

**FIFTH SUPPLEMENT dated March 9, 2016 to the Base Prospectus dated April 27, 2015**



**FINANSBANK A.Ş.**

**US\$2,000,000,000**

**Global Medium Term Note Program**

This supplement (this “*Supplement*”) is supplemental to, and must be read in conjunction with, the base prospectus dated April 27, 2015 (the “*Original Base Prospectus*” and, as supplemented on May 12, 2015, August 14, 2015, November 13, 2015 and January 18, 2016, the “*Base Prospectus*”) prepared by Finansbank A.Ş. (the “*Issuer*”) under the Issuer’s global medium term note program. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed thereto in the Base Prospectus.

This Supplement has been approved by the Central Bank of Ireland, as competent authority under Directive 2003/71/EC as amended (including the amendments made by Directive 2010/73/EU) (the “*Prospectus Directive*”). The Central Bank of Ireland only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. This document constitutes a supplement for the purposes of Article 16 of the Prospectus Directive and has been prepared and published for the purposes of incorporating into the Base Prospectus the latest financial statements and certain recent events in connection with the Issuer. As a result, certain modifications to the Base Prospectus are hereby being made.

A copy of each of: (a) the consolidated BRSA financial statements of the Group as of and for the year ended December 31, 2015 (including the notes thereto, the “*Group’s New BRSA Financial Statements*”) and (b) the unconsolidated BRSA financial statements of the Issuer as of and for the year ended December 31, 2015 (including the notes thereto, the “*Issuer’s New BRSA Financial Statements*” and, together with the Group’s New BRSA Financial Statements, the “*New Financial Statements*”) have been filed with the Central Bank of Ireland and, by means of this Supplement, are incorporated by reference into, and form part of, the Base Prospectus. Copies of the New Financial Statements can be obtained without charge from the registered office of the Issuer and from the Issuer’s website at: (i) with respect to the Group’s New BRSA Financial Statements, <http://www.finansbank.com.tr/en/investor-relations/media/1781/report.aspx>, and (ii) with respect to the Issuer’s New BRSA Financial Statements, <http://www.finansbank.com.tr/en/investor-relations/media/1782/report.aspx> (such website is not, and should not be deemed to constitute, a part of, or be incorporated into, this Supplement or the Base Prospectus). The New Financial Statements, each of which is in English, were prepared as convenience translations of the corresponding Turkish language financial statements (which translations the Issuer confirms were direct and accurate). The New Financial Statements were not prepared for the purpose of their incorporation by reference into the Base Prospectus.

In addition, the attached pages of this Supplement provide for amendments to certain sections of the Base Prospectus. Statements contained herein, to the extent applicable and whether expressly, by implication or otherwise, modify or supersede statements set out in, or previously incorporated by reference into, the Base Prospectus. Where there is any inconsistency between the information contained in (or incorporated by reference into) the Base Prospectus and this Supplement, the information contained in (or incorporated by reference into) this Supplement shall prevail.

Except as disclosed herein (including in the New Financial Statements incorporated by reference into the Base Prospectus pursuant to this Supplement) and in the previous supplements to the Original Base Prospectus, there has been no: (a) significant new factor, material mistake or inaccuracy relating to the information included in the Original Base Prospectus since the publication thereof and (b) significant change in the financial or trading position of either the Group or the Issuer since December 31, 2015.

The Issuer accepts responsibility for the information contained herein. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained herein is in accordance with the facts and contains no omission likely to affect the import of such information. None of the Dealers or the Arranger make any representation, express or implied, or accept any responsibility, for the contents hereof or any information incorporated by reference into this Supplement.

## AMENDMENTS

The following amendments are made to the Base Prospectus:

The section entitled “*Recent Developments*”, incorporated into the Base Prospectus by the supplement dated August 14, 2015, is hereby amended by the addition of the following at the end thereof:

The BRSA published several amendments to its regulations and communiqués in the Official Gazette dated January 20, 2016 and numbered 29599, including with respect to the 2013 Equity Regulation and the 2016 Capital Adequacy Regulation. Such amendments (entering into force on March 31, 2016) were introduced to comply with the Basel Committee's Regulatory Consistency Assessment Programme, which is an implementation, monitoring and consistency assessment process conducted by the Bank for International Settlements with respect to Turkey's compliance with Basel regulations.

Amendments to the 2013 Equity Regulation introduced certain limitations to the items that are included in the capital calculations of banks that have issued additional Tier I and Tier II instruments prior to January 1, 2014. While the Group does not have any additional Tier I instruments, according to these amendments, Tier II instruments that were issued (*among others*): (a) between September 12, 2010 and January 1, 2013 (so long as they satisfied the New Tier II Conditions other than the condition stated in sub-clause (i) of the New Tier II Conditions (*i.e.* the condition regarding the loss absorption due to the cancellation of a bank's license or transfer of the bank's management to the SDIF pursuant to Article 71 of the Banking Law)) will be included in Tier II calculations after being reduced by 20% for the period between January 1, 2014 and December 31, 2014 and by 10% for each subsequent year (the calculations being made based upon the total amount of the debt instruments as of January 1, 2013) and (b) after January 1, 2013 will be included in Tier II calculations only if they satisfy all of the New Tier II Conditions. As a result of the Issuer having outstanding Tier II debt falling within these categories, the Issuer's management expects the amendments to have a negative effect on its total capital adequacy ratio.

Amendments to the 2016 Capital Adequacy Regulation, entering into force on March 31, 2016, lower the risk weights of certain assets, including reducing: (a) the risk weights of residential mortgage loans from 50% to 35% and (b) the risk weights of consumer loans (excluding residential mortgage loans) qualifying as retail loans (*perakende alacaklar*) in accordance with the 2016 Capital Adequacy Regulation and installment payments of credit cards from a range of 100% to 250% (depending upon their outstanding tenor) to 75% (irrespective of their tenor); *provided* that such loans are not re-classified as frozen receivables (*donuk alacaklar*). The Issuer's management believes that these amendments will have a positive impact on its total capital adequacy ratio.

As a result of the recent amendments to the BRSA's regulations and communiqués, which enter into force as of March 31, 2016, including the amendments specified in the preceding paragraphs, the Issuer's management anticipates that the Issuer's total capital adequacy ratio will be negatively impacted by approximately 50 basis points.

The BRSA published a regulation regarding systemically important banks (“*SIFI*”) in the Official Gazette dated February 23, 2016 and numbered 29633 in order to introduce additional capital requirements for SIFI in line with the requirements of Basel III. The BRSA defines SIFI according to their size, complexity and impact on the financial system and economic activity. The banks are to be classified under four categories based upon a score set by the BRSA and will be required to keep additional core Tier I capital buffers up to a further 3% buffer for Group 4 banks, 2% for Group 3, 1.5% for Group 2 and 1% for Group 1. In 2016, capital buffer requirements for SIFI will be introduced at one-fourth of the full requirements (*i.e.*, Group 4: 0.75%; Group 3: 0.5%, Group 2: 0.375% and Group 1: 0.25%). The buffers are to be fully implemented by 2019.

The BRSA has also published a draft regulation that (if adopted without changes) would replace the Regulation on Provisions and Classification of Loans and Receivables as of January 1, 2017. This proposed regulation would require banks to adopt IFRS 9 principles related to the assessment of credit risk by the end of 2017 and to set aside general provisions in line with such principles.

The section entitled “*Contemplated Share Sale*” on page 151 of the Original Base Prospectus, as amended by the supplements dated November 13, 2015 and January 18, 2016, is hereby amended by the addition of the following at the end thereof:

Applications have been made to the BRSA, the CMB and the Turkish Treasury for their approval of such transaction and such applications are pending as of March 8, 2016.