

(Convenience Translation of Consolidated Financial Statements and Related Disclosures and Footnotes Originally Issued in Turkish, See Note 2.1)

**İş Finansal Kiralama
Anonim Şirketi and Its Subsidiary**

Consolidated Financial Statements

As at and for the year ended

31 December 2014

With Independent Auditors' Report

Akis Bağımsız Denetim ve Serbest Muhasebeci
Mali Müşavirlik Anonim Şirketi

29 January 2015

This report contains "Independent Auditors' Report" comprising 2 pages and the "Consolidated Financial Statements and Their Explanatory Notes" comprising 77 pages.



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**Convenience Translation of the Consolidated Auditors' Report
Originally Prepared and Issued in Turkish (See Note 2.1)**

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
İş Finansal Kiralama Anonim Şirketi,

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated statement of financial position of İş Finansal Kiralama Anonim Şirketi ("the Company") and its subsidiary (all together "the Group") as at 31 December 2014, and the related consolidated statement of profit or loss, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory notes

Management's Responsibility for the Consolidated Financial Statements

The Board of Directors of the Company is responsible for the establishment of an internal control system, selection and application of appropriate accounting policies for the preparation and fair presentation of the financial statements in accordance with the "Communiqué on Uniform Chart of Accounts and Prospectus to be implemented by Financial Leasing, Factoring and Financing Companies" and "Regulation on Accounting Practices and Financial Statements of Financial Leasing, Factoring and Financing Companies" the published in the Official Gazette dated 24 December 2013 and numbered 28861 and Turkish Accounting Standards, Turkish Financial Reporting Standards and other regulations, communiqués, and circulars announced by the Banking Regulation and Supervision Agency ("BRSA") in respect of accounting and financial reporting, free from material misstatement, whether due to fraud or error that could lead to false information within.

Auditors' Responsibility

Our responsibility, as independent auditors, is to express an opinion on these financial statements based on our audit. Our audit is performed in accordance with the "Regulation on Authorization and Activities of Institutions to Perform Independent Audit in Banks" published on the Official Gazette no. 26333 dated 1 November 2006 and Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). We planned and conducted our audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. Our audit includes using the audit techniques for the purpose of obtaining evidence supporting the amounts and disclosures in the financial statements. The selection of the audit techniques is made in accordance with our professional judgment by taking the effectiveness of the controls over financial reporting into consideration and assessing the appropriateness of the applied accounting policies. However, our object is to set forth the relationship between the financial statements prepared by the Company management and the internal control system to design audit techniques according to conditions, rather than expressing an opinion about effectiveness of the internal control. We believe that our audit provides a reasonable basis for our audit opinion.



Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of İş Finansal Kiralama Anonim Şirketi and its subsidiary as at 31 December 2014 and the results of its consolidated operations and consolidated cash flows for the year then ended in accordance with the communiqués, regulations and circulars issued by the BRSA regarding accounting and financial reporting.

Report on Other Legal and Regulatory Requirements

- 1) Pursuant to the fourth paragraph of Article 398 of the Turkish Commercial Code (“TCC”) no. 6102; Auditors’ Report on System and Committee of Early Identification of Risks is presented to the Board of Directors of the Company on 29 January 2015.
- 2) Pursuant to the fourth paragraph of Article 402 of the TCC; no significant matter has come to our attention that causes us to believe that the Company’s bookkeeping activities for the period 1 January - 31 December 2014 are not in compliance with TCC and the Company’s articles of association in relation to financial reporting.
- 3) Pursuant to the fourth paragraph of Article 402 of the TCC; the Board of Directors provided us the necessary explanations and requested documents in connection with the audit.

Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

A member of KPMG International Cooperative

Orhan Akova

Partner, SMMM

29 January 2015

İstanbul, Turkey