

**MINUTES OF THE ORDINARY SHAREHOLDERS' MEETING
OF
QNB FINANSBANK ANONIM SIRKETI
HELD ON MARCH 29, 2018**

The Ordinary Shareholders' Meeting of QNB Finansbank Anonim Sirketi was held in order for the discussion and ratification of the Balance Sheet and Profit and Loss Accounts as well as the Directors' Report and the Auditor's Report for Accounting Year of 2017, the acquittal of the Directors for their activities and for the discussion and resolution of the other relevant matters at the Bank's Head Office, situated at Esentepe Mahallesi, Buyukdere Caddesi, Kristal Kule Binasi, No: 215, Sisli – Istanbul, at 10:30 on Thursday, March 29, 2018 under the supervision of Mr. Dursun EKŞİ, the Ministerial Commissioner, commissioned through the letter No. 33166706, dated 28.03.2018, of the Provincial Directorate of Istanbul of the Ministry of Customs and Trade of The Republic of Turkey, and in the presence of a duly sworn-in interpreter.

It was established that the notice of the meeting, which included the relevant agenda items, had been published within the issue No. 9529, dated March 5, 2018, of the Trade Registry Gazette of Turkey and had been posted on the Bank's website at www.qnbfinansbank.com and announced through the Electronic Shareholders' Meeting System, and had also been announced through Takvim and Gunes Daily Newspapers as required by the Law and the Articles of Association.

It was further established that Ms. Damla Harman, Certified Public Accounting, who is the responsible shareholder of Guney Bagimsiz Denetim ve Serbest Muhasebeci Mali Musavirlik A.S., being the independent auditor appointed by the Bank, as well as Mr. Ali Teoman Kerman, Mr. Reha Yolalan and Mr. Durmus Ali Kuzu, the Members of the Board of Directors, and Mr. Temel Guzeloglu, the General Manager, were present in the meeting hall. It was further established on the basis of the list of attendees that some 33,458,922,467.660 shares, corresponding to some TRY3,345,892,247.466- capital, out of some 33,500,000,000.- shares, corresponding to the overall capital of TRY3,350,000,000.- of the company, were being represent by proxy at the meeting, and that any shareholders did not attend the meeting through the electronic shareholders' meeting system, and that, therefore, the minimum meeting quorum requirement contemplated both by the Law and the Articles of Association had been satisfied, whereupon the meeting was opened. It was established that there were no representatives acting for others among the attendees, who were physically present at the meeting. The Shareholders' Meeting was commenced also in the electronic medium concurrently in accordance with Article 1527 of Turkish Code of Commerce. The meeting was opened by Mr. Mehmet Omer Arif Aras, the Chairman of the Board of Directors, following which a moment of silence of homage was observed. Mr. Mehmet Omer Arif Aras delivered a keynote speech to the shareholders, as a part of which he briefed the shareholders about such matters as the economic developments that took place in the world and in Turkey throughout 2017, the total assets of the Bank and the banking industry and the Bank's profit derived in 2017 as well as the social responsibility projects launched and implemented by and the sustainability endeavors maintained within the organization of the Bank.

1- The motion for the 1st item of the agenda was read and put to vote, pursuant to which it was unanimously resolved upon the casting of 33,458,922,467.660 votes, corresponding to some TRY3,345,892,247.466- capital, in favor that Mr. Mehmet Omer Arif Aras be elected and appointed as the Chairman of the Meeting Council, Mr. Adnan Menderes Yayla be elected and appointed as the Vote Collector and Ms. Emel Yilmaz Ozbay, Attorney-at-Law, be elected and appointed as the Meeting Clerk, and that the members of the Meeting Council be authorized to sign the minutes of the Shareholders' Meeting.

2- The motion for the reading and discussion of the Directors' Report for 2017 was read. It was assumed that the Directors' Report had already been read since it had been released and announced through the Public Disclosure Platform, the Electronic Shareholders' Meeting System and the website of the Bank, on which account the motion for the putting the same to vote was read. The attendees were asked whether any shareholder wanted to take the floor, whereupon it was established that any shareholders did not want to do so, and the motion that was, thus, put into vote was unanimously adopted by the shareholders, who were present at the meeting.

The ratification of the Directors' Report for 2017, which was put to vote, was unanimously adopted by the shareholders, who were present at the meeting.

3- The motion for the 3rd item of the agenda, and subsequently the Auditor's opinion on the Auditor's Report for 2017 were read. The attendees were asked whether any shareholder wanted to take the floor, whereupon it was established that any shareholders did not want to do so. It was assumed that the Auditor's Report had already been read since it had been released and announced through the Public Disclosure Platform, the Electronic Shareholders' Meeting System and the website of the Bank, on which account the motion for the putting the same to vote was read. The attendees were asked whether any shareholder wanted to take the floor, whereupon it was established that any shareholders did not want to do so, and the motion that was, thus, put into vote was unanimously adopted by the shareholders, who were present at the meeting.

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The ratification of the Auditor's Report for 2017, which was put to vote, was unanimously adopted by the shareholders, who were present at the meeting.

4- The motion for the reading and discussion of the financial statements issued for 2017 (balance sheet and profit and loss statements) was read.

It was assumed that the financial statements of the Bank had already been read since they had been released and announced through the Public Disclosure Platform and the website of the Bank, on which account the motion for the putting the same to vote was read. The attendees were asked whether any shareholder wanted to take the floor, whereupon it was established that any shareholders did not want to do so, and the motion that was, thus, put into vote was unanimously adopted by the shareholders, who were present at the meeting.

The ratification of the financial statements for 2017, which was put to vote, were unanimously adopted by the shareholders, who were present at the meeting.

5- The motion for the 5th item of the agenda was read. The attendees were asked whether any shareholder wanted to take the floor, whereupon it was established that any shareholders did not want to do so.

The ratification of following transactions proposed through the motion was unanimously adopted by the shareholders, who were present at the meeting;

The sales to Hayat Varlik Yonetim A.S. of some TRY119,749,922.66 amount receivable in consideration of some TRY19,900,000, and the sales to Guven Varlik Yonetim A.S. of some TRY119,776,953.50 amount receivable in consideration of some TRY19,400,00, and the sales to Final Varlik Yonetim A.S. of some TRY119,728,842.22 amount receivable in consideration of some TRY19,200,000 by way of transfer (assignment) of claims (asset sales), all of which sales transactions were approved through the resolution No. 173, dated 21.11.2017 of the Board of Directors, and all of which foregoing amounts receivable fall to the scope of the portfolio designated to be comprised of Personal Loans, Credit Cards and Overdraft Accounts, excluding collateralized loans, that had been carried to the liquidation accounts on and before 31.01.2015, and

The sales to Guven Varlik Yonetim A.S. of some TRY399,892,709 in consideration of TRY10,800,00 by way of transfer (assignment) of claims (asset sales), all of which sales transactions were approved through the resolution No. 190, dated 29.11.2017 of the Board of Directors, and all of which foregoing amounts receivable fall to the scope of the portfolio designated to be comprised of corporate, Commercial and SME Loans, excluding collateralized loans, that had been carried to the liquidation accounts on and before 30.08.2016.

6- The motion for the 6th item of the agenda was read. The attendees were asked whether any shareholder wanted to take the floor, whereupon it was established that any shareholders did not want to do so.

The ratification of each of Mr. Mehmet Omer Arif Aras, Mr. Sinan Sahinbas, Mr. Ali Teoman Kerman, Mr. Osman Reha Yolalan, Ms. Fatma Abdulla S.S: Al-Suwaidi, Mr. Abdulla Mubarak N. Alkhalifa, Mr. Ali Rashid A.S. Al-Mohannadi, Ms. Noor Mohd J.A. Al-Naimi, Mr. Ramzi T.A. Mari, Mr. Durmus Ali Kuzu, being the members of the Board of Directors, and Mr. Temel Guzeloglu, the General Manager, including Mr. Grant Eric Lowen, who resigned from office on 22.06.2017, for the respective activities thereof in 2017 as proposed through the motion was unanimously adopted by the shareholders, who were present at the meeting.

7- It was unanimously adopted by the shareholders, who were present at the meeting that some TRY1,603,440,787.-, being the net profit amount that remained after taxes as per the Bank's financial statements for the accounting year of 2017, be distributed as provided below in accordance with Article 26 of the Articles of Association of the Bank;

TRY80,172,039 to be reserved for the General Statutory Reserves,
TRY100,000,000 to be paid as the First Dividend to Shareholders,
TRY1,423,268,748 to be reserved for the Extraordinary Reserves,
Total: TRY1,603,440,787; and

Some TRY100,000,000 gross amount allocated to be paid as the First Dividend to Shareholders be distributed in cash, and the cash distribution of dividends be commenced as of 19/06/2018 and the Board of Directors be authorized to conduct the actions to be conducted throughout the dividend distribution process, and the Board of Directors also be authorized to decide and act in respect of the application of the reserves.

8- The 8th item of the agenda and the motion filed in respect of the same were read. The attendees were asked whether any shareholder wanted to take the floor, whereupon it was established that any shareholders did not want to do so.

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The payment of some net TRY6,750.- monthly remuneration be paid to each Director, the designation and the fixation of the amounts payable to those Directors, who have assumed particular duties within the Bank's organization by the Board of Directors or a Committee to be appointed thereby, and the payment of some maximum amount of up to TRY70,000,000 (Seventy Million Turkish Liras), including the amounts payable on account of committee memberships, to the Directors until the first Ordinary Shareholders' Meeting to be held in 2019 as proposed through the motion were unanimously adopted by the shareholders, who were present at the meeting.

9- The motion for the 9th item of the agenda was read. The attendees were asked whether any shareholder wanted to take the floor, whereupon it was established that any shareholders did not want to do so. The appointment of Guney Bagimsiz Denetim ve Serbest Muhasebeci Mali Musavirlik A.S. (Ernst & Young) as the independent auditor of the Bank for the accounting year of 2018 pursuant to the relevant provisions of the Banking Act No. 5411 and Turkish Code of Commerce No. 6102 was unanimously adopted by the shareholders, who were present at the meeting.

10- The motion for the 6th item of the agenda was read, as a part of which the shareholders were informed that some TRY850,050 in total had been donated within 2017. The attendees were asked whether any shareholder wanted to take the floor, whereupon it was established that any shareholders did not want to do so. It was unanimously resolved by the shareholders, who were present at the meeting, that the total sum of the amounts that may be donated within 2018 be limited not to exceed four thousandths of the Bank's equities as required by Article 59 of the Banking Act, and that all donations be granted in strict compliance with the applicable laws and regulations and the Articles of Association of the Bank.

11- The "Information Policy" of the Bank was explained to the shareholders, who were informed as follows: "In accordance with the Information Policy developed and adopted by the Bank; the public is informed through the Capital Markets Board, Borsa Istanbul A.S. and the Public Disclosure Platform pursuant to the Communiqué on Material Disclosure (II-15.1) of the Capital Markets Board, in addition to which press releases are communicated to media organs.

In addition to the foregoing information activities, the Investment Relations Division shares the quarterly profit and balance sheet details with the national and international investors, who visit the bank, face-to-face or via phone/email following the relevant dates of announcement of the same.

The general information about the products, services and the strategies of the Bank, which are excluded from the scope of statutory information and disclosure obligations, are communicated by the Communications Division in coordination with the activities of the relevant divisions. The inquiries filed with the Bank by the media organs are coordinated and responded by the relevant divisions if so deemed appropriate in line with and with respect to the objectives and the strategies of the Bank and on the basis the contents of such inquiries, or directly the Communications Division.

12- The shareholders were briefed about the Bank's Profit Distribution Policy in accordance with Article 26 of the Bank's Articles of Association.

13- The motion for the 13th item of the agenda was read. The attendees were asked whether any shareholder wanted to take the floor, whereupon it was established that any shareholders did not want to do so. The motion was put to vote, and it was unanimously resolved by the shareholders, who were present at the meeting, that the authorization provided by Articles 395 and 396 of Turkish Code of Commerce be granted to the Directors, save that the scope of such authorization excludes the matters prohibited by the Banking Act.

14- The shareholders were briefed about the transactions conducted within the scope of applicability of Article 1.3.6 of the Communiqué on Corporate Governance No. II-17.1 of the Capital Markets Board throughout 2017, as a part of which the shareholders were informed that, throughout the accounting year of 2017, except for the transactions conducted within the limits as permitted by the provisions of the Banking Act and the relevant applicable regulations, any controlling shareholder, director, senior executive or the spouse or any blood relatives or relatives by marriage up to the second degree thereof were not engaged in any transactions with the Bank or any affiliate thereof that could lead to conflict of interest, and were not engaged in any transactions on the respective behalves thereof or on the behalf of others in any line of business that falls to the scope of operations of the Bank or any affiliate thereof, and did not participate to another company, which operates within the same scope of operations as that of the Bank or any affiliate thereof, with the capacity of associated (unlimited) partner.

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15- The shareholders were briefed about the Principles of Remuneration of the Directors and the senior executives, as part of which the shareholders were informed that the remuneration payable to the Directors and the senior executives are determined in accordance with the Remuneration, Compensation and the regulations enacted by the Rewarding Policy, the Remuneration and Compensation Management Committee of the Bank as well as the Articles of Association of QNB Finansbank and the Regulation on the Corporate Governance Principles of Banks; and that it is the duty of the Board of Directors to ensure and secure that the remuneration and compensation payable to the Directors, the senior executives as well as the other staff members are in compliance with the Bank's ethical values and in harmony with the Bank's internal balance and strategic objectives; and that the Board of Directors may delegate the performance of the said duty to the Remuneration and Compensation Management Committee, in part or as a whole, in accordance with the applicable laws and regulations; and that the Remuneration and Compensation Management Committee submits proposals on the total performance bonuses and the like schemes, which may be made available to the staff members of the Bank, to the Board of Directors for approval; and that the Remuneration and Compensation Management Committee duly takes the responsibilities and duties assumed by the relevant individuals within senior-level committees into consideration through the course of making of its decisions and drafting of its proposals; and that the salaries and other compensations and benefits payable to the senior executives, excluding the General Manager, are determined by the Remuneration and Compensation Management Committee upon the recommendations of the General Manager; and that the Directors of the Bank were paid some TRY56,841,160 as remuneration, bonus payments and premiums between the date of the Ordinary Shareholders' Meeting held in 2017 and the date of the Ordinary Shareholders' Meeting held in 2018.

16- The wishes and the expectations were expressed. Mr. Mehmet Omer Arif Aras, the Chairman of the Meeting Council expressed his wishes and expectations for 2018. Any of the attendees, who were physically present at the meeting, or any of those, who attended the meeting through the Electronic Shareholders' Meeting System, did not ask for the floor on the matter.

Since there were no further agenda items left to be discussed and resolved, the Chairman bid his regards to the attendees, whereupon the meeting was closed, also on the Electronic Shareholders' Meeting System, at 11:10.

Commissioner of the Ministry of Customs and Trade
Dursun Eksi
(SIGNATURE)

Chairman of the Meeting Council
Mehmet Omer Arif Aras
(SIGNATURE)

Vote Collector
Adnan Menderes Yayla
(SIGNATURE)

Clerk
Emel Yilmaz Ozbay
(SIGNATURE)