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Chairman’s Statement

The World economy remained fragile and the growth figure was disappointing again in 2015. This weak economic growth was bundled with deflationary fears. Central banks continued to provide liquidity and some had to start operating with the negative interest rates. On the other hand, the price of oil and other commodities declined again during the year. Low oil prices provided support for the world economy in general, being more in favour of the importing countries.

Economic fragility was accompanied by geopolitical tensions, which provoked a dramatic inflow of refugees to Europe.

Against this background, the banking industry was operating within a continuously changing regulatory framework jeopardizing real growth. The global banking industry is expected to face challenging market conditions with a high degree of dependence on the macroeconomic development. Besides the low interest rate environment will add to the challenge.

The Bank has maintained its low risk appetite in 2015 due to the continuing volatility in the markets and political tensions around the World. The total gross assets (without country reserve deduction) at the end of 2015 were CHF 609 million and corresponded with a 5% increase compared to previous year figures. Due from customers reached to CHF 298 million for the same period from 287 CHF million in 2014. Positive and negative replacement values on client driven derivative financial instruments increased in 2015 with the high volatility in the currency market.

The Bank arranged a club loan deal with the participation of 10 banks amounting to USD 77 million in December 2015 for one year and maintained its diversified funding base with the help of repo and money market transactions with counterparties.

The Bank realised CHF 11.2 million gross profit in 2015 after allocating specific and country reserves. The Bank released CHF 5.7 million from country reserves and allocated CHF 6.4 million to the general reserves from its current year income for 2015. Accordingly, the net income realized was CHF 3.6 million.

The appropriation of the retained earnings proposed by the Board of Directors as at December 31, 2015, is as follows:

Retained Earnings Available in	CHF
Net Income for the year	3,646,376
Profit brought forward	11,293,204

	14,939,580
Proposition for distribution by The General Meeting of Shareholders	
Dividend to be proposed/paid	-
To be carried forward	14,939,580

	14,939,580

Taking this opportunity, I would like to thank Management and Staff for their dedication and teamwork without which these results could not have been achieved.

Geneva April 6, 2016

Chairman

Eric Fiechter

Board of Directors

Eric Fiechter	Chairman
Otto Bruderer	Vice-Chairman
Hüsnü M. Özyeğin	Member of the Board
Fevzi Bozer	Member of the Board
Murat Başbay	Member of the Board
Fritz Deiters	Member of the Board

Audit and Risk Group

Eric Fiechter	Chairman
Fritz Deiters	Member of the Board

Due to the requirements of the Dutch regulators in charge of the parent company, the Board composition of the Swiss bank had to be changed, and the only two independent directors, who are also not members of the credit committee, accepted to be designated to perform the audit tasks assigned to Board members, one of them being the Chairman. According to FINMA circular 08/24, no audit committee is required.

The Management

H. Oktay Gümrükçü	Chief Executive Officer
Y. Aykut Cimir	Deputy Chief Executive Officer

Contact Details

Credit Europe Bank (Suisse) SA
12, Rue du Mont-Blanc
1201 Geneva - Switzerland

Tel. : (41) 22 839 1919
Fax : (41) 22 839 1900

Credit Europe Bank (Suisse) SA in Brief

History

Credit Europe Bank (Suisse) SA (formerly Finansbank (Suisse) SA), "**the Bank**", was acquired by Finansbank AŞ Turkey in 1990 as the first non-Turkish subsidiary of FIBA Group. Due to the sale of Finansbank A.S. in August 2006, FIBA Group Banks were re-branded into Credit Europe Bank.

The Bank is fully owned by Credit Europe Bank NV, the Nederlands and under the consolidated supervision of the Dutch Parent Bank.

Activities

The Bank is active in three main business lines:

- Trade Finance and Corporate Banking
- Private Banking
- Treasury Activities

The Bank has focused on Trade Finance activities for the last 2 years and will continue to increase its concentration in handling more structured trade and commodity finance transactions.

Private Banking activities would be still the second major business line contributing the gross profit of the Bank.

The asset growth that would be achieved in accordance with the business plan will be financed by diversified funding sources such as club loans, bi-lateral agreements, repo and money market borrowings. In connection with the increased activities, the Bank has already renewed its club deal facility amounting to USD 80 million with a one year maturity. The deal was successfully subscribed with the participation of many reputable banks around the world.

In terms of capital planning for the new three years considering the stress scenario assumptions, the Bank is well capitalized to implement its business plan for the future.

The Bank has outsourced its operational activities and IT core banking software to a well-known name, Crédit Agricole (Suisse) SA, who has resilient experiences in supplying operational services to third parties since October 2007.

There is no assignment change at Management level and no significant mandates given to the third parties other than the outsourced operations mentioned above.

The Bank does not have any research or development activities.

The number of full-time positions was 54 on average for 2015.

Risk Management

The Bank has defined the risks, set out the measures and implementation of risk mitigation factors, monitoring tools, review and reporting procedures in its Master Directive for Risk Management. The Directive covers all related risks under major captions as credit risk, market risk and operational risk. There are specific policy and procedures issued by the Bank for each caption to manage the related risks such as Credit Policy, Country Limits, Sector Limits, Trading and Investment limits as well as Operational Risk and New Product policies. Besides, the Bank has implemented an Internal Control System Framework in order to achieve effective internal control.

The Bank has a conservative risk approach and defined its risk appetite as “low” and has designed its risk management approach with 3 lines of defense consisted of: 1st line of defense carried out by business line Management, 2nd line of defense performed by the control functions and 3rd line of defense represented by Internal Audit. The risk management is under the supervision of Audit and Risk Group and the Board of Directors and the risk assessments and risk evolutions are monitored regularly and closely by the Management, Audit and Risk Group and the Board of Directors.

Extraordinary Events

The Bank did not have any extraordinary events occurred subsequently except the closure of Istanbul Representation Office by February 29, 2016.

Financial Highlights

CHF - thousands	31.12.2015	31.12.2014
Receivables from Banks	119,778	148,038
Receivables from Customers	298,484	287,073
Total Assets	584,222	550,458
Bank Borrowings	84,355	128,565
Customer Deposits	256,500	205,654
Shareholders' Equity	140,693	135,283
Assets Under Custody (USD - millions)	1,244.99	1,362.63
Trade Finance Volume (USD - millions)	859.05	1,000.14
BIS (%)	30.35%	28.67%
Operating Income	25,858	29,839
Operating Expense	14,618	14,691
Operating Profit	11,240	15,148
Net Income	3,646	5,144

Financial Review

The Bank continued to focus on the trade finance activities in 2015 and trade finance volume reached to USD 859 million in 2015. Private banking activities remained one of the main business lines and total assets under custody and management amounted to USD 1.2 billion at the end of 2015.

The receivables from customers as of December 31, 2015 were CHF 298 million and total net assets realized as CHF 584 million for the same period after deduction of country risk provision. The Bank has maintained its diversified funding sources with the renewal of syndication facility amounting to USD 80 million in December 2015 for one year with the participations of 10 banks. In addition to bank borrowings, the Bank has kept its strong customer demand deposits in 2015 at a sustained level above CHF 200 million as was the case in previous years.

SNB lifted the EUR/CHF floor rate up and has implemented a negative interest rate in January 2015, the exchange rate moved in average from 1.22 in 2014 to 1.07 in 2015. As our assets and revenues are denominated in USD and EUR mainly, it adversely affected our income in 2015. However, the Bank closely monitored its operational expenses, even if cost increases due to business growth and regulatory requirements were inevitable. Accordingly, the gross income in 2015 was CHF 11. 2 million and the net income realized as 3.6 after allocating 6.4 million to other provisions regarding general banking risks.

The Bank maintained its strong capital base at CHF 140 million and the BIS ratio at 30.35% in 2015.

Information on Regulatory Capital

CHF - thousands

Regulatory Capital	**31.12.2015**	**31.12.2014**
Total eligible capital (in thousand CHF)	140,693	135,283
Required capital (in thousand CHF)	37,092	37,751
Ratio CET1	12.7%	11.7%
Ratio T1	12.7%	11.7%
Solvency ratio	30.3%	28.7%
Anticyclical buffer	Not applicable	Not applicable
The global CET1 requirement according to FINMA-Circ. 11/2	7.0%	7.0%
The global T1 requirement according to FINMA-Circ. 11/2	8.5%	8.5%
The global Solvency Ratio requirement according to FINMA-Circ. 11/2	10.5%	10.5%
Leverage ratio	9.4%	8.7%

Information on Liquidity Coverage Ratio (LCR)

The Bank has implemented its Liquidity Policy as an integral part of the asset and liability management process in order to mitigate the liquidity risk. The Bank monitors its Liquidity Coverage Ratio (LCR) closely and has kept LCR ratio always above 60% that is the legal minimum requirement for Banks.

Liquidity Coverage Ratio (LCR)	**2015**
1st Quarter 2015 LCR ratio (%)	153.3%
2nd Quarter 2015 LCR ratio (%)	173.9%
3rd Quarter 2015 LCR ratio (%)	158.4%
4th Quarter 2015 LCR ratio (%)	157.6%

Corporate Banking & Trade Finance

The Bank renders diverse corporate and commercial banking products; ranging from cash/non-cash loans to foreign trade finance to its customers through its specialized sales and operations staff. As a result of our tailor-made approach, credit products are formulated to accommodate specific needs of each and every client.

The Bank has decided to focus on more trade finance activities and engaged new Relationship Managers.

Thanks to this customer-oriented sales and marketing strategy, company-specific service approach and perspective that consider clients as long-term business partners, last year the Bank has realized a trade finance volume above 850 million USD.

Seeing customer relations as the basis for long-lasting partnerships and opting to stand by its customers under all circumstances, the Bank aims to further solidify its business relationships with its existing clients via innovative products and cash/non-cash loan facilities in 2016 while broadening its corporate segment activities through new customer acquisitions.

Private Banking

In 2015, the Bank successfully fulfilled its objective of further enhancing ongoing relationships with its current client base while keeping intact its aim of attracting more customers into private banking client portfolio. In order to reach its goal, the Bank makes available to its high-net-worth clients a wide range of wealth management services via diversified investment products.

The Bank managed asset under custody and management volume of USD 1.2 billion in 2015.

On the field of Private Banking, our main goal will continue to increase investment performance of our clients with tailor-made solutions.

International Relations

As a result of its experience in global financial markets as well as strong and deep-rooted relationships, the Bank has a dynamic and flexible structure that can quickly adapt to the changing global conditions when it comes to creating, borrowing and serving the clients' needs on the international front.

Observing the fast changing nature of the financial environment, we maintained our conservative approach with regards to allocating limits to the banks while we continued to focus on building strong working relationships with the banks who are counterparties for trade finance transactions of our exporting and importing clients.

On the other hand, the Bank has successfully achieved to complete a one-year dual tranche club loan facility approximately 80 million USD in December 2015. This facility is going to be used for the pre-export financing requirements of our exporting clients.

Treasury

The Treasury Department manages the liquidity of the Bank within risk management guidelines and principles, and conducts investments in high quality fixed income securities as part of this strategy. Besides prudent treasury management, the in-depth market knowledge and client focus of the team provides tailor-made investment solutions for client's needs.

During 2015, the Bank keeps a close watch on the developments in the international markets, assessing the risk parameters within the framework of the principles of prudence and profitability and focused its attention on product diversification in order to respond in the best way possible to its clients' needs in today's rapidly changing markets.

In addition, Treasury Department conducts its business by employing the most current risk management techniques, taking into account global market developments and other risk factors.

Looking forward to 2016, following economic developments and keeping up with financial innovations will be the key to success in limiting risk and improving risk adjusted returns for both clients and the Treasury Department.

Auditors’ Report & Financial Statements