FIRST SUPPLEMENT dated April 2, 2014 to the Base Prospectus dated February 5, 2014

FİNANSBANK A.Ş.
US$1,500,000,000
Global Medium Term Note Program

This supplement (this "*Supplement*") is supplemental to, and must be read in conjunction with, the Base Prospectus dated February 5, 2014 (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 recent events in connection with the Issuer. As a result, certain modifications to the Base Prospectus are hereby being made.

A copy of the independent auditors' audit report and audited consolidated BRSA financial statements of the Group as of and for the year ended December 31, 2013 (including any notes thereto, 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 http://www.finansbank.com.tr/en/investor-relations/media/963/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, which are 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 in this Supplement shall, to the extent applicable and whether expressly, by implication or otherwise, be deemed to 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), there has been no: (a) significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus since the publication of the Base Prospectus and (b) significant change in the financial or trading position of either the Group or the Issuer since December 31, 2013.

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 makes any representation, express or implied, or accepts 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:

RISK FACTORS

The third paragraph of the risk factor entitled "Risks related to the Group and its Business – Banking Regulatory Matters" on page 17 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

> In addition: (a) the Regulation on the Capital Maintenance and Cyclical Capital Buffer, which regulates the procedures and principles regarding the calculation of additional core capital amount, and (b) the Regulation on the Measurement and Evaluation of Leverage Levels of Banks, through which the BRSA seeks to constrain leverage in the banking system and ensure maintenance of adequate equity on a consolidated and non-consolidated basis against leverage risks (including measurement error in the risk-based capital measurement approach), were published in the Official Gazette dated November 5, 2013 and numbered 28812 and entered into effect on January 1, 2014 (with the exception of certain provisions of the Regulation on the Measurement and Evaluation of Leverage Levels of Banks that enters into effect on January 1, 2015). Lastly, the Regulation on the Calculation of Banks' Liquidity Coverage Ratios, through which the BRSA seeks to ensure that a bank maintains an adequate level of unencumbered, high-quality liquid assets that can be converted into cash to meet its liquidity needs for a 30 calendar day period, both on a consolidated and unconsolidated basis, was published in the Official Gazette, dated 21 March 2014 and numbered 28948 (the "*Regulation on Liquidity Coverage Ratios*") and entered into effect immediately with the provisions thereof becoming applicable as of January 1, 2014 (with the exception of certain provisions relating to minimum coverage ratio levels, which will enter into effect on January 1, 2015). If the Bank and/or the Group is unable to maintain its capital adequacy or leverage ratios above the minimum levels required by the BRSA or other regulators (whether due to the inability to obtain additional capital on acceptable economic terms, losses or otherwise), then it may be required to seek additional capital and/or sell assets (including subsidiaries) at commercially unreasonable prices, which could have a material adverse effect on the Group's business, financial condition and/or results of operations.

The last paragraph of the risk factor entitled "Risks related to Turkey – Political Developments" on page 22 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

> These events are particularly noteworthy as municipal elections were held in Turkey on March 30, 2014 and Presidential elections are scheduled to be held in August 2014. In the March 2014 municipal elections, the governing party received approximately 45% of the total votes cast, which (though less than the 49.8% received in the 2011 elections) can be considered to be a successful election for the governing party. The governing party also won the mayoral contest in İstanbul while the primary opposition party won the mayoral contest in İzmir, Turkey's third largest city (the election results in Ankara were disputed, with the governing party's candidate declaring victory by a slim margin). It remains uncertain whether the current Prime Minister will run in the upcoming Presidential elections or might instead, assuming a change in the term limit rules of the governing party, seek to be elected as Prime Minister for a further term. The events surrounding such elections and/or the results of the elections could contribute to the volatility of Turkish financial markets and/or have an adverse effect on investors' perception of Turkey. Actual or perceived political instability in Turkey could have a material adverse effect on the Group's business, financial condition and/or results of operations and on the value of the Notes.

The risk factor entitled "Risks related to Turkey – Terrorism and Conflicts" on page 23 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

Terrorism and Conflicts – Turkey and its economy are subject to internal and external unrest and the threat of terrorism

Turkey is located in a region that has been subject to ongoing political and security concerns. Political uncertainty within neighboring countries, such as Armenia, Georgia, Iran, Iraq and Syria, has been one of the risks associated with investment in Turkish securities. Since December 2010, political instability has increased markedly in a number of countries in the Middle East, North Africa and Eastern Europe, such as Ukraine, Libya, Tunisia, Egypt, Syria, Jordan, Bahrain and Yemen. Unrest in those countries may affect Turkey's relationships with its neighbors, have political implications in Turkey or otherwise have a negative impact on the Turkish economy, including through both financial markets and the real economy. For example, heightened tensions between Turkey and Iran could impact the Turkish economy, lead to higher energy prices in Turkey and further negatively affect Turkey's current account deficit. Such impacts could occur (*inter alia*) through a lower flow of foreign direct investment into Turkey, capital outflows and increased volatility in the Turkish financial markets. In addition, certain sectors of the Turkish economy (such as construction, iron and steel) have operations in (or are otherwise active in) the Middle East, North Africa and Eastern Europe and may experience material negative effects, including the Group's operations in such regions.

The conflict in Syria has been the subject of significant international attention and is inherently volatile and its impact and resolution is difficult to predict. In early October 2012, Turkish territory was hit by shells launched from Syria, some of which killed Turkish civilians. On October 4, 2012, the Turkish Parliament authorized the government for one year to send and assign military forces in foreign countries should such action be considered appropriate by the government, and on October 3, 2013, the authorization was extended for one year.

In early 2014, political unrest and demonstrations in Ukraine led to a change in the national government. While the United States and the EU recognized the new government, Russia claimed that that new government was illegitimate and was violating the rights of ethnic Russians living in the Crimean peninsula and elsewhere in Ukraine. Escalating military activities in Ukraine and on its borders, including Russia effectively taking control of Crimea, have combined with Ukraine's very weak economic conditions to create great uncertainty in Ukraine and the global markets. Resolution of Ukraine's political and economic conditions will likely not be obtained for some time, and the situation could even degenerate into increased violence and/or economic collapse. While not directly impacting Turkey's territory, the disputes could materially negatively affect Turkey's economy, including through its impact on the global economy and the impact it might have on Turkey's access to Russian energy supplies.

Turkey has also experienced problems with domestic terrorist and ethnic separatist groups. For example, Turkey has been in conflict for many years with the People's Congress of Kurdistan, formerly known as the PKK (an organization that is listed as a terrorist organization by states and organizations including the EU and the United States). Turkey has from time to time been the subject of terrorist bomb attacks. The Taksim Square protests described above have also contributed to recent volatility in the Turkish financial markets.

Such circumstances have had and could continue to have a material adverse effect on the Turkish economy and the Group's business, financial condition and/or results of operations.

The first two paragraphs of the risk factor entitled "Risks related to Turkey - High Current Account Deficit" on page 25 of the Base Prospectus are hereby deleted in their entirety and replaced by the following:

In 2010, the Turkish current account deficit was US$45.4 billion, which increased to US$75.1 billion in 2011 before decreasing to US$47.9 billion in 2012, according to the Central Bank. The decline in the current account deficit in 2012 was largely the result of coordinated measures initiated by the Central Bank, the BRSA and the Turkish Ministry of Finance to lengthen the maturity of deposits, reduce shortterm capital inflows and curb domestic demand. The main aim of these measures has been to slow growth in the current account deficit by controlling the rate of loan growth. Unless there is a decline in credit growth, government authorities have stated that bank-specific actions might be implemented.

The decline in the current account deficit experienced in 2012 came to an end in early 2013 as a result of the recovery in domestic demand, with the deficit in 2013 rising to US$64.9 billion. The Bank's management expects this to be followed by a period of gradual decreases in parallel with measures taken by the BRSA to limit domestic demand and address the Central Bank's tight monetary policy, the recent increases of taxes and the depreciation of the Turkish Lira, which can also have an impact on imports and domestic demand. Moreover, due to the increasing depreciation of the Turkish Lira, exports might improve, which could lead to a reduction of the current account deficit.

The second paragraph of the risk factor entitled "Risks related to Notes generally – EU Savings Directive" on pages 33 and 34 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

On March 24, 2014, the European Council adopted an EU Council Directive amending and broadening the scope of the requirements described above. In particular, the changes expand the range of payments covered by the EU Savings Directive to include certain additional types of income, and widen the range of recipients payments to whom are covered by the EU Savings Directive, to include certain other types of entity and legal arrangement. Member States are required to implement national legislation giving effect to these changes by January 1, 2016 (which national legislation must apply from January 1, 2017).

RECENT DEVELOPMENTS

The following section entitled "Recent Developments" is hereby inserted into the Base Prospectus immediately after the section entitled "Business of the Group:"

RECENT DEVELOPMENTS

In March 2014, the Bank purchased a new headquarters office in Istanbul for total consideration of €257 million plus VAT. The new headquarters is located at Kristal Kule, Şişli Mecidiyeköy in İstanbul and the Bank expects to move its operations to that location in 2015.

In March 2014, the government announced that GDP for 2013 was 4.0% after having grown 4.4% in the fourth quarter of 2013. The Bank's management anticipates that tighter external financing conditions, higher domestic interest rates and political uncertainty will continue to weigh on economic activity in 2014, with GDP growth slowing to approximately 1.7%.

RISK MANAGEMENT

The first paragraph of the section entitled "Management of Specific Risk-Market Risk" in the "Risk Management" section on page 114 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

> Market risk arises from the uncertainty concerning changes in market prices and rates (including interest rates, equity and bond prices and foreign exchange rates) and their levels of volatility. In recent years, the Group has expanded its trading activities to include a wide variety of financial products in order to enhance its profitability and its service to clientele. These trading activities require the Group to assume market risk, which the Group seeks to identify, estimate, monitor and manage effectively through a framework of principles, measurement processes and a valid set of limits that apply to all of the Group's transactions. The capital required for general market risk and specific risk shall be calculated monthly in accordance with the "standard method" defined in the "Regulation on the Measurement and Evaluation of Capital Adequacy of Banks" issued by the BRSA and within the time period determined by BRSA following the calculation, the BRSA shall be notified thereof. The most significant types of market risk for the Group are interest rate risk and foreign exchange risk.

The section entitled "Capital Adequacy" in the "Risk Management" section on pages 118 and 119 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

Capital Adequacy

> The Group is required to comply with capital adequacy guidelines promulgated by the BRSA, which are based upon the standards established by the Bank of International Settlements. These guidelines require banks to maintain adequate levels of regulatory capital against risk-bearing assets, off-balance sheet exposures, market and other risk positions. Further to the Regulation on Equities of Banks published in the Official Gazette dated November 1, 2006 and numbered 26333 (the "*2006 Equity Regulation*"), which was replaced by the 2013 Equity Regulation on January 1, 2014, the Group's total capital ratio was (through the end of 2013) calculated by dividing: (a) the sum of its "Tier I" capital (which comprises its share capital, reserves, retained earnings, and profit for the period for the current period), *plus* its "Tier II" capital (which comprises general provisions, and secondary subordinated loans) by (b) the aggregate of its risk-weighted assets, risk weighted off-balance sheet exposures and market and other risk.
>
> The following table sets forth the Group's consolidated capital adequacy ratios as of December 31, 2012 and 2013, calculated in accordance with the "Regulations on Measurement and Assessment of Capital Adequacy of Banks" issued by the BRSA.

	As of December 31,	
	2012	2013
	(*TL thousands*)	
Capital Adequacy		
Capital:		
Tier I capital	7,028,081	7,741,657
Tier II capital(1)	2,312,163	2,461,535
Total capital	**9,340,244**	**10,203,192**
Deductions(2)	(12,259)	(14,871)
Net total capital	**9,327,985**	**10,188,321**
Risk Weighted Assets (including market & operational risk)	**48,719,787**	**59,359,763**
Capital Adequacy Ratios:		
Tier I ratio	14.43%	13.04%
Total capital ratio(3)	19.15%	17.16%

(1) Revaluation reserve plus general provisions, foreign exchange differences and valuation of marketable securities.

(2) Loans to banks, financial institutions (domestic/foreign) or qualified shareholders in the form of secondary subordinated debts and debt instruments purchased from such parties qualified as primary or secondary subordinated debts and net book values of properties exceeding 50% of the capital and of assets acquired against overdue receivables and held for sale as per the Article 57 of the Banking Law but retained more than five years after foreclosure.

(3) Net total capital as a percentage of risk weighted assets including market and operational risk.

The Group maintains regulatory capital ratios (in accordance with BRSA calculations) on both a Bank-only and consolidated basis in excess of the regulatory minimum. The Group's Tier I ratio and total capital ratio were 13.04% and 17.16% as of December 31, 2013, 14.43% and 19.15% as of December 31, 2012 and 13.48% and 17.61% as of December 31, 2011, respectively. The 2011 ratios are not directly comparable to ratios for later dates due to the change in methodology described in "Turkish Regulatory Environment – Capital Adequacy - Basel II."

Within the context of the implementation of the Basel III framework in Turkey, the 2006 Equity Regulation was replaced by the 2013 Equity Regulation as noted above. As a result, the calculations regarding capital adequacy for periods from January 1, 2014 will be performed in accordance with the 2013 Equity Regulation and other regulations newly enacted and/or amended by the BRSA and thus might not be directly comparable to ratios for earlier dates. See "Turkish Regulatory Environment − Capital Adequacy" for additional information.

TURKISH REGULATORY ENVIRONMENT

The last paragraph of the section entitled "Capital Adequacy – Basel III" in the "Turkish Regulatory Environment" section on page 151 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

In addition: (a) the Regulation on the Capital Maintenance and Cyclical Capital Buffer, which regulates the procedures and principles regarding the calculation of additional core capital amount, and (b) the Regulation on the Measurement and Evaluation of Leverage Levels of Banks, through which regulation the BRSA seeks to constrain leverage in the banking system and ensure maintenance of adequate equity on a consolidated and non-consolidated basis against leverage risks (including measurement error in the risk-based capital measurement approach), were published in the Official Gazette dated 5 November 2013 and numbered 28812 and entered into effect on January 1, 2014 with the exception of certain provisions of the Regulation on the Measurement and Evaluation of Leverage Levels of Banks that will enter into effect on January 1, 2015. Lastly, the Regulation on Liquidity Coverage Ratios, through which the BRSA seeks to ensure that a bank maintains an adequate level of unencumbered, high-quality liquid assets that can be converted into cash to meet its liquidity needs for a 30 calendar day period, both on a consolidated and unconsolidated basis, was published in the Official Gazette dated 21 March 2014 and numbered 28948 and entered into effect immediately with the provisions thereof becoming applicable as of January 1, 2014 (with the exception of certain provisions relating to minimum coverage ratio levels, which will enter into effect on January 1, 2015). If the Bank and/or the Group is unable to maintain its capital adequacy or leverage ratios above the minimum levels required by the BRSA or other regulators (whether due to the inability to obtain additional capital on acceptable economic terms, losses or otherwise), then it may be required to seek additional capital and/or sell assets (including subsidiaries) at commercially unreasonable prices, which could have a material adverse effect on the Group's business, financial condition and/or results of operations.

The eighth paragraph of the section entitled "Liquidity and Reserve Requirements" in the "Turkish Regulatory Environment" section on page 152 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

Beginning in March 2014, reserve accounts may be interest-bearing pursuant to guidelines adopted by the Central Bank from time to time.

TAXATION

The last paragraph of the section entitled "EU Savings Directive" in the "Taxation" section on page 168 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

On March 24, 2014, the European Council adopted an EU Council Directive amending and broadening the scope of the requirements described above. In particular, the changes expand the range of payments covered by the EU Savings Directive to include certain additional types of income, and widen the range of recipients payments to whom are covered by the EU Savings Directive, to include certain other types of entity and legal arrangement. Member States are required to implement national legislation giving effect to these changes by January 1, 2016 (which national legislation must apply from January 1, 2017).