FIFTH SUPPLEMENT dated February 21, 2017 to the Base Prospectus dated June 16, 2016

TÜRKİYE İŞ BANKASI A.Ş.
U.S.$7,000,000,000
Global Medium Term Note Program

This supplement (this "*Supplement*") is supplemental to, and must be read in conjunction with, the Base Prospectus dated June 16, 2016 (the "*Original Base Prospectus*" and, as supplemented on July 29, 2016, August 30, 2016, October 14, 2016 and November 25, 2016, the "*Base Prospectus*") prepared by Türkiye İş Bankası A.Ş. (the "*Issuer*" or the "*Bank*") 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 year ended December 31, 2016 (including any notes thereto and the independent auditor's report thereon, 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, 2016 (including any notes thereto and the independent auditor's report thereon, the "*Issuer's New BRSA Financial Statements*" and, with the Group's New BRSA Financial Statements, the "*New Financial Statements*") have been filed with the Central Bank of Ireland and the Irish Stock Exchange 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.isbank.com.tr/EN/about-isbank/investor-relations/publications-and-results/financial-statements/Pages/financial-statements.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 audited by Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., a member firm of KPMG International Cooperative, a Swiss entity ("*KPMG*"). KPMG's audit reports on the New Financial Statements contain a qualification. See "*Risk Factors – Risks Relating to the Group and its Business – Audit Qualification*."

In addition, this Supplement sets out in the attached pages amendments to the Base Prospectus. Statements contained herein (or in the New Financial Statements incorporated by reference into the Base Prospectus by means of this Supplement) shall, 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 the information contained herein (or incorporated by reference into the Base Prospectus by means of this Supplement), the information contained herein (or incorporated by reference into the Base Prospectus by means of this Supplement) shall prevail.

Except as disclosed herein (including in the New Financial Statements incorporated by reference into the Base Prospectus by means of 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 of the Original Base Prospectus, (b) significant change in the financial or trading position of either the Group or the Issuer since December 31, 2016 and (c) material adverse change in the financial position or prospects of either the Group or the Issuer since December 31, 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 Arrangers make any representation, express or implied, or accept any responsibility, for the contents hereof or any information incorporated by reference into the Base Prospectus by means of this Supplement.

AMENDMENTS

The following amendments are made to the Base Prospectus:

RISK FACTORS

The seventh sentence of the first paragraph of the section entitled "*Risks Relating to the Group and its Business - Foreign Exchange and Currency Risk*" on page 25 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following:

> As a result, the Group's reported income, certain balance sheet items and capital ratios are affected by changes in the value of the Turkish Lira with respect to foreign currencies.

The second paragraph of the section entitled "*Risks Relating to the Group and its Business - Foreign Currency Borrowing and Refinancing Risk*" on page 27 of the Original Base Prospectus is hereby amended by the addition of the following at the end thereof:

> The Bank calculates its capital adequacy ratios according to the 2015 Capital Adequacy Regulation, which allows the Bank to use ratings of eligible external credit assessment institutions (namely Fitch, Standard & Poor's, Moody's, Japan Credit Rating Agency, Ltd., DBRS Ratings Ltd. and, as of January 12, 2017, International Islamic Rating Agency ("*IIRA*")) while calculating the risk-weighted assets for capital adequacy purposes. On January 27, 2017, Fitch (which the Bank has been using for such purposes) downgraded Turkey's sovereign credit rating to "BB+" (with a stable outlook) from "BBB-" (with a negative outlook). Based upon the risk-weighted assets of the Bank as of December 31, 2016, the Bank's management expects such downgrade by Fitch to have approximately 90 to 100 basis points negative impact on the capital adequacy ratios of the Bank due to the changes in the calculation of the risk-weighted assets.

RECENT DEVELOPMENTS

The section entitled "*Recent Developments*" included to the Original Base Prospectus by supplements dated July 29, 2016, August 30, 2016, October 14, 2016 and November 25, 2016 is hereby amended by the addition of the following at the end thereof:

> On December 12, 2016, Turkstat changed the method of calculation to determine economic growth in Turkey and revised the figures announced for the previous periods that were calculated in line with the former method. In line with the calculations made with the new method, the GDP contracted by 1.8% in the third quarter of 2016. The GDP growth for the first quarter and second quarter of 2016 were each revised to 4.5% from 4.7% and 3.1%, respectively, and the GDP growth in full year 2015 was revised to 6.1% from 4.0%.
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> In nominal terms, the Turkish Lira depreciated against the U.S. Dollar by 3.8% between December 30, 2016 and February 20, 2017, which depreciation was in part a result of geopolitical risks (see "*Risk Factors – Risks relating to Turkey - Terrorism and Conflicts*"), the uncertainty resulting from domestic political developments (see "*Risk Factors – Risks relating to Turkey - Political Developments*") and the pressure on emerging market currencies. As a response to the depreciation of the Turkish Lira, the Central Bank has adopted certain monetary policies. For instance, the Central Bank reduced the borrowing limit for Turkish banks in the Interbank Money Market (*Bankalararası Para Piyasası*) initially to TL 22 billion and subsequently to TL 11 billion on January 10, 2017 and January 13, 2017, respectively. On November 24, 2016, the Central Bank started to increase the upper limit of its interest rate corridor (lending rate). On November 24, 2016, the Central Bank increased such rate by 25 basis points and subsequently on January 24, 2017, the Central Bank increased further by 75 basis points to 9.25%. On November 24, 2016, the Central Bank also increased its one-week repo rate by 50 basis points to 8.00% from 7.50%, while leaving its overnight borrowing rate unchanged at 7.25%. The Central Bank also launched the Foreign Exchange Deposits against Turkish Lira Deposits Market in order to increase the Central Bank's flexibility and diversity in managing the Turkish Lira and foreign exchange liquidity. The Central Bank is expected to implement additional monetary tightening policies in the near future for price stability, if needed.
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> On January 4, 2017, the Grand National Assembly of Turkey ratified the extension of the state of emergency for an additional three month period starting from January 19, 2017.
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> On January 21, 2017, the Turkish Parliament approved a bill that would, if approved in a referendum scheduled to be held on April 16, 2017, amend certain articles of the Turkish Constitution to expand the powers of the president. Should the majority vote to approve the package of the constitutional amendments, then: (a) the current parliamentary system will be transformed into a presidential one, (b) the president will be entitled to be the head of a political party and to appoint the cabinet, (c) the office of the prime minister will be

abolished and (d) the parliament's right to interpellate (*i.e.*, the right to submit questions requesting explanation regarding an act or a policy) the cabinet members will be annulled.

On January 27, 2017, Standard & Poor's revised the outlook of Turkey from "stable" to "negative." Following such outlook change, on January 31, 2017, Standard & Poor's: (a) revised the outlook of four Turkish banks, including the Bank, from "stable" to "negative," (b) revised the Long-Term Turkish National Scale of three Turkish banks, including the Bank, from "trAA" to "trAA-" and (c) affirmed the other ratings of the Bank.

On January 27, 2017, Fitch downgraded Turkey's sovereign credit rating to sub-investment grade in line with the ratings of Standard & Poor's and Moody's and such downgrade could have a negative impact on the capital adequacy ratio of Turkish banks (including the Bank). See also "*Risk Factors - Risks Relating to the Market Generally - Credit Ratings*." Following the revision of certain of Turkey's ratings, on February 2, 2017, Fitch revised the ratings of 18 Turkish banks, including the Bank. The Bank's ratings from Fitch are as follows:

Fitch (February 2, 2017)	
Foreign Currency Issuer Default Rating	BB+/ Negative/ B
Local Currency Issuer Default Rating	BB+/ Negative / B
National Long-Term Rating	AA+(tur) / Stable
Viability Rating	Bb+
Support Rating	4
Support Rating Floor	B+

All references in the Base Prospectus to the expected initial ratings by Fitch of Notes issued under the Program are hereby amended to "BB+" (for long-term issuances) and "B" (for short-term issuances).

The CMB amended the Communiqué on Debt Instruments to remove the requirement that issuers of debt instruments to be issued outside of Turkey had to obtain a tranche issuance certificate (*tertip ihraç belgesi*) before any sale and issuance of such instruments. As of February 18, 2017, such issuers are now only required to submit certain information to the CMB before they can proceed with the sale and issuance of such instruments. In addition, these amendments removed the previous requirement that debt instruments to be issued outside of Turkey had to be traded in an electronically registered form in the Central Registry Agency; *however*, such issuers are still required to notify the Central Registry Agency within three İstanbul business days from the applicable issue date of the amount, issue date, ISIN (if any), interest commencement date, maturity date, interest rate, name of the custodian, currency of such debt instruments and the country of issuance.

TURKISH REGULATORY ENVIRONMENT

The second paragraph of the section entitled "*Group V: Loans and Other Receivables Having the Nature of Loss*" on pages 194 and 195 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following:

> Pursuant to the Regulation on Provisions and Classification of Loans and Receivables, banks are required to reserve adequate provisions for loans and other receivables until the end of the month in which the payment of such loans and receivables has been delayed. This regulation also requires Turkish banks to provide a general reserve calculated at 1% of the total cash loan portfolio plus 0.2% of the total non-cash loan portfolio (*i.e.*, letters of guarantee, avals and their sureties and other non-cash loans) (except for: (a) commercial cash loans defined in Group I above, for which the general reserve is calculated at 0.5% of the total commercial cash loan portfolio, (b) commercial non-cash loans defined in Group I above, for which the general reserve is calculated at 0.1% of the total commercial non-cash commercial loan portfolio, (c) cash and non-cash loans defined in Group I for SMEs and relating to transit trade, export, export sales and deliveries and services, activities resulting in gains of foreign currency and syndicate loans used for the financing of large-scale public tenders, for which the general loan loss reserve is calculated at 0%) for standard loans defined in Group I above and a general reserve calculated at 2.0% of the total cash loan portfolio *plus* 0.4 % of the total non-cash loan portfolio (*i.e.*, letters of guarantee, avals and their sureties and other non-cash loans) for closely-monitored loans defined in Group II above (except for: (i) commercial cash loans, cash loans for SMEs and relating to transit trade, export, export sales and deliveries and services, activities resulting in gains of foreign currency and syndicate loans used for the financing of large-scale public tenders, for which the general loan loss reserve is calculated at 1.0%, and (ii) non-cash loans related to the items stated in (i) above for which the general loan loss reserve is calculated at 0.2%). The exceptions regarding the loan loss reserve calculation stated above will be applied to the respective loans defined in Group I and Group II until December 31, 2017.

The third to last paragraph of the section entitled "*Loan Loss Reserves*" on page 197 of the Original Base Prospectus is hereby revised by the addition of the following at the end thereof:

> On December 14, 2016, the BRSA published amendments to the Regulation on Provisions and Classification of Loans and Receivables, adding new provisional articles related to the restructuring of loans and other receivables and to the delay periods within the state of emergency. The Provisional Article 12 states that (among other things) the loans and other receivables classified as non-performing loans by the banks may be restructured up to two times until December 31, 2017. Such restructured loans may be classified under Group II if: (a) in case of the first restructuring, there is no overdue debt as of the date of the re-classification and the last three payments prior to the date of the re-classification have been made timely and in full, and (b) in case of the second restructuring, there is no overdue debt as of the date of the re-classification and the last six payments prior to the date of the re-classification have been made timely and in full. Loans and other receivables classified under Group II after the restructuring are monitored under "Renewed/Restructured Loans Account." Information regarding renewed/restructured loans and other receivables shall be disclosed in the financial reports that are made publicly available at the end of each year and in the interim periods. Furthermore, the Provisional Article 13 (entered into force retroactively as of July 21, 2016) states that (among other things) the delay periods of payments stipulated for the loans defined in Group II, III, IV and V may be counted as of January 21, 2017 for the obligations of the credit debtors that have been liquidated, assigned to the Directorate General of Foundations (*Vakıflar Genel Müdürlüğü*) or the Undersecretariat of Treasury or to which the SDIF is assigned as the trustee as per the Decrees Having the Force of Law enforced within the scope of the state of emergency declared across the country by the Decree of the Council of Ministers dated July 20, 2016 and the public officials discharged within the scope of the state of emergency and the assets of such real persons and legal entities that are subject to injunctions.

The last paragraph of the section entitled "*Loan Loss Reserves*" on page 197 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following:

> In June 2016, the BRSA published a regulation (which is amended from time to time), which will replace the Regulation on Provisions and Classification of Loans and Receivables as of January 1, 2018 in order to ensure compliance (by January 1, 2018) with the requirements of IFRS and the Financial Sector Assessment Program, which is a joint programme of the International Monetary Fund and the World Bank. This regulation requires banks to adopt IFRS 9 principles (unless an exemption is granted by the BRSA) related to the assessment of credit risk by the end of 2017 and to set aside general provisions in line with such principles.

The second and third paragraphs of the section entitled "*Liquidity and Reserve Requirements*" on pages 204 and 205 of the Original Base Prospectus are hereby deleted in their entirety and replaced by the following:

> Pursuant to the Communiqué regarding Reserve Requirements, which entered into force on January 17, 2014 (the "*Communiqué regarding Reserve Requirements*"), the reserve requirements for foreign currency liabilities vary by category and tenor, as set forth below:

Category of Foreign Currency Liabilities	**Required Reserve Ratio**
1) Deposit/participation accounts (excluding deposit/participation accounts held at foreign banks)	
Demand deposits, notice deposits	12%
Up to 1-month, 3-month, 6-month and 1-year maturities	12%
With maturities of 1 year and longer	8%
2) Borrowers' deposit accounts held at development and investment banks*	12%
3) Other liabilities (including deposit/participation accounts held at foreign banks)	
Up to 1-year maturity (including 1 year)	24%
Up to 2-year maturity (including 2 year)	19%
Up to 3-year maturity (including 3 year)	14%
Up to 5-year maturity (including 5 years)	6%
Longer than 5-year maturity	4%

** Due to Turkish laws applicable to development and investment banks, the amount deposited in such accounts cannot exceed the total outstanding loan amount extended by the relevant development and investment bank to such borrower.*

Notwithstanding the above, the reserve requirements for foreign current liabilities other than deposits and participation accounts that existed on August 28, 2015 vary by tenor until their maturity, as set forth below:

Category of Foreign Currency Liabilities	**Required Reserve Ratio**
Other liabilities up to 1-year maturity (including 1-year)..	19%
Other liabilities up to 2-year maturity (including 2-year)..	13%
Other liabilities up to 3-year maturity (including 3-year)..	7%
Other liabilities up to 5-year maturity (including 5-year)..	6%
Other liabilities longer than 5-year maturity	5%