

**FIRST SUPPLEMENT dated July 29, 2016 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 “*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 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.

This Supplement sets out in the attached pages amendments to the Base Prospectus. Statements contained herein 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 this Supplement, the information contained in this Supplement shall prevail.

Except as disclosed herein, 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 March 31, 2016 and (c) material adverse change in the financial position or prospects of either the Bank or the Group 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 Arrangers make any representation, express or implied, or accept any responsibility, for the contents hereof.

## AMENDMENTS

The following amendments are made to the Base Prospectus:

### RISK FACTORS

The last two sentences of the second paragraph of the risk factor entitled “*Political, Economic and Legal Risks relating to Turkey – Political Developments*” on page 15 of the Base Prospectus are hereby deleted in their entirety.

The risk factor entitled “*Political, Economic and Legal Risks relating to Turkey – Political Developments*” on pages 15 and 16 of the Base Prospectus is hereby amended by the addition of the following at the end thereof:

On July 15, 2016, the Turkish government was subject to an attempted coup by a group within the Turkish army. The Turkish government and the Turkish security forces (including the Turkish army) took control of the situation in a short period of time and the ruling government remained in control. Following the coup attempt, there have been arrests of numerous individuals, including senior members of the military, police and judiciary, as well as suspension, dismissal, travel bans and legal proceedings against police officers, public employees and a number of individuals in the business community. As of July 29, 2016, investigations with respect to the attempted coup are on-going. There might be further arrests and actions taken by the government in relation to these investigations, including changes in policies and laws.

On July 20, 2016, the government declared a three month state of emergency in the country, entitling the government to exercise additional powers. Under Article 120 of the Turkish Constitution, in the event of serious indications of widespread acts of violence aimed at the destruction of the free democratic order, a state of emergency may be declared in one or more regions of, or throughout, the country for a period not exceeding six months; *however*, this period may be extended. Although, through July 29, 2016, the Bank’s operations have not been materially affected by the attempted coup, the impact on political and social circumstances following the attempted coup and its aftermath (including rating downgrades of Turkey and the Bank) might have a negative impact on the Turkish economy and institutions, the Bank’s and/or the Group’s business, result of operations and/or financial condition and/or the value and/or market price of an investment in the Notes.

### RECENT DEVELOPMENTS

The following section entitled “*Recent Developments*” is hereby included in the Base Prospectus immediately after the section entitled “*Business of the Group*”:

#### RECENT DEVELOPMENTS

On July 17, 2016, the Central Bank announced the following measures: (a) the Central Bank will provide banks unlimited liquidity as needed, (b) the commission rate for the intra-day liquidity facilities will be zero, (c) banks will be allowed to place foreign exchange deposits as collateral without any limits for any needed Turkish Lira liquidity, (d) banks’ current foreign exchange deposit limits, which was approximately US\$50 billion as of July 17, 2016, may be increased and utilization conditions (*e.g.*, collateral and cost) will be improved, if deemed necessary, (e) all markets and systems, including funds transfer and settlement systems, will be kept open until the final settlement of transactions, (f) market volume and prices will be closely monitored and (g) all other necessary measures will be taken to ensure financial stability.

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.

On July 20, 2016, S&P (now officially named as S&P Global Ratings) downgraded the long-term foreign currency sovereign rating of Turkey from “BB+” to “BB” and assigned its outlook as “Negative.” On July 22, 2016, S&P downgraded the long-term Counterparty Credit Rating of the Bank (among other Turkish banks) from “BB+” to “BB” and assigned its outlook as “Negative.” S&P downgraded the long-term Turkey National Scale Rating of the Bank from “trAA+” to “trAA-;” *however*, it affirmed the Bank’s short-term Counterparty Credit Rating at “B” and the short-term Turkey National Scale Rating at “trA-1.”

On May 24, June 21 and July 19, 2016, the Central Bank reduced the upper limit of its interest rate corridor (lending rate) by 50 basis points (to 9.50%), 50 basis points (to 9.00%) and 25 basis points (to 8.75%), respectively. The Central Bank held its one-week repo rate at 7.50% and its overnight borrowing rate at 7.25%.

## **SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS**

The first paragraph of the section entitled “*Subscription and Sale and Transfer and Selling Restrictions*” on page 227 of the Base Prospectus is hereby amended by the addition of the following at the end thereof:

The Program Agreement provides that the obligations of any Dealer to purchase Notes under any agreement for the issue and purchase of such Notes is subject to certain conditions.