FIRST SUPPLEMENT dated 20 August 2019 to the Base Prospectus dated 30 April 2019

İŞBANK

TÜRKİYE İŞ BANKASI A.Ş.
US$7,000,000,000
Global Medium Term Note Programme

This supplement (this "*Supplement*") is supplemental to, and must be read in conjunction with, the Base Prospectus dated 30 April 2019 (the "*Base Prospectus*") prepared by Türkiye İş Bankası A.Ş. (the "*Issuer*" or the "*Bank*") under the Issuer's global medium term note programme. Capitalised 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 pursuant to the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland (S.I. No. 324 of 2005) (as amended, the "*Irish Prospectus Regulations*"). The Central Bank of Ireland only approves this Supplement as meeting the requirements imposed under Irish and European Union law pursuant to the Irish Prospectus Regulations. This document constitutes a supplement for the purposes of the Irish Prospectus Regulations and has been prepared and published for the purposes of incorporating into the Base Prospectus the latest financial statements and updating the Base Prospectus with certain recent events in connection with the Issuer. As a result, certain modifications to the Base Prospectus are hereby being made. In connection herewith, the Issuer is relying upon Article 46(3) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017.

A copy of each of: (a) the consolidated BRSA financial statements of the Group as of and for the six month period ended 30 June 2019 (including any notes thereto and the independent auditor's review report thereon, the "*Group's New BRSA Financial Statements*") and (b) the unconsolidated BRSA financial statements of the Issuer as of and for the six month period ended 30 June 2019 (including any notes thereto and the independent auditor's review report thereon and, with the Group's New BRSA Financial Statements, the "*New Financial Statements*") has been filed with the Central Bank of Ireland and the Irish Stock Exchange plc trading as Euronext Dublin 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 https://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 are 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 Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member firm of Ernst & Young Global Limited) ("*EY*"). EY's review reports included within the New Financial Statements note that: (a) a review of interim financial information: (i) consists of making inquiries primarily of persons responsible for the financial reporting process and applying analytical and other review procedures and (ii) is substantially less in scope than an independent audit performed in accordance with independent auditing standards and (b) it does not express an opinion. Accordingly, the degree of reliance upon their reports on such information should be restricted in light of the limited nature of the review procedures applied. EY's review reports included in the New Financial Statements contain a qualification. See "*Risk Factors – Risks Relating to the Group and its Business – Audit Qualification*" as amended by this Supplement.

In addition, this Supplement sets out 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 in (or incorporated by reference into the Base Prospectus by means of) this Supplement, the information contained in (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), 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, (b) significant change in the financial or trading position of either the Group or the Issuer since 30 June 2019 and (c) material adverse change in the financial position or prospects of the Issuer since 31 December 2018.

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:

All references in the Base Prospectus to the expected initial ratings by Moody's of long-term issuances of Notes under the Programme are hereby amended to "B3."

INFORMATION RELATING TO THE BENCHMARKS REGULATION

The second sentence of the second paragraph of the section titled "*Information Relating to the Benchmarks Regulation*" on page iv of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

> As of 20 August 2019, Intercontinental Exchange Benchmark Administration Limited, European Money Markets Institute (EMMI) and Czech Financial Benchmark Facility (CFBF) appear on the Register of Administrators, but none of the other Benchmark Administrators appear on the Register of Administrators.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

The following definition is hereby included under the section titled "*Alternative Performance Measures*" starting on page x of the Base Prospectus after the "*return on average total assets*" definition and before the "*total securities portfolio*" definition:

> *Stage 2 loans to performing loans*: As of a particular date, this is: (a) Stage 2 loans as of such date as a percentage of (b) the aggregate amount of cash loans and receivables (performing) as of such date.

RISK FACTORS

The following language is hereby included at the end of the second sentence of the fifth paragraph of the risk factor titled "*Risks Relating to Turkey - Political Developments*" on page 2 of the Base Prospectus:

> On 6 July 2019, the governor of the Central Bank was removed from his post by a Presidential Decree and, on the same day, President Erdoğan appointed Mr. Murat Uysal, one of the Central Bank's then-deputy governors, as the new governor of the Central Bank.

The last sentence of the sixth paragraph of the risk factor titled "*Risks Relating to Turkey – Political Developments*" on page 2 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

> On 15 July 2019, the EU adopted certain measures against Turkey over Turkey's drilling for gas in waters off Cyprus, including reducing certain funding (including loans via the European Investment Bank) and the suspension of high level communications and of the negotiations for a comprehensive air transport agreement. Any decision of the EU to end Turkey's EU accession bid or to impose sanctions on Turkey might result in (or contribute to) a deterioration of the relationship between Turkey and the EU.

The penultimate paragraph of the risk factor titled "*Risks Relating to Turkey – Political Developments*" on page 3 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

> Municipal elections were held on 31 March 2019 and the opposition parties took control of several major cities, including İstanbul, Ankara and Antalya; *however*, following an objection to the results, on 6 May 2019, the Supreme Election Board (the highest authority in Turkey regulating elections) ordered to repeat the election for İstanbul mayor in an election to be held on 23 June 2019. Mr. Ekrem İmamoğlu, the CHP's candidate who had been declared the winner of the 31 March 2019 elections and had been installed as mayor until the revote decision of the Supreme Election Board, increased his majority to 54.21% and was reinstalled as mayor on 27 June 2019.

The last sentence of the second paragraph of the risk factor titled "*Risks Relating to Turkey – Turkish Economy*" on page 4 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

> In first quarter of 2019, Turkey's GDP contracted by 2.6% year-over-year from the first quarter of 2018, but grew at a rate of 1.3% from the last quarter of 2018, ending a streak of three consecutive quarters of negative growth. In the last three quarters of 2019, the Bank's management expects that the growth in GDP will remain low.

The second sentence of the fourth paragraph of the risk factor titled "*Risks Relating to Turkey – Terrorism and Conflicts*" on page 6 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

> On 12 July 2019, Turkey accepted its first shipment of Russian S-400 surface-to-air missile systems. As a result, Turkey was excluded from NATO's F-35 stealth-fighter-jet programme on 17 July 2019. As of 20 August 2019, it is uncertain if the United States and/or any other NATO member will impose any sanctions or other measures against Turkey and, if imposed, how such might impact the Turkish economy and/or the relationship between Turkey and the United States and/or any other NATO member.

The following language is hereby included before the last sentence of the fifth paragraph of the risk factor titled "*Risks Relating to Turkey – High Current Account Deficit*" on page 9 of the Base Prospectus:

> On 25 July 2019, the Central Bank cut its policy rate by 425 basis points to 19.75%.

The fourth and fifth sentences of the first paragraph of the risk factor titled "*Risks Relating to Turkey – Inflation Risk*" on page 10 of the Base Prospectus are hereby deleted in their entirety and replaced by the following:

> On 31 July 2019, the Central Bank published its third inflation report of 2019 and reduced its inflation forecast for 2019, predicting a CPI inflation rate of 13.9% for 2019 (previously expecting a rate of 14.6% in the first inflation report of 2019). The Central Bank maintained its inflation forecasts for 2020 and 2021 at 8.2% and 5.4%, respectively. As of July 2019, the last 12 month CPI inflation was 16.6% and the last 12 month domestic producer price inflation was 21.7% (Turkstat).

The following language is hereby included at the end of the second paragraph of the risk factor titled "*Risks Relating to Turkey – Government Default*" on page 11 of the Base Prospectus:

> On 14 June 2019, Turkey's foreign currency long-term credit rating was further downgraded to "B1 (negative outlook)" from "Ba3 (negative outlook)" by Moody's. On 12 July 2019, Fitch downgraded Turkey's long-term foreign currency credit rating to "BB- (negative outlook)" from "BB (negative outlook)" and long-term local currency credit rating to "BB- (negative outlook)" from "BB+ (negative outlook)."

The following language is hereby included at the end of the second paragraph of the risk factor titled "*Risks Relating to Turkey – Counterparty Credit Risk*" on page 12 of the Base Prospectus:

> The Group's NPL ratio increased from 4.1% as of 31 December 2018 to 5.5% as of 30 June 2019 and Stage 2 loans to performing loans increased from 12.1% as of 31 December 2018 to 13.4% as of 30 June 2019 in line with the trends in the Turkish banking sector as a consequence of the depreciation of the Turkish Lira and the contraction in the growth of the Turkish economy.

The following language is hereby included at the end of the fifth paragraph of the risk factor titled "*Risks Relating to the Group and its Business – Foreign Exchange and Currency Risk*" on page 15 of the Base Prospectus:

> Following the depreciation of the Turkish Lira in early May 2019, the Central Bank again suspended its one week repo auctions from 9 May 2019 until 21 May 2019. On 17 June 2019, the Central Bank announced a facility through which it makes loans to primary dealer banks at a rate lower than the one week repo rate. On 25 July 2019, the Central Bank cut its policy rate by 425 basis points to 19.75%. From 31 December 2018 to 31 July 2019, the Turkish Lira depreciated by 5.9% against the U.S. dollar.

The following language is hereby included after the fourth sentence of the seventh paragraph of the risk factor titled "*Risks Relating to the Group and its Business – Foreign Exchange and Currency Risk*" on page 16 of the Base Prospectus:

> Following the depreciation of the Turkish Lira in early May 2019, the Central Bank again suspended its one week repo auctions from 9 May 2019 until 21 May 2019. On 9 May 2019, the Central Bank further reduced

the upper limit of the foreign exchange maintenance facility within the Reserve Options Mechanism from 40% to 30%. In addition, the Central Bank increased the reserve requirement ratios for foreign exchange liabilities by 100 basis points for all maturity brackets. On 27 May 2019, the Central Bank further increased the reserve requirement ratios for foreign exchange deposits by 200 basis points for all maturity brackets. As a result of the increases in the reserve requirement ratios on 9 May 2019 and 27 May 2019, the Central Bank expected to withdraw approximately US$3.0 billion and US$4.2 billion of liquidity, respectively, from the market. As of 15 May 2019, the tax on certain foreign exchange sales was increased from zero to 0.1% pursuant to Presidential Decree No. 1106 dated 14 May 2019; *however*, such tax will remain zero for transactions between banks (including non-Turkish banks), for transactions with the Turkish Treasury, for repayment of foreign-currency loans to banks, for exporters that are members of exporter associations (*İhracatçı Birlikleri*) and for enterprises that have an industrial registration certificate (*Sanayi Sicil Belgesi*). On 25 July 2019, the Central Bank cut its policy rate by 425 basis points to 19.75%. On 5 August 2019, the Central Bank: (a) increased reserve requirements for foreign-exchange deposits/participation funds by 100 basis points for all maturity brackets and (b) reduced the remuneration rate for U.S. dollar-denominated required reserves, reserve options and free reserves held at the Central Bank by 100 basis points to 1.00%. As a result, approximately US$2.1 billion of foreign exchange liquidity was withdrawn from the market.

The following language is hereby included at the end of the third sentence of the third paragraph of the risk factor titled "*Risks Relating to the Group's Business - Foreign Currency Borrowing and Refinancing Risk*" on page 19 of the Base Prospectus:

On 18 June 2019, following the downgrade of Turkey's foreign currency long-term credit rating, Moody's further downgraded certain of the Bank's ratings, including the Bank's senior unsecured rating, by one notch. On 19 July 2019, following the downgrade of Turkey's long-term foreign currency credit rating and long-term local currency credit rating, Fitch further downgraded the Bank's long-term local currency issuer default rating from "BB-" to "B+."

The second paragraph of the risk factor titled "*Risks Relating to the Group and its Business – Audit Qualification*" starting on page 25 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

The auditor's audit and review reports (as applicable) included in the Group's BRSA Financial Statements include: (a) a qualification related to the free provision as of 31 December 2016 amounting to TL 800 million allocated by the Bank's management, all of which had been recognised as an expense in prior periods, (b) a qualification related to the free provision amounting to TL 1,740 million as of 31 December 2017, of which TL 800 million was provided in prior years and TL 940 million as of 31 December 2017, which provision was allocated by the Bank's management for the possible effects of the negative circumstances that might arise in the economy or market conditions, (c) a qualification related to the free provision amounting to TL 1,200 million as of 31 December 2018, of which TL 1,740 million was provided in prior years, TL 350 million was reversed in the current period and TL 190 million was reversed under retained earnings by the Group's management for the possible effects of the negative circumstances that might arise from the possible changes in the economy and market conditions, and (d) a qualification related to the free provision amounting to TL 825 million allocated by the Bank's management, reflecting TL 1,200 million that was provided in prior years for the possible effects of the negative circumstances that might arise from the possible changes in the economy and market conditions and a TL 375 million reversal of such amounts during the six month period ended 30 June 2019. The Bank's auditors have qualified their audit and review reports included in the BRSA Financial Statements as free provisions do not meet the recognition criteria of Turkish Accounting Standards 37 (TAS) (Provisions, Contingent Liabilities and Contingent Assets). See also the audit and review reports included in the BRSA Financial Statements incorporated by reference into this Base Prospectus. The Bank's management expects that similar qualifications will be included in the corresponding audit or review reports for future fiscal periods.

FORM OF APPLICABLE FINAL TERMS

The last sentence of the first paragraph and third paragraph under "*Final Terms - Part A – Contractual Terms*" on page 58 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

The Base Prospectus [and the Final Terms] [has]/[have] been published on the Issuer's website ([*insert website address*]) [and the Final Terms has been [made available in printed form at the registered address of the Issuer at [*insert address*][, at the offices of [*insert the name of the financial intermediar(ies)*] at [*insert address*] [and [*insert address*], respectively] and at the offices of The Bank of New York Mellon, London

Branch at [*insert address*]]/[published at the website of the Irish Stock Exchange plc trading as Euronext Dublin].

THE GROUP AND ITS BUSINESS

The Bank's credit ratings from Moody's and Fitch set out on page 145 of the Base Prospectus are hereby deleted in their entirety and replaced by the following:

Moody's (18 June 2019)

Long-Term Local Currency/Foreign Currency Deposit Rating/Outlook	B3 / Negative
Short-Term Local Currency/Foreign Currency Deposit Rating	Not-Prime
Senior Unsecured Debt Rating/Outlook	B3 / Negative
Foreign Currency Subordinated Debt	Caa2 / Caa3 (hyb)
BCA (Baseline Credit Assessment)	caa1

Fitch (19 July 2019)

Long-Term Foreign Currency Issuer Default Rating/Outlook	B+/ Negative
Long-Term Local Currency Issuer Default Rating	B+/ Negative
National Long Term Rating/Outlook	A+(tur) / Stable
Short-Term Foreign Currency / Local Currency Issuer Default Rating	B / B
Viability Rating	b+
Support Rating	4
Support Rating Floor	B

RECENT DEVELOPMENTS

The following section titled "*Recent Developments*" is hereby included at the end of the section titled "*Business of the Group*" starting on page 116 of the Base Prospectus:

RECENT DEVELOPMENTS

In May 2019, the Bank sold TL 418.4 million of NPLs in exchange for TL 30 million, some of which NPLs were sold to the Bank's subsidiary Efes Varlık Yönetim A.Ş. (and thus remain on the Group's financial statements) and some of which were sold to Gelecek Varlık Yönetim A.Ş.

OWNERSHIP

The following language is hereby included at the end of the fourth paragraph of the section titled "*Ownership*" on page 171 of the Base Prospectus:

On 31 May 2019, the Bank's Board of Directors approved the sale of these 130,000,000 Class C shares, which decision was made by taking into account the relative improvement in economic conditions and efficient use of the Bank's capital. The Bank's head office has been authorised to determine the sale price (which should not be lower than the average buy back price), method and timing of such sales (if any).

TURKISH REGULATORY ENVIRONMENT

The first paragraph of the section titled "*Loan Loss Reserves*" on page 180 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

Pursuant to Article 53 of the Banking Law, banks must formulate, implement and regularly review policies regarding compensation for losses that have arisen or are likely to arise in connection with loans and to reserve an adequate level of provisions against such losses, for qualification and classification of loans, receipt of guarantees and securities and measurement of their value and reliability. In addition, such policies must address issues such as monitoring loans under review, write-off of such loans in accordance with Turkish Financial Reporting Standards as published by the POA, follow-up procedures and the repayment (including restructuring) of loans. Banks must also establish and operate systems to perform these functions. All special provisions set aside for loans and other receivables in accordance with this article are considered as expenditures deductible from the corporate tax base in the year in which they are set aside. The uncollectible loans that are written-off after having reserved requisite provisions are considered to be bad debt within the context of Article 322 of the Tax Procedural Law No. 213.

The following language is hereby included before the last sentence of the third paragraph of the section titled "*Liquidity and Reserve Requirements*" on page 193 of the Base Prospectus:

> See "*Risk Factors – Risks Relating to the Group and its Business – Foreign Exchange and Currency Risk.*"

The following language is hereby included at the end of the fifth paragraph of the section titled "*Liquidity and Reserve Requirements*" on page 194 of the Base Prospectus:

> On 9 May 2019 and 27 May 2019, the Central Bank increased reserve requirements for foreign-exchange deposits by 100 and 200 basis points, respectively.

The sixth paragraph of the section titled "*Consumer Loan, Provisioning and Credit Card Regulations*" on page 204 of the Base Prospectus is hereby deleted in its entirety and replaced by the following language:

> In July 2019, the Central Bank amended the Communiqué on Maximum Interest Rates to be Applied for Credit Card Transactions (which it had originally published in November 2016), replacing the then-existing rates applicable from July until September 2019. Pursuant to these amendments: (a) the maximum contractual interest rates for Turkish Lira and foreign currency credit card transactions are 2.00% and 1.60%, respectively, and (b) the monthly maximum default interest rates are 2.40% and 2.00% for credit card transactions in Turkish Lira and foreign currency, respectively, until the end of September 2019.