Akbank Turkish Fixed Income Fund

Turkish Fixed Income Fund invests in sovereign and corporate debt securities issued in Turkey. The utilization of local know-how, active duration management, curve positioning and individual security selection helps to enhance the fund return and outperforms passive investing. The investment style of the fund is a combination of Top – Down & Spread Trader. The product is suitable for medium to long term investors with higher risk appétite. The risks related to movements in bond prices, resulting from interest-rate fluctuations and currency developments and to some extent changes in the quality of the corporate held portfolio. Selection of securities is conducted in line with the investment manager's risk management policies and guidelines.

Fund Information

NAV (Class I - Class A) : EUR 129,67 EUR 141,31

 Fund Size
 : EUR 38.973.861

 Launch Date
 : 02 July 2008

 Currency
 : EUR

Legal Status : Luxembourg SICAV

Reference Index* : 90% KYDABI + 10% KYD O/N Gross
*The benchmark has been updated as of 02/01/2012. KYDABI: KYD All Bond Index
(www.tkyd.org.tr)

| Performance Figures | | Fund ¹ | Benchmark |
|------------------------------|---------------------|-------------------|-----------|
| Since Inception ² | 07.08.08 - 30.01.15 | 32% | 34% |
| 2009 | 31.12.08 - 31.12.09 | 17% | 18% |
| 2010 | 31.12.09 - 31.12.10 | 15% | 16% |
| 2011 | 31.12.10 - 30.12.11 | -12% | -12% |
| 2012 | 30.12.11 - 31.12.12 | 21% | 22% |
| 2013 | 31.12.12 - 31.12.13 | -20% | -21% |
| 2014 | 31.12.13 - 31.12.14 | 21% | 22% |
| YTD | 31.12.13 - 30.01.15 | 6% | 6% |
| MTD | 31.12.14 - 30.01.15 | 6% | 6% |
| 1 | | | |

¹ Fund performance is gross of fees and does not reflect the deduction of investment management

² 07.08.2008 is the start date of active portfolio management for Institutional class share.

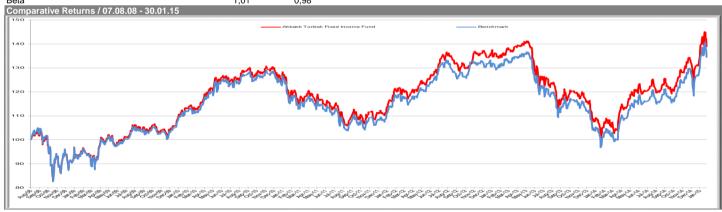
| Investment Allocation (%) | |
|---------------------------|--------|
| Bonds | 95,94% |
| Money Market | 4,06% |
| Top holdings (%) | |
| TRT240216T10 | 14,51% |
| TRT130515T11 | 12,04% |
| TRT120122T17 | 8,40% |
| TRT200618T18 | 7,78% |
| TRT140218T10 | 7,34% |

| Risk Ratios (Annualized) | YTD | Since Inception |
|--------------------------|-------|--------------------|
| Fund Volatility | 14% | 13% |
| Benchmark Volatility | 13% | 13% |
| Tracking Error | 0,04 | 0,03 |
| Jensen's Alpha | -0,03 | 0,00 |
| Sharpe | 7,00 | -0,14 |
| Information Ratio | -0,53 | 0,17 |
| Beta | 1,01 | 0,98 |

Market Overview

January has been a month when the QE program of the ECB was a major agenda item. The ECB has announced a EUR 60bn-per month asset purchase program for a 19-month period, which add up to a huge program of EUR 1.1bn. The declining trend in the oil stabilized and has still been supportive for countries like Turkey, India and South Africa. Another major item was the FOMC meeting at the end of the month where the market participants looked for hints for the rate hike outlook and further policy actions. It looks like the market is now more focused on the pace of the hikes from the FED rather than the timing of the first hike (lift-off). In the US, the job market and other indicators like ISM-manufacturing and ISM-services show the economy is very strong. Yet, the concerns in the US are still more inclined towards the inflation outlook (specifically the 'wage inflation'), meaning that the FED is expected to provide its accommodative monetary at least until the first half of 2015. On the whole, ECB was the most effective factor in EM economies and the lack of a more hawkish FED stance was also supportive. In January, emerging markets moved positively in their stocks, currencies and the rate markets in general.

On the domestic side, the CBRT kept its policy rate constant at 7.5%, and the upper band at 11.25%, referring to the inflationary concerns. The y-o-y inflation rate dropped from 8.2% to 7.2%, but it is still considerably higher than the market expectations. So, the CBRT's so-called emergency rate cut process is said to be postponed. The yield curve's inversion has decreased as the benchmark interest rate moved from 8.0% to 6.9% throughout the month. Although most of the market players still expect the CBRT to cut the rates in its consecutive meetings due to declining inflation outlook, some think that it should not be on the table as it would make the currency more fragile. Turkish Lira underperformed some of its peers, and depreciated from 2.3 to 2.4 against the US Dollar. 5 year Turkish CDS spreads rose from 183 to 192, staying neutral among its EM peers. The real effective exchange rate was announced to be 116.85; higher than the prior month's reading of 113.14, which shows TL's weakness compared to its trade partners. The O/N reverse repo rates have still been trading closer to the upper bound of the interest rate corridor, as the CBRT is aware of the weakness of the currency. The Turkish Treasury successfully completed its domestic financing program in January and the total amount issued to the market was realized as TRY 9.3bn.



The graph represents gross of fees performance.

Administrative Information Luxembourg Fund Name Akbank Turkish SICAV Registered Countries LU0366550621 ISIN: A Class Germany I Class LU0366550977 The Netherlands Bloomberg (AKTKFII:LX; AKTKFIA:LX) TRY Class LU0451096159 Registered Databases WKN: A Class A0Q8MB Lipper I Class A008MD Morningstar (Germany, Netherlands) Minimum Subscription: A Class EUR 50 Software-systems EUR 5.000 I Class Investment Manager Ak Asset Management Inc. TRY Class TRY 100.000 Administrator / Custodian Citibank International plc (Luxembourg Branch) Subscription/Redemption * Daily Independent Auditors Ernst & Young S.A. A Class 1.00% p.a. Management Fee I Class 0.75% p.a. 0.75% p.a. TRY Class

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^{*} Redemption and subscription requests should be sent to the Registrar and the Transfer Agent no later than 1:00PM (Luxembourg time) on the valuation day.

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