646	32.873.943
Assets amounts deducted in determining Basel III Tier 1 capital	(7.874)	(10.540)
Total on balance sheet exposures	44.776.772	32.863.403
<b>Derivative exposures and credit derivatives</b>		
Replacement cost associated with derivative financial instruments and credit	1.621	66
The potential amount of credit risk with derivative financial instruments and	191.057	55.392
The total amount of risk on derivative financial instruments and credit derivatives	192.678	55.458
<b>Investment securities or commodity collateral financing transactions</b>		
The amount of risk investment securities or commodity collateral financing		
transactions (Excluding on balance sheet items)	-	-
Risk amount of exchange brokerage operations	-	-
Total risks related with securities or commodity financing transactions	-	-
<b>Off -Balance Sheet Items</b>		
Gross notional amount of off-balance sheet items	12.578.447	1.526.091
Adjustments for conversion to credit equivalent amounts	(8.569.498)	-
The total risk of off-balance sheet items	4.008.949	1.526.091
<b>Capital and Total Exposures</b>		
Tier 1 Capital	4.764.396	4.284.073
Total Exposures	48.978.399	34.444.952
<b>Leverage Ratio</b>		
Leverage Ratio	10%	12%

(\*) Three-month average of the amounts in Leverage Ratio table.

#### 7.8 Presentation of financial assets and liabilities at their fair values

In the table below, the book value and fair value of the financial assets and liabilities which are not denominated with their fair values in financial statements of the parent bank are shown.

	Carrying Value		Fair Value	
	Current Period 31.12.2015	Prior Period 31.12.2014	Current Period 31.12.2015	Prior Period 31.12.2014
<b>Financial Assets</b>				
Due From Interbank Money Market <sup>(1)</sup>	-	75.105	-	75.105
Banks <sup>(1)</sup>	164.402	991.359	164.402	991.359
Available-for-sale Financial Assets	4.370	4.370	4.370	4.370
Held-to-maturity Investments	255.968	296.954	262.125	305.280
Loans	43.159.126	31.889.864	44.443.714	32.761.029
<b>Financial Liabilities</b>				
Bank deposits	-	-	-	-
Other deposits	-	-	-	-
Funds Borrowed From Other Financial Institutions	33.309.841	24.607.216	33.572.245	24.650.073
Issued Marketable Securities	5.088.218	4.054.191	6.062.734	4.054.191
Miscellaneous Payables <sup>(1)</sup>	898.347	492.076	898.347	492.076

<sup>(1)</sup> As the maturities of related accounts are mainly less than 1 month, the carrying amount calculated using the effective interest rate (internal rate of return) method approximates its fair value.

Fair value of investment held to maturity is determined as Level 1.

Fair value of loans and other financial institutions' funds are determined as Level 2.

Carrying amounts of other financial institutions' funds related to fair value hedge are shown as fair values.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

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### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 7.7 Presentation of financial assets and liabilities at their fair values (continued)

##### Fair value measurement classification

In the table below, valuation method of financial instruments valued by fair value is given. Valuation methods according to the levels are defined as follows:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Fair value measurements using inputs for the assets or liability that are not based on observable market data (unobservable inputs).

31 December 2015	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	14.305	-	-	14.305
Available-for-sale financial assets <sup>(1)</sup>	13.681	-	-	13.681
Derivative financial assets held for fair value hedges	-	105.138	-	105.138
<b>Financial liabilities</b>				
Trading derivative financial liabilities	-	635	-	635
Derivative financial assets held for fair value hedges	-	42.823	-	42.823

31 December 2014	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	71.924	-	-	71.924
Available-for-sale financial assets <sup>(1)</sup>	16.168	-	-	16.168
Derivative financial assets held for fair value hedges	-	91.602	-	91.602
<b>Financial liabilities</b>				
Trading derivative financial liabilities	-	2.260	-	2.260
Derivative financial assets held for fair value hedges	-	18.938	-	18.938

<sup>(1)</sup> Represents the balance of Garanti Faktoring AŞ which is quoted on BIST and accounted under available for sale financial assets.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

#### 7.8 Explanations on activities carried out on behalf and account of other parties

The Bank has carried out no transactions on behalf of and account of others and there are not any trust transactions.

#### 7.9 Explanations on operating segments

Information regarding operating segments as of 31 December 2015 and 2014 has been given in the following table:

Current Period 31.12.2015	Corporate Banking	Investment Banking	Undistributed	Total Operations of the Bank
<b>Interest income</b>	<b>1.134.829</b>	<b>59.037</b>	-	<b>1.193.866</b>
Interest income on loans	1.134.114	-	-	1.134.114
Interest received from banks	-	32.433	-	32.433
Interest received from money market transactions	-	2.005	-	2.005
Interest received from marketable securities	-	24.599	-	24.599
Other interest income	715	-	-	715
<b>Interest expense</b>	<b>(191.213)</b>	<b>(291.415)</b>	-	<b>(482.628)</b>
Interest on loans borrowed	(191.166)	-	-	(191.166)
Interest of repo transactions	-	(19.548)	-	(19.548)
Interest paid for money market transactions	-	-	-	-
Interest on securities issued	-	(271.867)	-	(271.867)
Other interest expenses	(47)	-	-	(47)
<b>Net fees and commissions income</b>	<b>25.475</b>	<b>(11.677)</b>	-	<b>13.798</b>
Fees and commissions received	25.475	-	-	25.475
Fees and commissions paid	-	(11.677)	-	(11.677)
<b>Trade profit/ loss (net)</b>	<b>-</b>	<b>555.640</b>	<b>(700.836)</b>	<b>(145.196)</b>
Profit/ loss on capital market transactions	-	(719)	-	(719)
Profit /loss on derivative financial transactions	-	556.359	-	556.359
Foreign exchange profit/ loss	-	-	(700.836)	(700.836)
<b>Other operating income</b>	<b>125.702</b>	<b>-</b>	<b>-</b>	<b>125.702</b>
<b>Provision for impairment of loan and other receivables</b>	<b>(9.199)</b>	<b>(541)</b>	<b>(14.945)</b>	<b>(24.685)</b>
<b>Other operating expenses</b>	<b>-</b>	<b>-</b>	<b>(191.451)</b>	<b>(191.451)</b>
<b>Net period profit</b>	<b>1.085.594</b>	<b>311.044</b>	<b>(907.232)</b>	<b>489.406</b>
<b>Total segment assets</b>	<b>43.159.126</b>	<b>559.091</b>	<b>719.578</b>	<b>44.437.795</b>
Financial assets designated at fair value through profit or loss	-	10.593	-	10.593
Trading derivative financial receivables	-	3.712	-	3.712
Receivables from banks and money markets	-	165.629	-	165.629
Available for sale financial assets	-	18.051	-	18.051
Loans and receivables	43.159.126	-	-	43.159.126
Held-to-maturity investments	-	255.968	-	255.968
Derivative financial debts with an aim of hedging	-	105.138	-	105.138
Property and equipment (net)	-	-	13.189	13.189
Intangible assets (net)	-	-	2.230	2.230
Other assets	-	-	704.159	704.159
<b>Total segment liabilities</b>	<b>33.288.810</b>	<b>5.288.853</b>	<b>5.860.132</b>	<b>44.437.795</b>
Trading derivative financial liabilities	-	635	-	635
Loans and funds received	33.109.841	-	-	33.109.841
Borrowings from money markets	-	200.000	-	200.000
Securities issued	-	5.088.218	-	5.088.218
Provisions	178.969	-	44.953	223.922
Equity	-	-	4.780.705	4.780.705
Other liabilities	-	-	1.034.474	1.034.474

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

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### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (continued)

Prior Period 31.12.2014	Corporate Banking	Investment Banking	Undistributed	Total Operations of the Bank
<b>Interest income</b>	<b>889.085</b>	<b>73.762</b>	-	<b>962.847</b>
Interest income on loans	886.588	-	-	886.588
Interest received from banks	-	29.564	-	29.564
Interest received from money market transactions	-	15.034	-	15.034
Interest received from marketable securities	-	29.164	-	29.164
Other interest income	2.497	-	-	2.497
<b>Interest expense</b>	<b>(153.613)</b>	<b>(179.878)</b>	-	<b>(333.491)</b>
Interest on loans borrowed	(153.580)	-	-	(153.580)
Interest paid for repo transactions	-	(13.201)	-	(13.201)
Interest paid for money market transactions	-	-	-	-
Interest on securities issued	-	(166.677)	-	(166.677)
Other interest expenses	(33)	-	-	(33)
<b>Net fees and commissions income</b>	<b>35.365</b>	<b>(5.586)</b>	-	<b>29.779</b>
Fees and commissions received	35.365	-	-	35.365
Fees and commissions paid	-	(5.586)	-	(5.586)
<b>Trade profit/ loss (net)</b>	<b>-</b>	<b>37.015</b>	<b>(201.834)</b>	<b>(164.819)</b>
Profit/ loss on capital market transactions	-	(4.294)	-	(4.294)
Profit /loss on derivative financial transactions	-	41.309	-	41.309
Foreign exchange profit/ loss	-	-	(201.834)	(201.834)
<b>Other operating income</b>	<b>124.812</b>	<b>-</b>	<b>-</b>	<b>124.812</b>
<b>Provision for impairment of loan and other receivables</b>	<b>(11.398)</b>	<b>(15)</b>	<b>(7.492)</b>	<b>(18.905)</b>
<b>Other operating expenses</b>	<b>-</b>	<b>-</b>	<b>(173.214)</b>	<b>(173.214)</b>
<b>Net period profit</b>	<b>884.251</b>	<b>(74.702)</b>	<b>(382.540)</b>	<b>427.009</b>
<b>Total segment assets</b>	<b>31.889.864</b>	<b>1.547.771</b>	<b>304.642</b>	<b>33.742.277</b>
Financial assets designated at fair value through profit or loss	-	51.283	-	51.283
Trading derivative financial receivables	-	20.641	-	20.641
Receivables from banks and money markets	-	1.066.753	-	1.066.753
Available for sale financial assets	-	20.538	-	20.538
Loans and receivables	31.889.864	-	-	31.889.864
Held-to-maturity investments	-	296.954	-	296.954
Derivative financial debts with an aim of hedging	-	91.602	-	91.602
Property and equipment (net)	-	-	17.766	17.766
Intangible assets (net)	-	-	1.875	1.875
Other assets	-	-	285.001	285.001
<b>Total segment liabilities</b>	<b>24.545.696</b>	<b>4.276.515</b>	<b>4.920.266</b>	<b>33.742.477</b>
Trading derivative financial liabilities	-	2.260	-	2.260
Loans and funds received	24.387.152	-	-	24.387.152
Borrowings from money markets	-	220.064	-	220.064
Securities issued	-	4.054.191	-	4.054.191
Provisions	158.544	-	24.224	182.768
Equity	-	-	4.314.315	4.314.315
Other liabilities	-	-	581.727	581.727

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### SECTION FIVE

#### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS

#### 1 Explanations and notes related to assets

#### 1.1 Cash equivalents and the account of the CBRT

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
Cash/Foreign currency	29	-	41	-
CBRT	1.198	-	248	-
Other	-	-	-	-
<b>Total</b>	<b>1.227</b>	<b>-</b>	<b>289</b>	<b>-</b>

#### 1.1.1 Information related to the account of the CBRT

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
Demand Unrestricted Account	1.198	-	248	-
Time Unrestricted Account	-	-	-	-
Time Restricted Account	-	-	-	-
<b>Total</b>	<b>1.198</b>	<b>-</b>	<b>248</b>	<b>-</b>

#### 1.2 With their net values and comparison, information on financial assets at fair value through profit or loss subject to repo transactions and given as collateral/blocked

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
Financial assets under repo transactions	6.986	-	-	-
Financial assets given as collateral/ blocked	-	-	-	-
<b>Total</b>	<b>6.986</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 1.3 Positive differences table related to trading derivative financial assets

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
Forward Transactions	413	-	252	151
Swap Transactions	376	2.923	2.942	17.160
Futures Transactions	-	-	-	-
Options	-	-	-	136
Other	-	-	-	-
<b>Total</b>	<b>789</b>	<b>2.923</b>	<b>3.194</b>	<b>17.447</b>

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 1.4 Information on banks and foreign bank accounts

Bank account

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
Banks				
Domestic	41.667	73.845	348.053	628.075
Foreign	-	48.890	-	15.231
Head Quarters and Branches Abroad	-	-	-	-
<b>Total</b>	<b>41.667</b>	<b>122.735</b>	<b>348.053</b>	<b>643.306</b>

Foreign Bank Account

	Unrestricted Amount		Restricted Amount	
	Current Period 31.12.2015	Prior Period 31.12.2014	Current Period 31.12.2015	Prior Period 31.12.2014
European Union Countries	15.027	9.051	-	-
USA, Canada	32.955	5.725	-	-
OECD Countries <sup>(1)</sup>	908	455	-	-
Off-shore Banking Regions	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>48.890</b>	<b>15.231</b>	<b>-</b>	<b>-</b>

(1) OECD countries except EU countries, USA and Canada

#### 1.5. With net values and comparison, available-for-sale financial assets subject to repo transactions and given as collateral/blocked

As of 31 December 2015 and 2014, there is not any available-for-sale marketable securities given as collateral.

#### 1.6 Information on available-for-sale financial assets

	Current Period 31.12.2015	Prior Period 31.12.2014
Debt Securities	-	-
Quoted to Stock Exchange	-	-
Not Quoted	-	-
Share Certificates	18.051	20.538
Quoted to Stock Exchange	13.681	16.168
Not Quoted	4.370	4.370
Impairment Provision (-)	-	-
<b>Total</b>	<b>18.051</b>	<b>20.538</b>

As of 31 December 2015 and 31 December 2014 available for sale financial assets of the Bank consist of Garanti Faktoring AŞ and Kredi Garanti Fonu AŞ with the shareholding percentages of 9,78% and 1,75%, respectively.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 1.7 Information related to loans

##### 1.7.1 Information on all types of loans and advances given to shareholders and employees of the Bank:

	Current Period 31.12.2015		Prior Period 31.12.2014	
	Cash loans	Non-cash Loans	Cash loans	Non-cash Loans
Direct Loans Granted to Shareholders	-	-	-	-
Corporate Shareholders	-	-	-	-
Real Person Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to Employees	7.569	-	6.017	-
<b>Total</b>	<b>7.569</b>	<b>-</b>	<b>6.017</b>	<b>-</b>

##### 1.7.2 Information on the first and second group loans and other receivables including loans that have been restructured or rescheduled

Cash Loans	Standard Loans and Other Receivables		Loans and Other Receivables under Close Monitoring			
	Loans and Other Receivables	Loans and Other Receivables		Loans and Other Receivables	Restructured Loans and Other Receivables	
		The ones whose payment plans have changed (extended)	Other		The ones whose payment plans have changed (extended)	Other
Non-specialized Loans	41.914.031	583.020	-	15.511	65.946	-
Working capital loans	-	-	-	-	-	-
Export Loans	33.042.633	304.380	-	15.511	57.075	-
Import Loans	-	-	-	-	-	-
Loans Granted to Financial Sector	5.279.516	1.762	-	-	-	-
Consumer Loans	7.569	-	-	-	-	-
Credit Cards	-	-	-	-	-	-
Other	3.584.313	276.878	-	-	8.871	-
Specialized Loans	529.564	50.699	-	355	-	-
Other Receivables	-	-	-	-	-	-
<b>Total</b>	<b>42.443.595</b>	<b>633.719</b>	<b>-</b>	<b>15.866</b>	<b>65.946</b>	<b>-</b>

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 1.7.2 Information on the first and second group loans and other receivables including loans that have been restructured or rescheduled (continued)

	Standard loans and other receivables	Loans under close monitoring and other receivables
The number of changes in payment plans (extension)	631.859	67.521
The ones extended for once or twice	402.494	39.291
The ones extended three, four or five times	229.365	28.230
The ones extended more than five times	-	-

The period of extension through change of payment plan	Standard loans and other receivables	Loans under close monitoring and other receivables
0-6 Months	61.893	6.179
6 - 12 months	7.762	33.112
1-2 Years	110.369	-
2-5 Years	228.258	-
5 Years and More	223.576	28.230

#### 1.7.3 On the basis of the relevant bank type and the following tables; Loans according to maturity structure

	Standard loans and other receivables		Loans under close monitoring and other receivables	
	Loans and Other Receivables	Loans and Other Receivables	Loans and Other Receivables	Restructured Loans and Other Receivables
Short-term Loans and other receivables	27.757.705	81.463	10.135	14.564
Non-specialized Loans	27.620.948	38.804	9.780	14.564
Specialized Loans	136.757	42.659	355	-
Other Receivables	-	-	-	-
Medium and Long-term Loans and Other Receivables	14.685.890	552.256	5.731	51.382
Non-specialized Loans	14.293.083	544.216	5.731	51.382
Specialized Loans	392.807	8.040	-	-
Other Receivables	-	-	-	-

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 1.7.4 Information on consumer loans, personal credit cards, personnel loans and personnel credit cards

There are not any consumer loans, consumer credit cards and personnel credit cards.

As of 31 December 2015, the Bank granted personnel loans amounting to TL 7.569.

	Short-term	Medium and Long-term	Total
Consumer Loans-TL	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards-TL	-	-	-
With Installment	-	-	-
Without Installment	-	-	-
Consumer Credit Cards-FC	-	-	-
With Installment	-	-	-
Without Installment	-	-	-
Personnel Loans-TL	124	7.445	7.569
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	124	7.445	7.569
Personnel Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	-	-	-
With Installment	-	-	-
Without Installment	-	-	-
Personnel Credit Cards-FC	-	-	-
With Installment	-	-	-
Without Installment	-	-	-
Credit Deposit Account-TL (Real Person)	-	-	-
Credit Deposit Account-FC (Real Person)	-	-	-
<b>Total</b>	<b>124</b>	<b>7.445</b>	<b>7.569</b>

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 1.7.5 Information on commercial installment loans and corporate credit cards

None.

#### 1.7.6 Distribution of loans according to borrowers based on the following table

	Current Period 31.12.2015	Prior Period 31.12.2014
Public <sup>(1)</sup>	2.150.857	1.513.444
Private	41.008.269	30.376.420
<b>Total</b>	<b>43.159.126</b>	<b>31.889.864</b>

(1) Includes country loans granted to foreign government entities amounting to TL 742.691 (31 December 2014: TL 397.076).

#### 1.7.7 Distribution of domestic and foreign loans

	Current Period 31.12.2015	Prior Period 31.12.2014
Domestic Loans	42.402.710	31.484.321
Foreign Loans	756.416	405.543
<b>Total</b>	<b>43.159.126</b>	<b>31.889.864</b>

#### 1.7.8 Loans granted to investments in associates and subsidiaries

None.

#### 1.7.9 Specific provisions accounted for loans

	Current Period 31.12.2015	Prior Period 31.12.2014
Loans and Receivables with Limited Collectability	-	-
Loans and Receivables with Doubtful Collectability	39.216	32.212
Uncollectible Loans and Receivables	92.472	95.266
<b>Total</b>	<b>131.688</b>	<b>127.478</b>

#### 1.7.10 Information on non-performing loans (Net)

##### 1.7.10.1 Information on non-performing loans and other receivables that are restructured or rescheduled

None.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 1.7.10.2 Information on the movement of total non-performing loans

	III. Group Loans and Other Receivables with Limited Collectability	IV. Group Loans and Other Receivables with Doubtful Collectability	V. Group Uncollectible Loans and Other Receivables
Balance at the Beginning of the Period	-	32.212	95.266
Additions During the Period	35.283	13.125	-
Transfers from Non-performing Loans Accounts	-	-	-
Transfers to Other Non-Performing Loans Accounts	-	-	-
Collections During the Period	(35.283)	(3.756)	(2.794)
Write-offs	-	(2.365)	-
Corporate and Commercial Loans	-	-	-
Consumer loans	-	-	-
Credit cards	-	-	-
Other	-	(2.365)	-
Balance at the End of the Period	-	39.216	92.472
Specific Provisions	-	(39.216)	(92.472)
Net Balance Sheet Amount	-	-	-

#### 1.7.10.3 Information on non-performing loans that are granted as foreign currency loans

	III. Group Loans and Other Receivables with Limited Collectability	IV. Group Loans and Other Receivables with Doubtful Collectability	V. Group Uncollectible Loans and Other Receivables
<b>Current Period: 31.12.2015</b>			
Balance at the End of the Period	-	38.162	80.232
Specific Provisions	-	(38.162)	(80.232)
Net Balance Sheet Amount	-	-	-
<b>Prior Period: 31.12.2014</b>			
Balance at the End of the Period	-	31.211	83.047
Specific Provisions	-	(31.211)	(83.047)
Net Balance Sheet Amount	-	-	-

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 1.7.10.4 Information on the gross and net amounts of the non-performing loans according to types of borrowers

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectability	Loans and Other Receivables with Doubtful Collectability	Uncollectible Loans and Other Receivables
<b>Current Period (Net) 31.12.2015</b>			
Loans Granted to Real Persons and Corporate Entities (Gross)	-	39.216	92.180
Specific Provision Amount	-	(39.216)	(92.180)
Loans Granted to Real Persons and Corporate Entities (Net)	-	-	-
Banks (Gross)	-	-	292
Specific Provision Amount	-	-	(292)
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provision Amount	-	-	-
Other loans and receivables (Net)	-	-	-
<b>Prior Period (Net) 31.12.2014</b>			
Loans Granted to Real Persons and Corporate Entities (Gross)	-	32.212	94.974
Specific Provision Amount	-	(32.212)	(94.274)
Loans Granted to Real Persons and Corporate Entities (Net)	-	-	-
Banks (Gross)	-	-	292
Specific Provision Amount	-	-	(292)
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provision Amount	-	-	-
Other Loans and Receivables (Net)	-	-	-

#### 1.7.10.5 The main features of the collection policy for the uncollectible loans and other receivables

In order to liquidate the problematic receivables, all possible alternatives are assessed to be able to collect the maximum amount in line with the current legislation. In case the receivable is not collected within the allowed period, the receivable is collected by compensating the collateral. In case the collateral is not adequate for liquidating the receivable, negotiations with the debtors are attempted. The legal process commences for the receivables for which collection, settlement or rescheduling is not possible.

The Bank obtains Current Account Letter of Undertaking of the Debtor for loans granted to financial sector and obtains Letter of Undertaking of the Company for loans granted to companies to secure the repayment of the loans granted. The Bank attempts to liquidate the receivables from banks who acted as an intermediary for loans granted and whose banking licenses are cancelled upon application to the Savings Insurance and Deposit Fund.

#### 1.7.10.6 Explanations on the write-off policy

Where sound indicators exist that would suggest that the collection of the Bank's foreign compensation receivables is almost impossible or that the costs to be incurred for the collection of the receivable amount would be higher than the amount of the receivable, the receivable amount is written-off from the assets upon the decision of the Executive Committee.

Write-off of the non-performing loans and receivables is considered, during the legal follow-up process concerning the collection of receivables.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 1.8 Held-to-maturity investments

As of 31 December 2015, all of the marketable securities of the Bank classified under trading and held-to-maturity categories are government bonds and treasury bills.

#### 1.8.1 Information on investments subject to repo transaction and given as collateral/blocked

Held-to-maturity investments subject to repo transactions:

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
Government bonds and similar marketable securities	202.689	-	205.939	-
<b>Total</b>	<b>202.689</b>	<b>-</b>	<b>205.939</b>	<b>-</b>

Held-to-maturity investments given as collateral/blocked:

	Current Period 31.12.2015	Prior Period 31.12.2014
Government bonds and similar marketable securities	12.643	12.640
<b>Total</b>	<b>12.643</b>	<b>12.640</b>

There are not any held-to-maturity investments held for structured position.

#### 1.8.2 Information on held-to-maturity government debt securities

	Current Period 31.12.2015	Prior Period 31.12.2014
Government Bonds	255.968	296.954
Treasury Bills	-	-
Other Public Debt Securities	-	-
<b>Total</b>	<b>255.968</b>	<b>296.954</b>

#### 1.8.3 Information on held-to-maturity investment securities

	Current Period 31.12.2015	Prior Period 31.12.2014
Debt Securities		
Quoted to Stock Exchange	255.968	296.954
Not Quoted	-	-
Impairment Provision (-)	-	-
<b>Total</b>	<b>255.968</b>	<b>296.954</b>

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 1.8.4 The movement of held-to-maturity investment securities

	Current Period 31.12.2015	Prior Period 31.12.2014
Balance at the beginning of the period	296.954	238.371
Foreign exchange differences on monetary assets	5.613	54.749
Purchases during the year	160.054	1.961
Disposals through sales and redemptions <sup>(1)</sup>	(204.489)	(1.961)
Impairment provision <sup>(2)</sup>	(2.164)	3.834
<b>Balance at the end of the period</b>	<b>255.968</b>	<b>296.954</b>

<sup>(1)</sup> There is not any disposal through sales. The amount shown at the disposals through sales and redemptions line represents only the redemption amount of securities.

<sup>(2)</sup> Consisted of interest accruals.

#### 1.9 Following information investments in associates account (net)

None.

#### 1.10 Information on subsidiaries (net)

There is not any subsidiary.

#### 1.11 Information related to the jointly controlled partnerships

None

#### 1.12 Information on lease receivables (net)

None.

#### 1.13 Positive differences table related to hedging derivative financial assets

Derivative Financial Assets Held for Cash Flow Hedges	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
Fair Value Hedge <sup>(1)</sup>	25.270	50.690	81.360	10.242
Cash Flow Hedge		29.178	-	-
Net Investment in Abroad Hedge <sup>(1)</sup>	-	-	-	-
<b>Total</b>	<b>25.270</b>	<b>79.868</b>	<b>81.360</b>	<b>10.242</b>

(1) Explained in section four note 5.2.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 1.14 Explanations on property and equipment

	Immovables	Tangibles- Financial Leased Assets	Vehicles	Other Tangibles	Leasehold Improvements	Total
<b>Cost</b>						
1 January 2014	5.055	287	2.286	7.919	14.257	29.804
Additions	-	-	670	718	-	1.388
Disposals	-	-	-	(40)	-	(40)
Transfers	4.564	-	-	-	-	4.564
<b>31 December 2014</b>	<b>9.619</b>	<b>287</b>	<b>2.956</b>	<b>8.597</b>	<b>14.257</b>	<b>35.716</b>
<b>Accumulated Depreciation</b>						
1 January 2014	2.887	287	944	5.072	2.548	11.738
CY depreciation	116	-	358	426	3.279	4.179
Disposals	-	-	-	-	-	-
Transfers	2.033	-	-	-	-	2.033
<b>31 December 2014</b>	<b>5.036</b>	<b>287</b>	<b>1.302</b>	<b>5.498</b>	<b>5.827</b>	<b>17.950</b>
<b>Net book value</b>						
<b>31 December 2014</b>	<b>4.583</b>	<b>-</b>	<b>1.654</b>	<b>3.099</b>	<b>8.430</b>	<b>17.766</b>

	Immovables	Tangibles- Financial Leased Assets	Vehicles	Other Tangibles	Leasehold Improvements	Total
<b>Cost</b>						
1 January 2015	9.619	287	2.956	8.597	14.257	35.716
Additions	-	-	-	1.641	-	1.641
Disposals	(3.483)	(160)	-	(18)	-	(3.661)
Transfers	-	-	-	-	-	-
<b>31 December 2015</b>	<b>6.136</b>	<b>127</b>	<b>2.956</b>	<b>10.220</b>	<b>14.257</b>	<b>33.696</b>
<b>Accumulated Depreciation</b>						
1 January 2015	5.036	287	1.302	5.498	5.827	17.950
CY depreciation	140	-	571	1.099	3.064	4.874
Disposals	(2.141)	(160)	-	(16)	-	(2.317)
Transfers	-	-	-	-	-	-
<b>31 December 2015</b>	<b>3.035</b>	<b>127</b>	<b>1.873</b>	<b>6.581</b>	<b>8.891</b>	<b>20.507</b>
<b>Net book value</b>						
<b>31 December 2015</b>	<b>3.101</b>	<b>-</b>	<b>1.083</b>	<b>3.639</b>	<b>5.366</b>	<b>13.189</b>

As of 31 December 2015 and 2014, there is not any impairment in property and equipment.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 1.15 Explanations on intangible assets

The Bank classified computer software licenses under intangible assets.

Useful life of intangible assets is estimated as three years and the depreciation rate is 33,33% in accordance with the Tax Procedural Law.

a) Cost and accumulated amortization at the beginning and end of the period:

As of 31 December 2015, the cost and the accumulated amortization of intangible assets are TL 4.911 and TL 2.681, respectively; at the beginning of the period, the gross book value and the accumulated amortization are TL 4.008 and TL 2.133, respectively.

b) Reconciliation of movements for the current period and the prior period:

	Current Period 31.12.2015	Prior Period 31.12.2014
Net Book Value at the Beginning of the Period	1.875	540
Internally Generated Amounts	-	-
Additions due to Mergers, Transfers and Acquisitions	903	1.780
Sales and Write-Off	-	-
Amounts Recorded under Revaluation Fund for Increase or Decrease in Value	-	-
Recorded Impairments in the Income Statement	-	-
Cancelled Impairments from Income Statement	-	-
Amortization Expense (-)	(548)	(445)
Net Currency Translation Differences of Foreign Subsidiaries	-	-
Other Changes in the Book Value	-	-
Net Book Value at the End of the Period	2.230	1.875

#### 1.16 Information on investment properties

None.

#### 1.17 Information on deferred tax asset

As stated at Section 3 Note 2.16, the Bank is exempt from corporate tax, and accordingly, no deferred tax asset or liability is recognized in the accompanying financial statements.

#### 1.18 Explanations on assets held for sale and explanations related to discontinued operations

None.

#### 1.19 If the other assets' items in the balance sheet exceed 10% of the total of the balance sheet, excluding the off-balance sheet commitments, the sub-accounts constituting at least 20% of these accounts

None.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2 Explanations and notes on liabilities items

##### 2.1 Information on deposits/ funds received

The Bank does not accept deposits.

##### 2.2 Table of negative differences for trading derivative financial liabilities

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
Trading Derivative Financial Liabilities				
Forward Transactions	308	-	30	45
Swap Agreements	25	302	315	1.737
Futures Transactions	-	-	-	-
Options	-	-	-	133
Other	-	-	-	-
<b>Total</b>	<b>333</b>	<b>302</b>	<b>345</b>	<b>1.915</b>

As of 31 December 2015, the Bank does not have any trading financial liabilities other than trading derivative financial liabilities (31 December 2014: None).

As of 31 December 2015, the Bank does not have deferred day one profits and losses (31 December 2014: None).

##### 2.3 Information on banks and other financial institutions

###### 2.3.1 General information on banks and other financial institutions

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
Borrowings from CBRT	-	22.588.506	-	19.241.050
From Domestic Banks and Institutions	50.110	999.589	-	357.529
From Foreign Banks, Institutions and Funds	-	9.350.045	-	4.652.764
<b>Total</b>	<b>50.110</b>	<b>32.938.140</b>	<b>-</b>	<b>24.251.343</b>

###### 2.3.2 Information on maturity structure of borrowings

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
Short-Term	50.110	28.318.685	-	22.553.779
Medium and Long-Term	-	4.741.046	-	1.833.373
<b>Total</b>	<b>50.110</b>	<b>33.059.731</b>	<b>-</b>	<b>24.387.152</b>

Medium and long-term loans include subordinated loans amounting to TL 121.402 (31 December 2014: TL 135.632) and interest accruals amounting to TL 189 (31 December 2014: TL 177).

## TÜRKİYE İHRACAT KREDİ BANKASI AŞ

### NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

#### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

##### 2.3.3 Additional explanations over areas of concentration of the liabilities of the Bank

As of 31 December 2015 and 2014, the main liabilities of the Bank are presented in the table below on the bases of the sources of the funds:

<b>Funds borrowed</b>	<b>Current Period 31.12.2015</b>	<b>Prior Period 31.12.2014</b>
Syndicated loans	4.315.374	1.798.723
Subordinated loans	121.591	135.809
World Bank	704.126	601.612
CBRT Loans	22.588.506	19.241.050
European Investment Bank	1.532.590	1.060.972
European Council Participation Bank	159.113	-
Bank of Tokyo Mitsubishi:London	-	282.984
Bank of Tokyo Mitsubishi:Turkey	318.655	-
Mizuho Corporate Bank Ltd	478.185	283.431
Citibank Dublin	244.923	185.992
Doha Bank	218.830	139.598
Standard Chartered Bank	291.992	-
ABC International	418.736	-
Commercial Bank of Qatar	129.771	-
Garanti International	29.192	-
Credite Europe N.V.	111.455	-
Emirates NBD	72.936	-
HSBC London	133.073	-
ICBC	146.662	-
International Islamic Trade Finance Corporation (ITFC)	-	465.010
ING European Financial Services	638.160	-
ING Bank NV	159.217	-
National Bank of Kuwait	-	34.981
J.P. Morgan Chase Bank	-	156.990
ING Bank A.Ş.	23.866	-
Türkiye Sınai Kalkınma Bankası	95.488	-
Türkiye Kalkınma Bankası	50.111	-
Akbank	127.289	-
<b>Total</b>	<b>33.109.841</b>	<b>24.387.152</b>

The Bank used syndicated loan facilities at an amount EUR 499 million and USD 87 million at 4 March 2015 and EUR 229,9 million and USD 51 million at 17 July 2014 with a maturity of one year and EUR 100 million and USD 80 million with a maturity of two years. In addition, As of 31 December 2015, under the guarantee of the MIGA agreement (Multilateral Investment Guarantee Agency), EUR 100 million and USD 187,5 million syndicated loan used. Total balance of these syndicated borrowings amount to TL 4.299.471 and interest accruals on these borrowings amount to TL 15.903.

As of 31 December 2015, USD 200 million of the Fiscal and Public Sector Adaptation Credit with a maturity of 15 April 2018, provided by the International Bank for Reconstruction and Development Bank (World Bank) to Turkish Treasury in accordance with the agreement signed on 12 July 2001, is transferred to the Bank for the development and support of the export oriented real sector and the amount of the borrowing is TL 121.402. The interest accrual on these funds borrowed amount to TL 189 the total balance amounts to TL 121.591 as of 31 December 2015.

The outstanding balances of the two lines of credit from the World Bank as at 31 December 2015 amounts to TL 544.022 (equivalent of USD 186.744) and TL 158.981 (equivalent of EUR 49.961). Total interest accrual on these borrowings amounts to TL 1.214 and the total amount of borrowing amounts to TL 704.126.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2.3.3 Additional explanations over areas of concentration of the liabilities of the Bank (Continued)

The Bank obtained credit from CBRT within the framework of “Short Term Export Receivables Discount Loan” and “Pre-shipment Rediscount Loan” programs amounting to TL 22.588.506 as at 31 December 2015.

The balance of the loan granted by European Investment Bank as 31 December 2015 is TL 1.528.069, interest accrual on that borrowing amounts to TL 4.521 and its total balance is TL 1.532.590.

The balance of the loan granted by Council of Europe Development Bank as of 31 December 2015 is TL 159.105, interest accrual on that borrowing amounts to TL 8 and its total balance is TL 159.113.

The balance of the 1 year maturity loan granted by Bank of Tokyo Mitsubishi Turkey is TL 318.210 (equivalent of EUR 100 million), interest accrual on that borrowing amounts to TL 445 and its total balance is TL 318.655.

The balance of the 1 year maturity two loans granted by Mizuho Corporate Bank Ltd is TL 477.315 (equivalent of EUR 150 million), interest accrual on these borrowings amount to TL 870 and its total balance is TL 478.185.

The balance of the 1 year maturity loan granted by Citibank Dublin is TL 244.709 equivalent of USD 84 million), interest accrual on that borrowing amounts to TL 214 and its total balance is TL 244.923.

The total balance of four loans granted by Doha Bank is TL 218.490 (equivalent of USD 75 million), interest accrual on these borrowings amount to TL 340 and its total balance is TL 218.830.

The total balance of four loans granted by Standard Chartered Bank is TL 291.320 (equivalent of USD 100 million), interest accrual on these borrowings amount to TL 672 and its total 291.992.

The total balance of two loans granted by ABC International is TL 417.713 (equivalent of EUR 97,4 million and USD 37 million), interest accrual on these borrowings amount to TL 1.023 and its total 418.736.

The total balance of three loans granted by Commercial Bank of Qatar is TL 129.251 (equivalent of USD 100 million), interest accrual on these borrowings amount to TL 521 and its total 129.771.

The balance of the 1 year maturity loan granted by Garanti International N.V. is TL 29.132 (equivalent of 10 million), interest accrual on that borrowing amounts to TL 60 and its total 29.192.

The balance of the 1 year maturity loan by Credite Europe N.V. is TL 111.374 (equivalent of 35 million EUR); interest accrual on that borrowings amounts to TL 81 and total balance is TL 111.455.

The balance of the 1 year maturity loan by Emirates NBD is TL 72.830 (equivalent of 25 million USD); interest accrual on that borrowings amounts to TL 105 and total balance is TL 72.936.

The outstanding balances of the two lines of credit from the ICBC is TL 145.660 (Equivalent of 50 million USD); interest accrual on these borrowings amounts to TL 1.002 and total balance is TL 146.662.

The balance of loan by ING European Financial Services is TL 636.420 (equivalent of 200 million EUR); interest accrual on that borrowings amounts to TL 1.740 and total balance is TL 638.160.

The balance of the 1 year maturity loan by ING Bank NV is TL 159.105 (equivalent of 50 million EUR); interest accrual on that borrowings amounts to TL 112 and total balance is TL 159.217.

The outstanding balances of the three lines of credit from the HSBC is TL 132.152 (Equivalent of 45 million USD); interest accrual on these borrowings amounts to TL 921 and total balance is TL 133.073.

The balance of the maturity from the 18 December 2015 to the 18 January 2016, loan granted by ING Bank Türkiye as of 31 December 2015 is TL 23.866 (Equivalent of 7,5 million EUR); interest accrual on that borrowing amounts to TL 0,74.

The balance of the maturity from the 18 December 2015 to the 18 January 2016, loan granted by Akbank Türkiye as of 31 December 2015 is TL 127.284 (Equivalent of 40 million EUR); interest accrual on that borrowing amounts to TL 4,95.

The balance of the maturity from the 21 December 2015 to the 18 January 2016, loan granted by Turkey Industrial Development Bank as of 31 December 2015 is TL 95.463 (Equivalent of 30 million EUR); interest accrual on that borrowing amounts to TL 24,79.

The balance of the maturity from the 25 December 2015 to the 11 January 2016, loan granted by Turkey Development Bank as of 31 December 2015 is TL 50 million; interest accrual on that borrowing amounts to TL 110,35 and total balance is TL 50 million

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2.3.3 Additional explanations over areas of concentration of the liabilities of the Bank (continued)

The Bank performed the following repayments during the year 2015:

	Repayment Amount - USD	Repayment Amount - EUR	Repayment Date
Syndicated Loans	10.000.000	293.000.000	27.02.2015
World Bank	4.148.051	1.109.760	02.03.2015
Doha Bank	25.000.000		17.03.2015
Subordinated Loans	8.333.000		15.04.2015
National Bank of Kuwait	15.000.000		21.05.2015
European Investment Bank		1.470.588	17.06.2015
Citibank	15.000.000		22.06.2015
Doha Bank	15.000.000		23.06.2015
International Islamic Trade Finance Corporation (ITFC)	200.000.000		29.06.2015
Syndicated Loans	16.800.000	319.000.000	16.07.2015
Citibank	20.000.000		16.07.2015
ICBC	9.945.705.70		12.08.2015
World Bank	4.148.051	1.109.760	01.09.2015
Mizuho Bank		100.000.000	03.09.2015
J.P. Morgan Chase Bank	67.500.000		18.09.2015
European Investment Bank		1.470.588	05.10.2015
Subordinated Loans	8.333.000		15.10.2015
Citibank	15.000.000		30.10.2015
Bank of Tokyo Mitsubishi		100.000.000	04.11.2015
Doha Bank	20.000.000		19.11.2015
Citibank	15.000.000		03.12.2015
Citibank	15.000.000		14.12.2015
European Investment Bank		1.470.588	
International Islamic Trade Finance Corporation (ITFC)	350.000.000		30.12.2015

## TÜRKİYE İHRACAT KREDİ BANKASI AŞ

### NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

#### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

##### 2.3.3 Additional explanations over areas of concentration of the liabilities of the Bank (continued)

The liability of the Bank resulting from bond issuance at 2011, 2012 and 2014 is presented as follows:

Information regarding securities issued	Current Period		Prior Period	
	31.12.2015		31.12.2014	
Securities Issued	5.098.100		4.068.575	
Discount on Issuance of Securities (-)	64.862		58.286	
Bond Interest Accrual	54.980		43.902	
<b>Total</b>	<b>5.088.218</b>		<b>4.054.191</b>	

In October 2011, the Bank issued bonds amounting USD 500 million (TL 1.456.600). The bond is subject to annual fixed interest payment of 5,375% every five months and the total maturity is five years.

In April 2012, the Bank issued bonds amounting USD 500 million (TL 1.456.600). The bond is subject to annual fixed interest payment of 5,875% every six months and the total maturity is seven years.

In October 2012, the Bank issued bonds amounting USD 250 million (TL 728.300). The bond is subject to annual fixed interest payment of 5,875% every six months and the total maturity is seven years.

In September 2014, the Bank issued bonds amounting USD 500 million (TL 1.456.600). The bond is subject to annual fixed interest payment of 5,000% every six months and the total maturity is seven years.

##### 2.4 If the other liabilities items in the balance sheet exceed 10% of the total of the balance sheet, the sub-accounts constituting at least 20% of these (names and amounts)

Other liabilities item on Balance Sheet, together with the amounts not to exceed 10% of the total balance sheet is provided below.

	Current Period		Prior Period	
	31.12.2015		31.12.2014	
	TL	FC	TL	FC
Securities issued positive price differences	-	36.084	-	37.658
Country Loans- Risk Premiums	-	41.950	-	1.719
Insurance Transactions	2.471	-	1.354	-
Iraq Loan followed on behalf of Turkish Treasury	151	-	151	-
Political Risk Loss Account	-	738	-	549
Other	2.087	4.199	2.494	21.290
<b>Total</b>	<b>4.709</b>	<b>82.971</b>	<b>3.999</b>	<b>61.216</b>

##### 2.5 Information on liabilities arising from financial leasing transactions (net)

None.

##### 2.6 Negative differences table related to hedging derivative financial liabilities

Derivative Financial Assets Held for Cash Flow Hedges	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
Fair Value Hedge	32.854	9.969	1.544	17.394
Cash Flow Hedge	-	-	-	-
Net Investment in Abroad Hedge	-	-	-	-
<b>Total</b>	<b>32.854</b>	<b>9.969</b>	<b>1.544</b>	<b>17.394</b>

(1) Explained in Section Four note 5.2

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2.7 Information on provisions

##### 2.7.1 Information on general provisions

	Current Period 31.12.2015	Prior Period 31.12.2014
General Provisions	130.214	130.214
Provisions for Group I. Loans and Receivables	126.575	126.575
- Allocated for the ones whose payment term was extended	10.173	10.173
Provisions for Group II. Loans and Receivables	2.407	2.407
- Allocated for the ones whose payment term was extended	2.190	2.190
Provisions for Non Cash Loans	985	985
Other	247	247

##### 2.7.2 Information on provisions for decrease in foreign exchange differences of foreign currency indexed loans and financial leasing receivables principal amounts

There is not any foreign currency indexed loans of the Bank.

##### 2.7.3 Specific provisions for non-cash loans that are not liquidated

None.

##### 2.7.4 Information on other provisions

##### 2.7.4.1 Information on provisions for probable risks

	Current Period 31.12.2015	Prior Period 31.12.2014
Provisions for Probable Risks	42.008	28.330

In accordance with the decision of the Executive Committee, as there is not any improvement in the collection of the receivables amounting to USD 4.868.428 (followed under miscellaneous receivables account) from the Ministry of Internal Affairs General Headquarters of Gendarmerie and Ministry of Defense under the scope of Russian Federation Deferred Loan for the last six years, the Bank has provided 100% additional impairment provision of the TL equivalent amounting to TL 14.183 as of 31 December 2015 (31 December 2014: TL 11.318).

As of 31 December 2015, the Bank recognized provisions amounting to TL 27.825 (31 December 2014: TL 17.012) considering probable compensation payments in relation to the export receivables.

Accordingly, the sum of the provisions recognized by the Bank amounts to TL 42.008 as of 31 December 2015 (31 December 2014: TL 28.330).

##### 2.7.4.2 Information on other provisions exceeding 10% of total provisions

Other provisions amounting to TL 48.755, consist of free provisions for Russian Federation amounting to TL 14.183, insurance reserve expense amounting to TL 27.825 and other provisions amounting to TL 6.747.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2.7.5 Explanations on tax liability

##### 2.7.5.1 Explanations on current tax liability

###### 2.7.5.1.1 Information on provision for taxes

None.

###### 2.7.5.1.1 Information on taxes payable

	<b>Current Period 31.12.2015</b>	<b>Prior Period 31.12.2014</b>
Corporate Taxes Payable <sup>(1)</sup>	-	-
Taxation on Revenue From Securities	8	22
Property Tax	-	-
Banking Insurance Transaction Tax	1.408	941
Foreign Exchange Transaction Tax	-	-
Value Added Tax Payable	161	140
Other	1.154	1.041
<b>Total</b>	<b>2.731</b>	<b>2.144</b>

(1) As stated at Section 3 Note XVI, the Bank is exempt from corporate tax.

###### 2.7.5.2 Information on premium payables

	<b>Current Period 31.12.2015</b>	<b>Prior Period 31.12.2014</b>
Social Security Premiums – Employee	724	785
Social Security Premiums – Employer	1.920	1.548
Bank Social Aid Pension Fund Premiums – Employee	-	-
Bank Social Aid Pension Fund Premiums – Employer	-	-
Pension Fund Membership Fee and Provisions - Employee	-	-
Pension Fund Membership Fee and Provisions - Employer	-	-
Unemployment Insurance – Employee	78	68
Unemployment Insurance - Employer	155	137
Other	-	-
<b>Total</b>	<b>2.877</b>	<b>2.538</b>

###### 2.7.5.3 Information on deferred tax liability

None.

###### 2.7.6 Information on non-current liabilities on assets held for sale and discontinued operations

None.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2.7.7 Information on subordinated loans

Date	Number	Maturity	Interest Rate	Institution
23.07.2001	1	17 year	Six Months LIBOR + 0,75	Turkish Treasury (World Bank Sourced)

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
From Domestic Banks	-	-	-	-
From Other Domestic Institutions	-	121.591	-	135.809
From Foreign Banks	-	-	-	-
From Other Foreign Institutions	-	-	-	-
<b>Total</b>	-	<b>121.591</b>	-	<b>135.809</b>

#### 2.7.8 Information on shareholders' equity

##### 2.7.8.1 Presentation of paid-in capital

	Current Period 31.12.2015	Prior Period 31.12.2014
Common Stock	2.500.000	2.400.000
Preferred Stock	-	-

##### 2.7.8.2 Paid-in capital amount, explanation as to whether the registered share capital system is applied and if so, amount of registered share capital ceiling

The registered share capital system is not applied.

##### 2.7.8.3 Information on the share capital increase during the period and their sources

Increase Date	Increase Amount	Cash	Issued of income reserves for increasing	Issued of Capital reserves for increasing
20.04.2015	100.000	-	100.000	-

The Bank increased its capital to TL 2.500.000 by TL 100.000. The capital increase is made by the amount of profit reserves in 2015 and pre-2014. The increase is published in the Official Gazette No. 8804 dated 20 April 2014.

##### 2.7.8.4 Information on share capital increase from revaluation funds during the current period

There is not any share capital increase from the revaluation fund during the current period.

##### 2.7.8.5 Information on capital commitments, the purpose and the sources until the end of the fiscal year and the subsequent interim period

The Bank has not any capital commitment as of 31 December 2015 and the total share capital of the Bank amounting to TL 2.500.000 is fully paid.

##### 2.7.8.6 The effects of anticipations based on the financial figures for prior periods regarding the Bank's income, profitability and liquidity, and the anticipations regarding the uncertainty of these indicators on the shareholders' equity

The credit, interest and the foreign currency risk policies of the Bank were determined to minimize the losses that may result from these risks. The Bank aims to obtain a reasonable positive return on equity in real terms in relation with its banking transactions and to protect its equity from the effects of inflation. On the other hand, the proportion of doubtful receivables to the total loans is considered as low and an impairment provision is provided in full for all doubtful receivables. Accordingly, the Bank does not expect losses that may materially affect its equity. In addition, the free capital of the Bank is high and is getting steadily stronger.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2.7.8.7 Information on privileges given to shares representing the capital

The common shares of the Bank are owned by the Treasury.

#### 2.7.8.8 Information on marketable securities value increase fund

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
From Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-
Valuation Difference	8.886	-	11.373	10
Foreign Currency Differences	-	-	-	-
<b>Total</b>	<b>8.886</b>	<b>-</b>	<b>11.373</b>	<b>10</b>

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 3 Explanations and notes related to off-balance sheet accounts

##### Explanations on off-balance sheet commitments

#### 3.1 Type and amount of irrevocable commitments

As of 31 December 2015 and 2014, there is not any irrevocable commitment of the Bank.

#### 3.2 Non-cash loans including guarantees, bank acceptances, collaterals and others that are accepted as financial commitments and other letters of credit

	Current Period 31.12.2015	Prior Period 31.12.2014
Letters of Guarantee	-	-
Endorsements	-	-
Guarantees and bails given for export	-	-
Guarantees given for Export Loan Insurance	2.754.481	1.613.307
<b>Total</b>	<b>2.754.481</b>	<b>1.613.307</b>

#### 3.3 Revocable, irrevocable guarantees and other similar commitments and contingencies

There is not any revocable and irrevocable guarantee. Details of other similar commitments and contingencies are stated above in (3.2).

#### 3.4 Total amount of non-cash loans

	Current Period 31.12.2015	Prior Period 31.12.2014
Non-cash loans given against cash loans	-	-
With original maturity of 1 year or less than 1 year	-	-
With original maturity of more than 1 year	-	-
Other non-cash loans <sup>(1)</sup>	2.754.481	1.613.307
<b>Total</b>	<b>2.754.481</b>	<b>1.613.307</b>

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 3.5 Information on sectorial risk concentrations of non-cash loans

	Current Period 31.12.2015				Prior Period 31.12.2014			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	-	-	-	-	-	-	-	-
Farming and Raising livestock	-	-	-	-	-	-	-	-
Forestry	-	-	-	-	-	-	-	-
Fishing	-	-	-	-	-	-	-	-
Manufacturing	-	-	-	-	-	-	-	-
Mining and Quarrying	-	-	-	-	-	-	-	-
Production	-	-	-	-	-	-	-	-
Electric, Gas and Water	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Services	-	-	-	-	-	-	-	-
Wholesale and Retail Trade	-	-	-	-	-	-	-	-
Hotel, Food and Beverage	-	-	-	-	-	-	-	-
Services	-	-	-	-	-	-	-	-
Transportation and	-	-	-	-	-	-	-	-
Telecommunication	-	-	-	-	-	-	-	-
Financial Institutions	-	-	-	-	-	-	-	-
Real Estate and Leasing Services	-	-	-	-	-	-	-	-
Self-employment Services	-	-	-	-	-	-	-	-
Education Services	-	-	-	-	-	-	-	-
Health and Social Services	-	-	-	-	-	-	-	-
Other	-	-	2.754.481	100	-	-	1.613.307	100
<b>Total</b>	-	-	<b>2.754.481</b>	<b>100</b>	-	-	<b>1.613.307</b>	<b>100</b>

#### 3.6 Information on the non-cash loans classified under Group I and Group II

	Group I		Group II	
	TL	FC	TL	FC
<b>Non-Cash loans</b>				
Letters of Guarantee	-	-	-	-
Bank Acceptances	-	-	-	-
Letters of Credit	-	-	-	-
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Guarantees	-	-	-	-
Other Commitments and Contingencies	-	2.754.481	-	-

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 3.7 Information on derivative transactions

	Current Period 31.12.2015	Prior Period 31.12.2014
Types of Trading Transactions		
<b>Foreign Currency Related Derivative Transactions: (I)</b>	<b>1.549.890</b>	<b>1.651.197</b>
Forward Transactions	97.452	34.556
Swap Transactions	1.452.438	1.606.155
Futures Transactions	-	-
Option Transactions	-	10.486
<b>Interest Related Derivative Transactions (II)</b>	<b>611.772</b>	<b>471.954</b>
Forward Interest Rate Agreements	-	-
Interest Rate Swaps	611.772	471.954
Interest Rate Options	-	-
Interest Rate Futures	-	-
<b>Other Trading Derivative Transactions:<sup>(1)</sup> (III)</b>	<b>-</b>	<b>-</b>
<b>A. Total Trading Derivative Transactions (I+II+III)</b>	<b>2.161.662</b>	<b>2.123.151</b>
Types of Hedging Derivative Transactions	-	-
Fair Value Hedges	11.678.621	9.608.854
Cash Flow Hedges	94.484	-
Foreign Currency Investment Hedges	-	-
<b>B. Total Hedging Derivative Transactions (4)</b>	<b>11.773.105</b>	<b>9.608.854</b>
<b>Total Derivative Transactions (A+B)</b>	<b>13.934.767</b>	<b>11.732.005</b>

(1) Includes currency and interest swap transactions.

#### 3.7.1 Explanations on credit derivatives and risk of exposure from these derivatives

Derivative transactions processes in terms of (hedging) maximum protection of the balance sheet risks by minimizing mismatches between assets and liabilities of the Bank's. As a result of these transactions, the Bank is exposed to the risk of changes in fair value. As a result of the actions taken, fixed-rate bonds against the cross-currency swaps and interest rate swaps issued by the Bank are available.

Except for derivative financial transactions subjected to hedge accounting, the Bank is not only preserved from the risk financially, but also it has financial derivative instruments recorded as trading derivative assets and trading derivative liabilities. For this purposes the Bank mainly uses foreign currency and interest rate swaps. With these instruments, the Bank aims to prevent the currency risk and interest rate risk.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

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### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 3.8 Explanations on contingent assets and liabilities

The Bank recognizes contingent assets if the probability of the inflow of economic benefits is virtually certain. In case the inflow of economic benefits is probable but not virtually certain, such contingent asset is disclosed.

As of 31 December 2015 and 2014, there is not any contingent assets.

The Bank recognizes provision for contingent liability when the probability of occurrence is high and the contingent liability can be reliably estimated; if the contingent liability cannot be reliably estimated, the contingent liability is disclosed. When the likelihood of the occurrence of the contingent liability is remote or low, it is disclosed.

In this respect, as of 31 December 2015, there are 151 legal proceedings outstanding against the Bank amounting to USD 5.940 and TL 616 as confirmed from the lawyer letter prepared by the legal department of the Bank.

In addition, there are 2 legal proceedings outstanding filed by the Bank. These legal proceedings amount to TL 36 thousand and EUR 23 thousand.

#### 3.9 Explanations on services in the name of others

The Bank does not have any custody and deposit activities in the name of real and legal persons.

The Bank also provides insurance to some extent for the export receivables of exporter companies against commercial and political risks under the scope of export loan insurance program.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 4 Explanations and notes related to income statement

#### 4.1 Within the scope of interest income

#### 4.1.1 Information on interest income on loans

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
Interest income on the Loans				
Short-term Loans	455.451	276.943	376.213	264.116
Medium and Long-term Loans	73.531	328.175	101.247	144.429
Interest on Loans Under Follow-up	4	10	500	83
Premiums Received from Resource Utilization Support Fund	-	-	-	-
<b>Total</b>	<b>528.986</b>	<b>605.128</b>	<b>477.960</b>	<b>408.628</b>

#### 4.1.2 Information on interest income from banks

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
CBRT	-	-	-	-
Domestic Banks	30.313	1.897	26.772	2.610
From Foreign Banks	142	81	56	126
From Headquarters and Branches Abroad	-	-	-	-
<b>Total</b>	<b>30.455</b>	<b>1.978</b>	<b>26.828</b>	<b>2.736</b>

#### 4.1.3 Information on interest income on marketable securities

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
From Trading Financial Assets	1.643	55	3.242	5.367
From Financial Assets at Fair Value through Profit or Loss	-	-	-	-
From Available-for-Sale Financial Assets	-	-	-	-
From Held-to-Maturity Investments	22.090	811	17.437	3.118
<b>Total</b>	<b>23.733</b>	<b>866</b>	<b>20.679</b>	<b>8.485</b>

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 4.1.4 Information on interest income received from associates and subsidiaries

There is not any interest income from associates and subsidiaries.

#### 4.2 Within the scope of interest expense

##### 4.2.1 Information on interest expense on borrowings

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
Banks				
CBRT	-	76.086	-	88.644
Domestic Banks	117	6.745	-	3.932
Foreign Banks	411	107.807	-	60.113
Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	-	-	891
<b>Total</b>	<b>528</b>	<b>190.638</b>	<b>-</b>	<b>153.580</b>

##### 4.2.2 Information on interest expense given to associates and subsidiaries

There is not any interest expense given to associates and subsidiaries.

##### 4.2.3 Interest paid to marketable securities issued

	Current Period 31.12.2015		Prior Period 31.12.2014	
	TL	FC	TL	FC
Interests paid to marketable securities issued	-	271.867	-	166.677

#### 4.3 With respect to deposit and participation accounts

##### 4.3.1 Maturity structure of the interest expense on deposits

The Bank does not accept deposits.

##### 4.3.2 Maturity structure of the share paid of participation accounts

There is not any participation account.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 4.4 Information on dividend income

None.

#### 4.5 Information on trading income/loss (Net)

	Current Period 31.12.2015	Prior Period 31.12.2014
<b>Income</b>	<b>7.569.083</b>	<b>3.865.646</b>
Trading Gains on Securities	74	248
Trading Gains on Derivative Financial Transactions	718.499	222.337
Foreign Exchange Gains	6.850.510	3.643.061
<b>Loss (-)</b>	<b>7.714.279</b>	<b>4.030.465</b>
Trading Losses on Securities	793	4.542
Trading Losses from Derivative Financial Transactions	162.140	181.028
Foreign Exchange Loss	7.551.346	3.844.895

#### 4.6 Explanations on other operating income

In the current period, the Bank recorded premium income amounting to TL 90.032 (31 December 2014: TL 71.096), commission taken from reinsurance companies amounting to TL 22.369 (31 December 2014: TL 19.488) within the frame of Short Term Export Credit Insurance, adjustment on previous years expenses amounting to TL 6.740 (31 December 2014: TL 29.884), and revenues from sale of real property amounting to TL 3.490 to other operating income account.

Except for the matters above, there is not any extraordinary case or an important matter in other operating income that may result with a material effect on the net period income for the years 2015 and 2014.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 4.7 Provision expenses related to loans and other receivables of the Bank

	Current Period 31.12.2015	Prior Period 31.12.2014
Specific Provisions for Loans and Other Receivables	9.199	11.398
Group III Loans and Receivables	-	-
Group IV Loans and Receivables	9.199	11.398
Group V. Loans and Receivables	-	-
Doubtful receivables such as fees, commissions and other receivables	-	-
General Provision Expenses	-	-
Provision Expense for Probable Risks	13.677	7.382
Marketable Securities Impairment Expense	1.809	125
Financial Assets at Fair Value through Profit or Loss	1.809	125
Available-for-sale Financial Assets	-	-
Investments in Associates, Subsidiaries and Held-to-maturity Securities Value Decrease	-	-
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Held-to-maturity Investments	-	-
Other	-	-
<b>Total</b>	<b>24.685</b>	<b>18.905</b>

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 4.8 Information related to other operating expenses

	Current Period 31.12.2015	Prior Period 31.12.2014
Personnel Expenses	88.894	77.378
Reserve for Employee Termination benefits	1.262	1.064
Bank Social Aid Provision Fund Deficit Provision	-	-
Vacation Pay Liability, net	1.097	1.163
Impairment Expenses of Tangible Fixed Assets	-	-
Depreciation Expenses of Tangible Fixed Assets	4.874	4.179
Impairment Expenses of Intangible Fixed Assets	-	-
Impairment Expenses of Goodwill	-	-
Amortization Expenses of Intangible Assets	548	445
Impairment Expenses of Equity Participations for which Equity Method is Applied	-	-
Impairment Expenses of Assets Held for Sale	-	-
Depreciation Expenses of Assets Held for Sale	-	-
Impairment Expenses of Non-current Asset Held for Sale and Discounted Operations	-	-
Other Operating Expenses	20.877	18.972
Operational Lease Expenses	4.620	3.765
Maintenance Expenses	345	654
Advertisement Expenses	23	88
Other Expenses	15.889	14.465
Loss on Sale of Assets	-	-
Other <sup>(1)</sup>	73.899	71.077
<b>Total</b>	<b>191.451</b>	<b>173.214</b>

(1) Other operating expenses include the premium amount of TL 50.858 (31 December 2014: TL 45.372) paid to reinsurance companies within the scope of short-term export credit insurance.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

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### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

- 4.9 Explanation on tax provisions for continuing and discontinued operations**  
None.
- 4.10 Explanation on net income/loss for the period for continued and discontinued operations**  
None.
- 4.11 Explanation on net income/loss for the period**
- 4.11.1 If the nature, size and the reoccurrence rate of the income and expense resulting from the ordinary banking activities are important to explain the performance of the Bank in the current period, the nature and the amount of these transactions**  
Not needed.
- 4.11.2 If the changes in the estimates of the financial statement accounts may affect the profit/loss in the following periods, related periods and the necessary information**  
None.
- 4.12 If the other accounts in the income statement exceed 10% of the total of the income statement, the sub-accounts constituting at least 20% of these accounts**  
None.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 5 Explanations and notes related to changes in shareholders' equity

#### 5.1 Information about the adjustment related to the application of Financial Instruments Accounting Standards in the current period

##### 5.1.1 The increase after the revaluation of the available-for-sale investments

The fair value gains of the available-for-sale investments, other than the hedging instruments, amounting to TL 8.886 are recorded under the "Marketable Securities Value Increase Fund" account under equity.

##### 5.1.2 Information for the increases in the accounts related to cash flow hedges

	Current Period 31.12.2015	Prior Period 31.12.2014
Hedge Funds (effective part)	333	-

##### 5.1.2.1 The reconciliation and confirmation for the cash flow hedges accounts at the beginning and end of the period

	Current Period 31.12.2015	Prior Period 31.12.2014
Beginning of period		
Hedge Funds (effective part)	-	-

	Current Period 31.12.2015	Prior Period 31.12.2014
Period end		
Hedge Funds (effective part)	333	-

##### 5.1.2.2 Under the cash flow hedges, the current period charge of the income or loss under equity related with a derivative or a non-derivate financial asset and liability designated as cash flow hedge instruments

For the purpose of Cash flow hedging, TL 333 booked as Hedging Fund (effective part) designated as hedged item related to gain or loss derivative and non-derivative financial asset and liability

##### 5.1.2.3 Reconciliation of foreign exchange differences at the beginning and end of the period

None.

#### 5.2 Information related to distribution of profit

##### 5.2.1 The amount of dividend declared before the approval date of the financial statements but after the balance

##### 5.2.2 Earnings per share proposed to be distributed to shareholders after the balance sheet date

Profit distributions are approved by the General Assembly of the Bank. As of the report date, no profit distribution decision has been made by the General Assembly for 2015 profit.

#### 5.3 Amount transferred to legal reserves

	Current Period 31.12.2015	Prior Period 31.12.2014
Amount transferred to Legal Reserves under Dividend Distribution	21.951	12.861

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 5.4 Information on issuance of share certificates

##### 5.4.1 For all share groups; any restrictions, preferential terms and rights for distribution of dividends and payment of share capital.

None.

#### 5.5 Explanations on other share capital increases

None.

### 6 Explanations and notes related to statement of cash flows

#### 6.1 Information on the cash and cash equivalents

##### 6.1.1 Information on cash and cash equivalents at the beginning of the period

The components constituting the cash and cash equivalents and the accounting policies used for the determination of these components:

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

Beginning of the Period	31.12.2015	31.12.2014
Cash in TL and Foreign Currency	41	20
Interbank Money Market Placements	990.785	1.019.365
Money market placements	75.105	-
<b>Total Cash and Cash Equivalents</b>	<b>1.065.931</b>	<b>1.019.385</b>

##### 6.1.2 Information on the cash and cash equivalents at the end of the period

	Current Period 31.12.2015	Prior Period 31.12.2014
<b>Cash</b>	<b>1.227</b>	<b>289</b>
Cash in TL and Foreign Currency	29	41
Demand Deposits in Banks	1198	248
<b>Cash Equivalents</b>	<b>164.402</b>	<b>1.066.464</b>
Banks and other financial institutions	164.402	991.359
Money market placements	-	75.105
<b>Cash and Banks</b>	<b>165.629</b>	<b>1.066.753</b>
Banks Accrual	-	(822)
<b>Total Cash and Cash Equivalents</b>	<b>165.629</b>	<b>1.065.931</b>

##### 6.1.3 Explanations 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 1.472.258 (31 December 2014: TL 89.496) mainly consists of fees and commissions paid, foreign exchange losses, other operating income excluding collections from doubtful receivables and other operating expenses excluding personnel expenses.

The “Net increase/decrease in other liabilities” item under “Changes in operating assets and liabilities” amounting to TL 408.258 (31 December 2014: TL 28.053) consists mainly of changes in miscellaneous payables, other liabilities and taxes and other duties payable.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 6.2 Explanations and notes related to Bank's risk group

In accordance with the paragraph 5 of article 49 of the Banking Law No. 5411, the Bank does not have any shareholding which it controls directly or indirectly and with which it constitutes a risk group.

#### 6.2.1 Explanations and notes related to the domestic, foreign, off-shore branches or affiliates and foreign representatives of the Bank

##### Information on the Bank's domestic and foreign branches and foreign representatives of the Bank

	Number	Number of Employees			
Domestic Branch	3	541			
			Country of Incorporation		
Foreign Representation Office	-	-	-		
				Total Assets	Statutory Share Capital
Foreign branch	-	-	-	-	-
Off-shore Banking Region Branches	-	-	-	-	-

#### 6.2.2 Information on the Bank's branch or representative office openings, closings, significant changes in the organizational structure

In this period, Banks' board of directors has taken decision at 11 December 2015 numbered 143 for establishing new branch in Gaziantep, newly opened Gaziantep branch has been registered in the trade register on 28 December 2015.

#### 7 Explanations and notes related to events after balance sheet

None.

# TÜRKİYE İHRACAT KREDİ BANKASI AŞ

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

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### SECTION SIX

#### INDEPENDENT AUDITORS' REPORT

##### **1 Explanations on independent auditors' report**

##### **1.1 Explanations on auditors' report**

The unconsolidated financial statements as of and for the period ended 31 December 2015 have been audited by Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik AŞ (the Turkish member of KPMG International Cooperative, a Swiss entity). The auditors' report dated 12 February 2016 has been presented in front of the unconsolidated financial statements.

##### **1.2 Explanations and notes prepared by independent auditors**

None.