THIRD SUPPLEMENT dated November 11, 2016 to the Base Prospectus dated April 25, 2016

FİNANSBANK 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 25, 2016 (the "*Original Base Prospectus*" and, as supplemented on May 20, 2016 and September 21, 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 updating the Base Prospectus in respect of 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 nine month period ended September 30, 2016 and (b) the unconsolidated BRSA financial statements of the Issuer as of and for the nine month period ended September 30, 2016 (together, including any notes thereto, the "*New Financial Statements*") has been filed with the Central Bank of Ireland and, by means of this Supplement, is incorporated by reference into, and forms part of, the Base Prospectus. Copies of each 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.qnbfinansbank.com/en/investor-relations/financial-information/Default.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.

The New Financial Statements were reviewed by Ernst & Young and Ernst & Young's review reports included within the New Financial Statements note that they applied limited procedures in accordance with professional standards for a review of such information and such reports state that they did not audit and they do not express an opinion on the interim financial information in the New Financial Statements.

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 the Base Prospectus through) this Supplement shall prevail.

Except as disclosed herein (including in the New Financial Statements incorporated by reference into the Base Prospectus through 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 September 30, 2016.

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 the Base Prospectus through 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 Turkey – Political Developments*" on page 30 of the Original Base Prospectus as amended by a supplement dated May 20, 2016 is hereby deleted in its entirety and replaced by the following:

> Elections were held in Turkey on June 7, 2015 resulting in no party receiving a majority of the members of the Turkish Parliament. The parties with seats in the Turkish Parliament were unable to form a coalition within the period provided in the Turkish Constitution; therefore, early elections were held on November 1, 2015. In this election, the Justice and Development Party (known as *Adalet ve Kalkınma Partisi* ("*AKP*")) received approximately 49% of the vote and a significant majority of the members of The Turkish Parliament, thus enabling it to form a single-party government. On May 5, 2016, the Central Executive Board of the AKP decided to hold an extraordinary congress on May 22, 2016, in which the AKP appointed Mr. Binali Yıldırım as the new Prime Minister of Turkey following the resignation of Ahmet Davutoğlu. Social and political conditions remain challenging in Turkey, including with increased tension resulting from Turkey's conflict 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 Turkey, the EU and the United States) (the "*PKK*"). Tensions related to the Kurdish conflict escalated after Turkish authorities arrested several members of the parliament from the Kurdish opposition party (known as *Halkların Demokratik Partisi (HDP)*), including its two co-leaders, on November 4, 2016. There can be no assurance that such conditions will not deteriorate. Following the elections in 2015, the AKP has announced its intention to replace the existing constitution with a new constitution and to create an executive presidency. As of November 10, 2016, the likelihood of a constitutional amendment for executive presidency and any social and economic effects of such amendments are uncertain. The events surrounding any future elections and/or the results of such elections could contribute to the volatility of Turkish financial markets and/or have an adverse effect on investors' perception of Turkey, including with respect to the independence of Turkey's institutions and Turkey's ability to adopt macroeconomic reforms, support economic growth and manage domestic social conditions. Actual or perceived political instability in Turkey and/or other political circumstances (and related actions, rumors and/or uncertainties) might have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects and on the market price of the Notes.

The third and fourth sentences of the penultimate paragraph of the risk factor entitled "*Risks related to Turkey – Political Developments*" on pages 29 and 30 of the Original Base Prospectus as amended by the supplements dated May 20, 2016 and September 21, 2016 are hereby deleted in their entirety and replaced by the following:

> Following the coup attempt, there have been arrests of thousands of individuals, including senior members of the military, police and judiciary, as well as suspensions, dismissals, travel bans and legal proceedings of or against police officers, public employees and a number of individuals in the business community and journalism sector (including the staff of Cumhuriyet, an opposition newspaper). As of November 10, 2016, investigations with respect to the attempted coup are on-going.

The last two sentences of the last paragraph of the risk factor entitled "*Risks related to Turkey – Political Developments*" on pages 29 and 30 of the Original Base Prospectus as amended by the supplements dated May 20, 2016 and September 21, 2016 are hereby deleted in their entirety and replaced by the following:

> On October 11, 2016, the Grand National Assembly of Turkey ratified the Council of Ministers Decree dated October 5, 2016 to extend the state of emergency for an additional three months period starting from October 19, 2016 pursuant to Article 121 of the Turkish Constitution. Any consolidation of political power might have a detrimental effect on political checks and balances in Turkey. Although, through November 10, 2016, the Bank's operations have not been materially affected by the attempted coup, the political and social circumstances following the attempted coup and its aftermath (including rating downgrades of Turkey and the Bank) might result in further uncertainty with respect to the Turkish political and social environment, have a negative impact on the Turkish economy (including increased volatility in Turkey, the value of the Turkish Lira, international investors' willingness to invest in Turkey and domestic demand), Turkey's institutions (including as a result of arrests, suspensions or dismissals of a number of individuals working in the public sector) and regulatory framework,

Turkey's international relations, the Bank's and/or the Group's business, liquidity and/or conditions (financial or otherwise) and/or the value and/or market price of an investment in the Notes.

The second paragraph of the risk factor entitled "*Risks related to Turkey – Terrorism and Conflicts*" on page 31 of the Base Prospectus as amended by the supplements dated May 20, 2016 and September 21, 2016 is hereby amended by the addition of the following at the end thereof:

> There is also on-going tension in the region, which has been elevated following Iraq's request on October 5, 2016 for a U.N. Security Council meeting to discuss the presence of Turkish troops in Northern Iraq.

The seventh sentence of the penultimate paragraph of the risk factor entitled "*Risks related to Turkey – Exchange Rates*" on page 34 of the Original Base Prospectus as amended by a supplement dated September 21, 2016 is hereby deleted in its entirety and replaced by the following:

> On May 24, June 21, July 19, August 23 and September 22, 2016, the Central Bank reduced the upper limit of its interest rate corridor further by 50 basis points (to 9.50%), 50 basis points (to 9.00%), 25 basis points (to 8.75%), 25 basis points (to 8.50%) and 25 basis points (to 8.25%), respectively. On September 22, 2016, the Central Bank reduced its late liquidity window lending rate by 25 basis points to 9.75%. On October 20, 2016, the Central Bank retained the upper limit of its interest rate corridor (lending rate) at 8.25%, its one-week repo rate at 7.50%, its overnight borrowing rate at 7.25% and its late liquidity window borrowing rate at 0.00%.

The fourth sentence of the risk factor entitled "*Risks related to Turkey – Government Default*" on page 34 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following:

> On August 25, 2016, Fitch lowered the outlooks of 18 Turkish banks, including the Bank, from stable to negative. As of November 10, 2016, Turkey's long-term foreign currency debt and its long-term local currency debt are rated "BBB-" with negative outlook by Fitch and Turkey's long-term debt ratings include a sub-investment grade rating from both Standard & Poor's and Moody's. The rating action of Moody's dated September 23, 2016 indicated that the downgrade of Turkey's long-term issuer and senior unsecured bond ratings to Ba1 (with a stable outlook) from Baa3 (under review for downgrade) was due to: (a) the increase in the risks related to the country's sizeable external funding requirements and (b) the weakening in previously supportive credit fundamentals, particularly growth and institutional strength. The Bank calculates its capital adequacy ratio according to the 2015 Capital Adequacy Regulation, which allows the Bank to use only Fitch's ratings to calculate the risk-weighted assets for capital adequacy purposes. Accordingly, a downgrade in Turkey's credit rating by Fitch might cause the capital adequacy ratio of Turkish banks (including the Bank) to decline due to a potential change in the calculation of risk-weighted assets.

RECENT DEVELOPMENTS

The first paragraph of the section entitled "*Recent Developments*" included in the Original Base Prospectus by a supplement dated May 20, 2016 as amended by a supplement dated September 21, 2016 is hereby amended by the addition of the following at the end thereof:

> In October 2016, the Bank changed its brand name from "Finansbank" to "QNB Finansbank."

The fifth paragraph of the section entitled "*Recent Developments*" included in the Original Base Prospectus by a supplement dated May 20, 2016 as amended by a supplement dated September 21, 2016 is hereby deleted in its entirety and replaced by the following:

> On June 17, 2016, Moody's upgraded the long-term bank deposit and senior unsecured ratings of the Bank to "Ba1" from "Ba2" and the Bank's baseline credit assessment ("*BCA*") to "ba3" from "b1" due to the completion of the acquisition by QNB. On July 19, 2016, Moody's placed under review for downgrade the ratings of 17 Turkish banks, including the Bank, following placement of the Turkish sovereign rating under review for downgrade on July 18, 2016.
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> On September 26, 2016, following the downgrade of the debt rating of Turkey to "Ba1" (with a stable outlook) from "Baa3" (under review for downgrade), Moody's downgraded the ratings of 14 Turkish financial institutions, including the Bank. Accordingly, Moody's downgraded the Bank's long-term foreign currency deposit rating to "Ba2" from "Ba1," which was constrained by the sovereign ceiling at "Ba2." Moody's confirmed

the foreign currency long-term debt and local currency deposit ratings of the Bank at "Ba1" with a stable outlook and confirmed the Bank's BCA at "ba3." The Bank's ratings from Moody's are as follows:

	Moody's
Long-term foreign currency debt...........	Ba1
Short-term foreign currency debt	NP
Long-term foreign currency deposit......	Ba2
Short-term foreign currency deposit......	NP
Long-term local currency deposit..........	Ba1
Short-term local currency deposit	NP
Support...	—
Viability/Baseline Credit Assessment	ba3
Outlook	Stable

All references in this Base Prospectus to the expected initial ratings by Moody's of Notes issued under the Program are hereby amended to "Ba1" (for long-term issuances) and "Not-Prime" (for short-term issuances).

On November 4, 2016, Standard & Poor's revised the outlook of Turkey's credit rating from "negative" to "stable" and affirmed the foreign currency long-term sovereign credit ratings as "BB."

TURKISH REGULATORY ENVIRONMENT

The second paragraph of the section entitled "*Loan Loss Reserves - Loans of a Standard Nature and Other Receivables (Group I)*" on pages 165 and 166 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following:

> The terms of a bank's loans and receivables monitored in this group may be modified if such loans and receivables continue to have the conditions envisaged for this group.

The last three sentences of the second paragraph of the section entitled "*Loan Loss Reserves - Loans and Other Receivables Under Close Monitoring (Group II)*" on page 166 of the Original Base Prospectus are hereby deleted in their entirety and replaced by the following:

> The terms of a bank's loans and receivables monitored in this group may be modified if such loans and receivables continue to have the conditions envisaged for this group.

The sentence reading "Banks with consumer loan ratios greater than 25% of their total loans and banks with non-performing consumer loan (classified as non-performing loans (excluding housing loans)) ratios greater than 8% of their total consumer loans (excluding housing loans) (pursuant to the unconsolidated financial data prepared as of the general reserve calculation period) are required to set aside a 4% general provision for outstanding (but not yet due) consumer loans (excluding housing loans) under Group I, and an 8% general provision for outstanding (but not yet due) consumer loans (excluding housing loans) under Group II (the "*Consumer Loans Provisions*") and a 10% general provision for both Group I and Group II consumer loans (excluding housing and auto loans), the loan conditions of which are amended in order to extend the first payment schedule; *however*, according to a draft regulation, the consumer loan provision rates are proposed to be returned to the previous levels of 1% for Group I loans and 2% for Group II loans." on page 167 of the Original Base Prospectus is hereby deleted in its entirety.

The fifth paragraph of the section entitled "*Liquidity and Reserve Requirements*" on pages 176 and 177 of the Original Base Prospectus as amended by a supplement dated September 21, 2016 is hereby amended by the addition of the following at the end thereof:

> On October 31, 2016, the Central Bank announced that, in the context of the Reserve Options Mechanism, coefficients for certain tranches of foreign exchange were reduced by 0.2 points. Based upon the current level of the reserve option used by Turkish banks, the Central Bank estimated that the implementation of these measures will provide additional liquidity of approximately US$620 million to the Turkish financial system. In addition, the Central Bank increased the upper limit used to calculate the average of the reserve requirements for foreign currency liabilities, which the Central Bank estimated will provide an additional US$2.9 billion for use by Turkish banks.

Sub-paragraph (b) of the section entitled "*Consumer Loan, Provisioning and Credit Card Regulations*" on page 187 of the Original Base Prospectus is hereby deleted in its entirety and the references to sub-paragraphs (c), (d), (e) and (f) in the remaining sub-paragraphs of such section are revised to refer to sub-paragraphs (b), (c), (d) and (e).

The former sub-paragraph (d) of the section entitled "*Consumer Loan, Provisioning and Credit Card Regulations*" on page 187 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following:

(c) The BRSA, by amending the Regulation on Bank Cards and Credit Cards, has adopted limitations on the length of the installment payment periods on credit cards. Pursuant to such limitations, the installment payment period for the purchase of goods and services and cash withdrawals is not permitted to exceed 12 months, whereas such limit is four months for jewelry expenditures, six months for electronic appliance and computer purchasing and nine months for expenditures relating to airlines, travel agencies, transportation, accommodation, health and social services and for purchases of health products, payments made to clubs and associations and tax payments. Credit card installment payments (except for corporate credit cards) are not allowed for telecommunication and related expenses, expenses related to direct marketing, expenditures made outside of Turkey and purchases of nutriment, liquor, fuels, cosmetics, office equipment, gift cards, gift checks and other similar intangible goods. With respect to corporate credit cards, the installment payment periods for the purchase of goods and services and cash withdrawals are not permitted to exceed 12 months. Also, pursuant to a provisional article of the Regulation on Bank Cards and Credit Cards, the debt balance of a credit card calculated as of September 27, 2016 can be divided into installments over a period of up to 72 months upon the request of the relevant cardholder.

The former sub-paragraph (e) of the section entitled "*Consumer Loan, Provisioning and Credit Card Regulations*" on page 187 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following:

(d) On December 31, 2013, the BRSA adopted new rules on loan-to-value and installments of certain types of loans and, on September 27, 2016, the BRSA made certain amendments to such rules. Pursuant to these rules, the minimum loan-to-value requirement for housing loans extended to consumers and for loans (except auto loans) secured by houses is 80%. In addition, for auto loans extended to consumers, for loans secured by autos and for financial lease transactions for autos, the loan-to-value requirement is set at 70%; *provided* that, in each case, the sale price of the respective auto is not higher than TL 50,000. On the other hand, if the sale price of the respective auto is above this TL 50,000 threshold, then the minimum loan-to-value ratio for the portion of the loan below the threshold amount is 70% and the remainder is set at 50%. As for limitations regarding installments (as amended by the BRSA from time to time), the maturity periods of consumer loans (other than loans to consumers for housing finance and complementary goods and services in relation to home renovation/improvement, the financial leases for homes leased to consumers, other loans for the purpose of purchasing real estate, student loans and any refinancing of the same) are not permitted to exceed 48 months.

Also, pursuant to a provisional article of the Regulation on Loan Transactions of Banks, the debt balances of individual loans (which include loans provided for durable and semi-durable consumer goods, weddings, education and health) utilized before September 27, 2016 may be restructured upon the request of the borrower over a period of up to 72 months (or up to 48 months if any additional loan is provided to the customer within the scope of the restructuring).