THIRD SUPPLEMENT dated October 14, 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 "*Original Base Prospectus*" and, as supplemented on July 29, 2016 and August 30, 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 the information contained herein, the information contained herein shall prevail.

Except as disclosed herein 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 June 30, 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 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 second sentence of the last paragraph of the risk factor entitled "*Political, Economic and Legal Risks relating to Turkey – Political Developments*" incorporated in the Original Base Prospectus by a supplement dated July 29, 2016 is hereby amended by the addition of the following at the end thereof:

On October 11, 2016, the Grand National Assembly of Turkey ratified the Council of Ministers Decree dated October 5, 2016 related to the extension of the state of emergency for an additional three months period starting from October 19, 2016 pursuant to Article 121 of the Turkish Constitution. Further investigations and arrests and/or the continuation of the state of emergency might impact the ability of the Group's customers to meet their obligations to the Group.

The last sentence of the second paragraph of the risk factor entitled "*Risks Relating to Turkey – Terrorism and Conflicts*" on page 17 of the Original Base Prospectus is hereby amended by the addition of the following at the end thereof:

On August 24, 2016, Turkey began military operations in Syria in an effort to clear ISIS from the Turkish-Syrian border. These operations might lead to potential retaliation attacks by terrorist groups and additional security risks in Turkey. There is on-going tension in the region, which has been elevated following Iraq's October 5, 2016 request for a U.N. Security Council meeting to discuss the presence of Turkish troops in Northern Iraq.

RECENT DEVELOPMENTS

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

On September 22, 2016, the Central Bank reduced the upper limit of its interest rate corridor (lending rate) by 25 basis points to 8.25%. The Central Bank held its one-week repo rate (policy rate) unchanged at 7.50% and its overnight borrowing rate unchanged at 7.25%.

On September 26, 2016, following the downgrade of the sovereign rating of Turkey to "Ba1" (with a stable outlook) from "Baa3" (under review for downgrade), Moody's downgraded ratings of 14 Turkish financial institutions, including the Bank. The Bank's ratings from Moody's are as follows:

Moody's (September 26, 2016)

Bank Deposit Foreign Currency	Ba2 / Stable / Not-Prime
Bank Deposit Local Currency	Ba1 / Stable / Not-Prime
Foreign Currency Issuer	Ba1 / Stable
Foreign Currency Subordinated Debt	Ba3 / B1

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).

TURKISH REGULATORY ENVIRONMENT

The second paragraph of the section entitled "*Loan Loss Reserves - Group I: Loans of a Standard Nature and Other Receivables*" on page 193 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 two sentences of the second paragraph of the section entitled "*Loan Loss Reserves - Group II: Loans and Other Receivables Under Close Monitoring*" on pages 193 and 194 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, 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 loans), the loan conditions of which are amended in order to extend the first payment schedule." on page 195 of the Original Base Prospectus is hereby deleted in its entirety.

The fourth paragraph of the section entitled "*Liquidity and Reserve Requirements*" on page 205 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following:

Pursuant to the Communiqué regarding Reserve Requirements, starting from September 9, 2016, the reserve requirements regarding Turkish Lira liabilities vary by category and tenor, as set forth below:

Category of Turkish Lira Liabilities	**Required Reserve Ratio**
1) Deposit/participation accounts (excluding deposit/participation accounts held at foreign banks)	
Up to 3 months maturity (including 3 months)	10.5%
Up to 6 months maturity (including 6 months)	7.5%
Up to 1 year maturity	5.5%
With maturities of 1 year and longer	4.0%
2) Borrowers' deposit accounts held at development and investment banks*	10.5%
3) Other liabilities (including deposit/participation accounts held at foreign banks)	
Up to 1 year maturity (including 1 year)	10.5%
Up to 3 years maturity (including 3 years)	7.0%
Longer than 3 years maturity	4.0%

** Due to 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.*

The third paragraph of the section entitled "*Consumer Loan, Provisioning and Credit Card Regulations*" on page 215 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following:

The BRSA, by amending the Regulation on Bank Cards and Credit Cards, has adopted limitations on the length of the periods of installment payments on credit cards. Pursuant to such limitations, the installment payment period (including the period for the postponement of payments and the debts split into installments for a fee) 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 period (including the period for the postponement of payments and the debts split into installments for a fee) for the purchase of goods and services and cash withdrawals are not permitted to exceed 12 months. Also, pursuant to the provisional article to the Regulation on Bank Cards and Credit Cards, the debt balance of a credit card calculated as of September 27, 2016 can be split into installments limited to 72 months upon the request of the relevant cardholder.

The fifth paragraph of the section entitled "*Consumer Loan, Provisioning and Credit Card Regulations"* on page 216 of the Original Base Prospectus is hereby deleted in its entirety.

The seventh paragraph of the section entitled "*Consumer Loan, Provisioning and Credit Card Regulations*" on page 216 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following:

On December 31, 2013, the BRSA adopted rules on loan-to-value and installments of certain types of loans. According to these rules, 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), auto loans and loans secured by autos may not have a maturity longer than 48 months, whereas the maturity 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) were not permitted to exceed 36 months. According to the new rules adopted by the BRSA on September 27, 2016, the minimum loan-to-value requirement for: (a) housing loans extended to consumers, (b) loans (except auto loans) secured by houses and (c) financial lease transactions for housing is 80% (which was 75% before such amendments) and, as for limitations regarding installments, the maturity 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 the 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 an additional loan is provided to the customer within the scope of the restructuring).