

Company Profile

Organization Name:	Istanbul Clearing, Settlement and Custody Bank Inc., Takasbank
Country/ Region:	Turkey
Name of CEO:	Murat ULUS
Capital (US\$):	Paid-in Capital: USD 206 million as of 31.12.2015
Number of Officers and Employees:	285 employees as of 31.12.2015
Ownership and Governance (Main Shareholders)	<p>Takasbank has 54 shareholders:</p> <ul style="list-style-type: none"> • 13 banks • 40 brokerage houses • Borsa Istanbul. <p>Banks; %17.78, Borsa Istanbul; %62.25, Brokerage Houses;%19.97 (as of 31.12.2015)</p>
Brief History	<p>Clearing and settlement of securities traded on the Istanbul Stock Exchange (ISE) were first executed by a department formed within the ISE in 1988. In January 1992, the settlement and custody task were transferred to the company, İMKB Takas ve Saklama A. Ş (ISE Settlement and Custody, Inc), which was founded as a partnership between the ISE and its members. This company was converted into a sector-specific bank named Takasbank -İMKB Takas ve Saklama Bankası A.Ş (ISE Settlement and Custody Bank, Inc) on January 2, 1996 and has been operating as a non-deposit taking investment bank since that time.</p> <p>On 11 April 2013, subsequent to the name change of ISE as “Borsa Istanbul Inc.”, ISE Settlement and Custody Bank, Inc changed its name to “Istanbul Clearing, Settlement and Custody Bank Inc.” and continued its operations. With the completion of the dematerialization process of equities in Turkey, in 2005, Takasbank handed over its CSD function for equities to the newly established institution, the Central Registry Agency (CRA). Takasbank has % 65 shares of CRA.</p> <p>Takasbank is authorized by the Turkish Capital Market Authority, the Capital Markets Board (CMB) to provide clearing and settlement services for Borsa Istanbul markets (spot and precious metals). In addition, Takasbank provides cash clearing and collateral management services to Turkish Electricity Market participants. Takasbank is also providing CCP services for Borsa Istanbul Futures and Options Markets as of 3 March 2014 as well as Takasbank Securities Lending Market as of 2 September 2013.</p> <p>Furthermore, Takasbank provides collateral agency services for mortgage financing firms.</p> <p>In addition, Takasbank is the National Numbering</p>

	<p>Agency of Turkey allocating ISIN, CFI and all related codes to the securities issued in Turkey. Moreover, as of 11 November 2013, Takasbank is endorsed by ROC (Regulatory Oversight Committee) as the pre-operating unit responsible for the allocation of Legal Entity Identifier (LEI) codes. Takasbank also provides issuer CSD services for investment fund portfolio assets and conducts custody services to private pension fund units at beneficial owner basis as well as safe-keeping for de-listed fungible and non-fungible stocks. As of July 2014, Takasbank is authorized by the CMB as the portfolio custody institution for the portfolio assets of collective investment schemes. Takasbank is a sector-specific bank established under the Turkish Banking Law and incorporated as a non-deposit taking investment bank dedicated to securities services in Turkey. Takasbank, with its banking capacity, apart from its unique securities services mentioned above, provides money market facility and banking services including cash credits, securities lending and cross-border settlement and custody services via SWIFT and correspondent accounts to its members to achieve settlement finality. Another very important service provided by Takasbank is to enable brokerage houses, having no access to the national payment system operated by the Central Bank of Turkey (CBRT), to transfer both securities and cash via Takasbank system electronically in real time with CBRT electronic fund and securities transfer system which is called TETS.</p>
<p>Types and number of Participants</p>	<p>As of 31.12.2015;</p> <p>Electricity Market Participants: 953</p> <p>Investment Funds: 423</p> <p>Private Pension Funds: 250</p> <p>Brokerage Houses: 78</p> <p>Precious Metal Brokerage Houses: 72</p> <p>Banks: 53</p> <p>Portfolio Management Companies: 48</p> <p>Real Estate Investment Trust: 31</p> <p>Private Pension Companies: 19</p> <p>Institutional Investors: 17</p> <p>Commodity Exc. and Licensed Warehouses: 20</p> <p>Exchange Traded Funds: 12</p> <p>Investment Trusts: 10</p> <p>Venture Capital Trust: 15</p> <p>Asset Finance Fund: 8</p> <p>Insurance Companies: 8</p> <p>Development Bank: 5</p> <p>Foreign Customers (Local Custody): 1</p> <p>Real Estate Portfolio Management Company: 3</p>

	<p>Factoring Companies: 32</p> <p>Leasing Companies: 11</p> <p>Financing Companies: 4</p> <p>Total: 2,073</p>
Regulatory Environment	<p>Banking Regulation & Supervision Agency</p> <p>Capital Markets Board</p> <p>Central Bank of Turkey</p> <p>Tax Authority</p>
Stock Exchanges	Borsa Istanbul
Other CSDs or clearing organization in your country	<p>Central Registry Agency (CRA)- CSD for equities and private sector debt instruments, government bonds & bills at beneficial-owner basis.</p> <p>Central Bank (CBTR)- CSD for government bonds & bills</p>
Services Provided	<p>Central clearing and settlement services for Borsa Istanbul (BIAS) spot (equity, debt securities)</p> <ul style="list-style-type: none"> • Central counterparty for Borsa Istanbul Futures and Options Market and Takasbank Securities Lending Market • Settlement bank for Turkish Electricity Market, • Operator of the Takasbank Money Market (TMM) for TRY transactions, • Operator of the Turkish Electronic Fund Trading Platform, • Issuer CSD for the Pension Funds, • Portfolio custody services for the portfolios of the collective investment schemes incorporated in Turkey, • Global and local custody services, • National numbering agency for securities issued in Turkey (ISIN, CFI), • Local operating unit for LEI allocation for local and international legal entities, • Collateral Agent for mortgage financing firms.
Eligible Securities	All kinds of securities traded on Borsa Istanbul
Corporate Action services Provided? Yes/No (If yes, what kinds of services provided?)	N/A
Value of Securities in Custody (US\$):	N/A

Amount of Cash Settled per annum (US\$):	N/A
Percentage of Securities Immobilized/ Dematerialized:	N/A
Market Capitalization/ Trading volume per annum (US\$):	N/A
Total Revenue/ Expense and Net income Per annum (US\$):	As of 31.12.2015; Total Revenue=USD 116.083.410 Total Expense= USD 41.919.742 Net Profit= USD 59.877.320
Memorandum of Understanding/ Business Agreement (Date)	MoU: Azerbaijan National Depository Center-2007 Iran Central Securities Depository Ins.-2008 Muscat Depository&Registration Company of Oman-2009 Abu Dhabi Securities Exchange-2010 Korea Securities Depository-2010 Switzerland SIX Exchange Securities Group (SIX x-clear and SIX SIS)-2012 Misr for Clearing, Depository and Registry, MCDR-2012 Korean Securities Depository regarding Fund Platforms-2012 Japan Securities Depository Center Inc., -2013 Tunisian Depository &Clearing Institution-2013
Cross-Broader Transaction (Counterpart)	N/A
Withholding Tax Treatment of Cross-Border Trading Transactions (Details)	N/A
DVP Implementation (Yes/No)	Yes (Model 3 DvP for debt securities and Model 1 DvP for equities)
Settlement Period	Equities: T+2 Bonds and Bills: T+0 Derivatives: T+1 for cash derivatives settlement, T+3 for physically settled stock options.
Contact Information	Contact person: Ms. Zeynep Sahin, Manager Tel: +90 212 315 25 25 Faks: +90 212 315 2214 Ms. Aylin Sumru, Assistant Manager

	<p>Tel: +90 212 315 2525</p> <p>Faks: +90 212 315 2214</p> <p>E-mail: international@takasbank.com.tr</p> <p>website: www.takasbank.com.tr</p>
<p>Remarks</p>	<p>Statistics</p> <p>In 2014, after multilateral netting process, in Borsa Istanbul Equity Market settlement transactions, cash settlement of USD 25.94 billion (6.89% of the total trading volume) and equities settlement with a market value of USD 79.86 billion (21.22% of the total trading volume) was achieved.</p> <p>At Borsa Istanbul Debt Securities Market, after multilateral netting process, cash settlement of USD 446.78 billion (13.55% of the total trading volume) and securities settlement with a market value of USD 2,013.39 billion (61.07% of the total trading volume) was achieved.</p> <p>At Borsa Istanbul Futures and Options Market (VIOP), the open interest volume reached to 388, 529 and market value to USD 803.76 million by December 31, 2014. Additionally, the trading volume was recorded as USD 185,472 million by December 31, 2014. The total number of open accounts in VIOP reached 94,430 by the end of the year.</p> <p>Future Prospects;</p> <p>In 2016, Takasbank intends to;</p> <ul style="list-style-type: none"> • Continue its efforts to become a CCP for all organized markets and launch its CCP services for Borsa Istanbul Equity Market by 1 H 2016 and Debt Securities Market by 2017 • Actively participate in the studies of technological infrastructure migration in clearing, settlement and risk management for all markets of Borsa Istanbul within the scope of the strategic partnership agreement signed between Borsa Istanbul and Nasdaq OMX.