

13 January 2017

TÜRKİYE GARANTİ BANKASI A.Ş.

**Issue of USD 23,000,000 2.90 per cent. Fixed Rate Notes due 18 January 2018 (the Notes)
under the U.S.\$6,000,000,000
Global Medium Term Note Programme**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus 24 March 2016 and the supplements to it dated 12 May 2016, 29 July 2016, 31 August 2016 and 26 October 2016, respectively, which together constitute a base prospectus for the purposes of the Prospectus Directive (the **Base Prospectus**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the Issuer's website (<https://www.garantiinvestorrelations.com/en/debt-information/GMTN/GMTN/48/2723/0>).

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| 1. | Issuer: | Türkiye Garanti Bankası A.Ş. |
| 2. | (a) Series Number: | 2017-1 |
| | (b) Tranche Number: | 1 |
| | (c) Date on which the Notes will be consolidated and form a single Series: | Not Applicable |
| 3. | Specified Currency or Currencies: | United States Dollars ("USD") |
| 4. | Aggregate Nominal Amount: | |
| | (a) Series: | USD 23,000,000 |
| | (b) Tranche: | USD 23,000,000 |
| 5. | Issue Price: | 100.00 per cent. of the Aggregate Nominal Amount of the Tranche |
| 6. | (a) Specified Denomination: | USD 200,000 |
| | (b) Calculation Amount: | USD 200,000 |
| 7. | (a) Issue Date: | 17 January 2017 |
| | (b) Interest Commencement Date: | Issue Date |
| 8. | Maturity Date: | 18 January 2018 |
| 9. | Interest Basis: | 2.90 per cent. Fixed Rate |
| | | (see paragraph 14 below) |

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| 10. | Redemption Basis: | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100.00 per cent. of their nominal amount |
| 11. | Change of Interest Basis: | Not Applicable |
| 12. | Put/Call Options: | Not Applicable |
| 13. | (a) Status of the Notes: | Senior |
| | (b) Date Board approval for issuance of Notes obtained: | Not Applicable |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 14. | Fixed Rate Note Provisions | Applicable |
| | (a) Rate(s) of Interest: | 2.90 per cent. per annum payable semi-annually in arrear on each Interest Payment Date |
| | (b) Interest Payment Date(s): | 18 July 2017 and the Maturity Date.

There will be a long first interest period from (and including) the Issue Date to (but excluding) 18 July 2017 |
| | (c) Fixed Coupon Amount(s): | USD 2,900 per Calculation Amount |
| | (d) Broken Amount(s): | USD 2,916.11 per Calculation Amount payable on the Interest Payment Date falling on 18 July 2017 |
| | (e) Day Count Fraction: | 30/360 |
| | (f) Determination Date(s): | Not Applicable |
| | (g) Modified Fixed Rate Notes: | Not Applicable |
| 15. | Floating Rate Note Provisions | Not Applicable |
| 16. | Zero Coupon Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 17. | Notice periods for Condition 8.2: | Minimum period: 15 days

Maximum period: 30 days |
| 18. | Issuer Call: | Not Applicable |
| 19. | Investor Put: | Not Applicable |

20. Final Redemption Amount: USD 200,000 per Calculation Amount
21. Early Redemption Amount payable on redemption for taxation reasons or on event of default: USD 200,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

22. Form of Notes:
- (a) Form: Bearer Notes:
- Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event
- (b) New Global Note: No
23. Additional Financial Centre(s): Not Applicable
24. Talons for future Coupons to be attached to Definitive Notes: No

PROVISIONS APPLICABLE TO TURKISH LIRA NOTES

25. USD Payment election: Not Applicable

PROVISIONS APPLICABLE TO RMB NOTES

26. RMB Currency Event: Not Applicable

Signed on behalf of **TÜRKİYE GARANTİ BANKASI A.Ş.**

By:

BEDRİ UZMAN
Duly authorised

By:

GENELİ GÖRAN
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (a) Listing and Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the Official List and admitted to trading on the Main Securities Market of the Irish Stock Exchange plc with effect from 17 January 2017.
- (b) Estimate of total expenses related to admission to trading: EUR 600

2. RATINGS

Ratings: The following ratings reflect ratings assigned to Notes of the type issued under the Programme generally:

Ba1 by Moody's Investor Services Ltd. ("Moody's")

BBB by Fitch Ratings Ltd. ("Fitch")

Each of Moody's and Fitch is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the "CRA Regulation").

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Dealer, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Dealer and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. YIELD

Indication of yield: 2.90 per cent. per annum

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5. OPERATIONAL INFORMATION

- (a) ISIN Code: XS1551057554
- (b) Common Code: 155105755
- (c) CUSIP: Not Applicable
- (d) Any clearing system(s) other: Not Applicable

than DTC, Euroclear and Clearstream, Luxembourg and the relevant identification number(s):

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| (e) | Delivery: | Delivery against payment |
| (f) | Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |
| (g) | Deemed delivery of clearing system notices for the purposes of Condition 15: | Any notice delivered to Noteholders through the clearing systems will be deemed to have been given on the first business day after the day on which it was given to the relevant clearing system. |
| (h) | Intended to be held in a manner which would allow Eurosystem eligibility: | No. Whilst the designation is specified as "no" at the date of these Final Terms should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. |

6. DISTRIBUTION

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| (a) | Method of distribution: | Non-syndicated |
| (b) | If syndicated, names of Managers: | Not Applicable |
| (c) | Date of Subscription Agreement: | Not Applicable |
| (d) | Stabilising Manager(s) (if any): | Not Applicable |
| (e) | If non-syndicated, name of relevant Dealer: | ING Bank N.V. |
| (f) | U.S. Selling Restrictions: | Reg. S Compliance Category 2; TEFRA D applicable |