NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2012

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

I. CONSOLIDATED BALANCE SHEET (CONSOLIDATED STATEMENT OF FINANCIAL POSITION)

				Reviewed		Audited					
			Current period			Prior period					
			30 June 2012			31 December 2011					
	ASSETS	Note	TRY	FC	Total	TRY	FC	Total			
I. II.	CASH AND BALANCES WITH THE CENTRAL BANK FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND	(1)	3.567.874	7.161.684	10.729.558	2.511.197	4.776.536	7.287.733			
	LOSS (Net)	(2)	18.779	121.354	140.133	39.599	109.900	149.499			
2.1	Trading financial assets		18.779	121.354	140.133	39.599	109.900	149.499			
2.1.1	Public sector debt securities		8.953	10.282	19.235	22.435	10.413	32.848			
2.1.2	Share certificates		349	104.540	349	-		- 02.020			
2.1.3 2.1.4	Financial assets held for trading Other marketable securities		5 9.472	104.540 6.532	104.545 16.004	37 17.127	92.902 6.585	92.939 23.712			
2.1.4	Financial assets at fair value through profit and loss		9.472	0.332	10.004	17.127	0.363	23.712			
2.2.1	Public sector debt securities		-	-	-	-	-	-			
2.2.2	Share certificates		_	_	_	_	_	_			
2.2.3	Loans		_	_	_	_	_	_			
2.2.4	Other marketable securities		-	-	-	-	-	-			
III.	BANKS	(3)	68.964	1.733.881	1.802.845	38.568	1.500.137	1.538.705			
IV.	MONEY MARKET PLACEMENTS		99.931	-	99.931	33.313	-	33.313			
4.1	Interbank money market placements		-	-	-	-	-	-			
4.2	Istanbul Stock Exchange Money Market placements		98.557	-	98.557	32.394	-	32.394			
4.3	Receivables from reverse repurchase agreements		1.374	-	1.374	919	-	919			
v.	FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(4)	8.281.096	1.245.909	9.527.005	7.770.489	1.619.931	9.390.420			
5.1	Share certificates		8.912	10.010	18.922	5.476	10.095	15.571			
5.2	Public sector debt securities		8.272.184	1.235.899	9.508.083	7.765.013	1.609.836	9.374.849			
5.3	Other marketable securities		-	-	-	-	-	-			
VI.	LOANS AND RECEIVABLES	(5)	43.267.661	17.293.787	60.561.448	38.597.858	17.685.745	56.283.603			
6.1	Loans and receivables		42.988.779	17.290.982	60.279.761	38.330.900	17.682.932	56.013.832			
6.1.1 6.1.2	Loans extended to risk group of the Bank Public sector debt securities		-	-	-	-	-	-			
6.1.3	Other		42.988.779	17.290.982	60.279.761	38.330.900	17.682.932	56.013.832			
6.2	Loans under follow-up		1.732.127	12.636	1.744.763	1.668.695	12.189	1.680.884			
6.3	Specific provisions (-)		1.453.245	9.831	1.463.076	1.401.737	9.376	1.411.113			
VII.	FACTORING RECEIVABLES		1.433.243	7.031 -	-	-	J.570 -	-			
VIII.	HELD TO MATURITY INVESTMENTS (Net)	(6)	12.601.361	2.483.187	15.084.548	12.019.233	2.045.225	14.064.458			
8.1	Public sector debt securities	(-)	12.601.361	2.483.187	15.084.548	12.019.233	2.045.225	14.064.458			
8.2	Other marketable securities		-	-	-	-	-	-			
IX.	INVESTMENTS IN ASSOCIATES (Net)	(7)	21.419	136.944	158.363	24.215	131.273	155.488			
9.1	Accounted under equity method		14.554	136.944	151.498	14.344	131.273	145.617			
9.2	Unconsolidated associates		6.865	-	6.865	9.871	-	9.871			
9.2.1	Financial investments		-	-	-	8.819	-	8.819			
9.2.2	Non-financial investments		6.865	-	6.865	1.052	-	1.052			
Χ.	INVESTMENTS IN SUBSIDIARIES (Net)	(8)	-	-	-	-	-	-			
10.1	Unconsolidated financial subsidiaries		-	-	-	-	-	-			
10.2	Unconsolidated non-financial subsidiaries	(0)	-	-	-	-	-	-			
XI.	JOINT VENTURES (Net)	(9)	-	-	-	-	-	-			
11.1 11.2	Accounted with equity method		-	-	-	-	-	-			
11.2.1	Unconsolidated joint ventures Financial joint ventures		-	-	-	-	-	-			
11.2.1	Non-financial joint ventures		-	-	-	-	-	-			
XII.	FINANCE LEASE RECEIVABLES (Net)	(10)	136.270	815.510	951.780	124.961	764.572	889.533			
12.1	Finance lease receivables	(10)	166.604	942.822	1.109.426	159.285	889.299	1.048.584			
12.2	Operating lease receivables		-		-	-	-	-			
12.3	Other		_	_	_	_	_	_			
12.4	Unearned income (-)		30.334	127.312	157.646	34.324	124.727	159.051			
XIII.	DERIVATIVE FINANCIAL ASSETS FOR FOR HEDGING	(11)									
	PURPOSES		-	-	-	-	-	-			
13.1	Fair value risk hedging		-	-	-	-	-	-			
13.2	Cash flow risk hedging		-	-	-	-	-	-			
13.3	Net abroad investment risk hedging		-	-	-	-	-	-			
XIV.	TANGIBLE ASSETS (Net)	(12)	1.516.404	22.545	1.538.949	1.292.527	22.334	1.314.861			
XV.	INTANGIBLE ASSETS (Net)	(13)	33.532	14.570	48.102	29.508	16.035	45.543			
15.1	Goodwill			-	-		-	-			
15.2	Other	(1.1)	33.532	14.570	48.102	29.508	16.035	45.543			
XVI.	INVESTMENT PROPERTIES (Net) TAX ASSET	(14)	155.014	-	150.000	107 407	-	107.593			
XVII.		(15)	155.916	90	156.006	106.486	97	106.583			
17.1	Current assets for tax Deferred assets for tax		422 155 404	90	512 155 494	12.815	97	12.912			
17.2	ASSETS HELD FOR SALE AND HELD FROM DISCONTINUED	(16)	155.494	-	155.494	93.671	-	93.671			
XVIII.	OPERATIONS (Net)	(10)	12 667		12.667	85.623		85.623			
18.1	Held for sale purpose		12.667 12.667	-	12.667	85.623 85.623	-	85.623 85.623			
18.1	Held from discontinued operations		12.007	-	12.00/	03.023	-	03.023			
XIX.	OTHER ASSETS	(17)	843.988	67.621	911.609	744.739	70.556	815.295			
		(-/)	3-12-12-00	UNUEL	, 21,007		. 0.000	0101270			
	TOTAL ASSETS		70.625.862	31.097.082	101.722.944	63.418.316	28.742.341	92.160.657			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2012

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

I. CONSOLIDATED BALANCE SHEET (CONSOLIDATED STATEMENT OF FINANCIAL POSITION)

				Reviewed			Audited		
			Current period			Prior period 31 December 2011			
	LIABILITIES AND SHAREHOLDERS'EQUITY	Note	TRY	30 June 2012 FC	Total	TRY	December 20. FC	11 Total	
	DEPOSITS	(1)		28.058.653	78.156.025	44.029.636	22.198.874	66.228.510	
	Deposits Held by the Risk Group of the Parent Bank		36.285	3	36.288	69.408	14.622	84.030	
	Other	(2)		28.058.650	78.119.737	43.960.228	22.184.252	66.144.480	
	DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)	12	50.203	50.215	44	65.314	65.358	
	BORROWING FUNDING LOANS	(3)	541.927	6.205.692	6.747.619	435.310	6.575.035	7.010.345	
	MONEY MARKET BALANCES		804.488	99.458	903.946	4.093.779	847.930	4.941.709	
	Interbank money market takings Istanbul Stock Exchange Takasbank takings		119.213	-	119.213	37.177	-	37.177	
	Funds from repurchase agreements		685.275	99.458	784.733	4.056.602	847.930	4.904.532	
	MARKETABLE SECURITIES ISSUED (Net)	(4)	735.712	99.430	735.712	4.030.002	847.930	4.904.532	
	Treasury bills	(4)	735.712	_	735.712	495.611		495.611	
	Asset-backed securities		733.712	_	755.712	475.011	_	475.011	
	Bonds		_	_	_	_	_	_	
	FUNDS	(5)	1.384.220	_	1.384.220	1.345.234	_	1.345.234	
	Borrower Funds		72.049	-	72.049	32.847	-	32.847	
	Other		1.312.171	-	1.312.171	1.312.387	_	1.312.387	
VII.	SUNDRY CREDITORS		1.365.053	64.763	1.429.816	1.084.441	86.946	1.171.387	
VIII.	OTHER LIABILITIES	(6)	256.670	237.406	494.076	397.572	184.256	581.828	
IX.	FACTORING PAYABLES		-	-	-	-	-	-	
Χ.	FINANCE LEASE PAYABLES	(7)	-	-	-	-	-	-	
10.1	Finance lease payables		-	-	-	-	-	-	
	Operating lease payables		-	-	-	-	-	-	
	Other		-	-	-	-	-	-	
	Deferred finance lease expenses (-)		-	-	-	-	-	-	
	DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING	(8)	-	-	-	-	-	-	
	Fair value risk hedging		-	-	-	-	-	-	
	Cash flow risk hedging		-	-	-	-	-	-	
	Net abroad investment risk hedging	(0)	-	-	-	-	-	-	
	PROVISIONS	(9)	1.847.595	22.284	1.869.879	1.547.395	19.890	1.567.285	
	General loan provisions		790.842	3.367	794.209	656.783	3.131	659.914	
	Restructuring provisions		350.580	-	350.580	320.290	-	320.290	
	Employee benefits provisions Insurance technical reserves (Net)		365.858	-	365.858	320.290	-	320.290	
	Other provisions		340.315	18.917	359.232	261.045	16.759	277.804	
	TAX LIABILITY	(10)	296.449	1.692	298.141	190.674	1.846	192.520	
	Current tax liability	(10)	296.412	4	296.416	190.674	23	190.697	
	Deferred tax liability		37	1.688	1.725	-	1.823	1.823	
	LIABILITIES FOR ASSET HELD FOR SALE AND HELD FROM								
	DISCONTINUED OPERATIONS (Net)	(11)	_	_	_	-	_	-	
	Held for sale purpose			-	-	-	-	-	
	Held from discontinued operations		-	-	-	-	-	-	
XV.	SUBORDINATED CAPITAL	(12)	-	-	-	-	-	-	
XVI.	SHAREHOLDERS' EQUITY	(13)	9.612.791	40.504	9.653.295	8.848.336	(287.466)	8.560.870	
16.1	Paid-in capital		1.250.000	-	1.250.000	1.250.000	-	1.250.000	
	Capital Reserves		1.215.614	(17.288)	1.198.326	1.297.443	(354.964)	942.479	
	Share Premium		-	-	-	-	-	-	
	Share cancellation profits		-	-	-	-	-	-	
	Marketable securities revaluation fund		(5.068)	(17.288)	(22.356)	76.761	(354.964)	(278.203)	
	Tangible assets revaluation reserves		-	-	-	-	-	-	
	Intangible assets revaluation reserves		-	-	-	-	-	-	
	Revaluation reserves of real estates for investment purpose		-	-	-	-	-	-	
	Non-paid-up shares of subsidiaries, associates and joint ventures		231	-	231	231	-	231	
	Hedging Funds (effective portion)		-	-	-	-	-	-	
	Value Increase on Non-current Assets Held for Sale and Discontinued								
	Operations Other period recovers		1 220 451	-	1.220.451	1 220 451	-	1 220 451	
	Other capital reserves Profit reserves		1.220.451 5.921.601	4.470	5.926.071	1.220.451 4.260.209	19.859	1.220.451 4.280.068	
	Legal reserves		915.223	(410)	914.813	765.200	17.039	765.200	
	Statutory reserves		713.223	(410)	714.013	105.200	-	703.200	
	Extraordinary reserves		4.956.948	_	4.956.948	3.447.828	-	3.447.828	
	Other profit reserves		49.430	4.880	54.310	47.181	19.859	67.040	
	Profit/Loss		1.219.456	51.848	1.271.304	2.035.430	46.053	2.081.483	
	Prior years income/loss		(10.483)	46.463	35.980	8.731	45.373	54.104	
	Period profit/loss		1.229.939	5.385	1.235.324	2.026.699	680	2.027.379	
	Minority shares	(14)	6.120	1.474	7.594	5.254	1.586	6.840	
	•	` '							
	TOTAL LIABILITIES AND EQUITY		66.942.289	34.780.655	101.722.944	62.468.032	29.692.625	92.160.657	

TÜRKİYE HALK BANKASI AŞ CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2012

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

II. CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS

				Reviewed urrent period		Audited Prior period				
	OPPRIATION OF STREET	Note		30 June 2012			December 2011			
	OFF BALANCE SHEET	Note	TRY	FC	Total	TRY	FC	Total		
A.	COMMITMENTS AND CONTINGENCIES (I+II+III)		79.464.907	22.905.926	102.370.833	80.613.586	16.627.863	97.241.449		
I.	GUARANTEES AND SURETYSHIPS	(1)	9.017.921	9.929.184	18.947.105	8.825.107	9.030.170	17.855.277		
1.1	Letters of guarantee		8.568.584	5.279.116	13.847.700	7.625.151	5.097.170	12.722.321		
1.1.1 1.1.2	Guarantees subject to public procurement law Guarantees given for foreign trade operations		578.244	3.943.804	4.522.048	543.113	4.062.660	4.605.773		
1.1.3	Other letters of guarantee		7.990.340	1.335.312	9.325.652	7.082.038	1.034.510	8.116.548		
1.2	Bank loans		114.656	1.252.476	1.367.132	5.620	622.372	627.992		
1.2.1	Import acceptances		-	196.689	196.689	-	147.772	147.772		
1.2.2	Other bank acceptances		114.656	1.055.787	1.170.443	5.620	474.600	480.220		
1.3	Letters of credit		51.111	3.088.508	3.139.619	988.711	3.093.197	4.081.908		
1.3.1	Documentary letters of credit		51.111	3.088.508	3.139.619	988.711	3.093.197	4.081.908		
1.3.2	Other letters of credit		-	-	-	-	-	-		
1.4 1.5	Guaranteed prefinancings Endorsements		-	-	-	-	-	-		
1.5.1	Endorsements to Central Bank of Turkish Republic		-	_	-	-	-			
1.5.2	Other Endorsements		_	_	_	-	-	_		
1.6	Purchase guarantees on marketable security issuance		-	-	_	-	-	-		
1.7	Factoring guarantees		-	-	-	-	-	-		
1.8	Other guarantees		283.340	309.084	592.424	205.395	217.431	422.826		
1.9	Other suretyships		230		230	230		230		
II.	COMMITMENTS	(1)	66.632.000	867.723	67.499.723	70.356.620	893.328	71.249.948		
2.1 2.1.1	Irrevocable commitments Forward asset purchase commitments		11.671.720 103.323	776.902 429.932	12.448.622 533.255	10.371.656 154.699	893.328 522.386	11.264.984 677.085		
2.1.2	Forward deposit purchase and sale commitments		103.323	429.932	333.233	134.099	322.360	077.065		
2.1.3	Capital commitments to subsidiaries and associates		1.000	_	1.000	1.000	_	1.000		
2.1.4	Loan granting commitments		637.895	339.495	977.390	528.010	362.025	890.035		
2.1.5	Securities underwriting commitments		-	-	-	-	-	-		
2.1.6	Payment commitments for reserve deposits		-	-	-	-	-	-		
2.1.7	Payment commitments for cheques		4.660.482	-	4.660.482	3.976.513	-	3.976.513		
2.1.8	Tax and fund liabilities from export commitments		12.486	-	12.486	11.389	-	11.389		
2.1.9	Commitments for credit card expenditure limits		5.103.772	3.751	5.107.523	4.614.215	4.369	4.618.584		
2.1.10 2.1.11	Commitments for credit cards and banking services promotions		27.008	-	27.008	26.857	-	26.857		
2.1.11	Receivables from short sale commitments Payables for short sale commitments		-	-	-	-	-	-		
2.1.12	Other irrevocable commitments		1.125.754	3.724	1.129.478	1.058.973	4.548	1.063.521		
2.2	Revocable commitments		54.960.280	90.821	55.051.101	59.984.964	4.540	59.984.964		
2.2.1	Revocable loan granting commitments		54.960.280	90.821	55.051.101	59.984.964	-	59.984.964		
2.2.2	Other revocable commitments		-	-	-	-	-	-		
III.	DERIVATIVE FINANCIAL INSTRUMENTS		3.814.986	12.109.019	15.924.005	1.431.859	6.704.365	8.136.224		
3.1	Derivative financial instruments for hedging		-	-	-	-	-	-		
3.1.1	Fair value risk hedging transactions		-	-	-	-	-	-		
3.1.2	Cash flow risk hedging transactions		-	-	-	-	-	-		
3.1.3 3.2	Net foreign investment risk hedging transactions Transactions for trading		3.814.986	12.109.019	15.924.005	1.431.859	6.704.365	8.136.224		
3.2.1	Forward foreign currency buy/sell transactions		251.725	1.403.372	1.655.097	253.014	1.947.025	2.200.039		
3.2.1.1	Forward foreign currency transactions-buy		121.748	217.979	339.727	107.162	222.569	329.731		
3.2.1.2	Forward foreign currency transactions-sell		129.977	1.185.393	1.315.370	145.852	1.724.456	1.870.308		
3.2.2	Currency and interest rate swaps		3.423.804	9.520.423	12.944.227	907.911	2.904.372	3.812.283		
3.2.2.1	Currency swap-buy		-	6.484.757	6.484.757	37.792	1.878.713	1.916.505		
3.2.2.2	Currency swap-sell		3.423.804	3.035.666	6.459.470	870.119	1.025.659	1.895.778		
3.2.2.3	Interest rate swap-buy		-	-	-	-	-	-		
3.2.2.4	Interest rate swap-sell		- 00.257	102.607	104.054	72.044	-	120.740		
3.2.3 3.2.3.1	Currency, interest rate and marketable securities options Currency call options		80.357 40.396	103.697 51.654	184.054 92.050	72.864 36.410	65.896 32.970	138.760 69.380		
3.2.3.1	Currency put options		39.961	52.043	92.004	36.454	32.926	69.380		
3.2.3.3	Interest rate call options		39.901	52.045	92.004	30.434	32.920	09.300		
3.2.3.4	Interest rate put options		_	_	_	_	_	_		
3.2.3.5	Marketable securities call options		-	-	-	-	-	-		
3.2.3.6	Marketable securities put options		-	-	-	-	-	-		
3.2.4	Currency futures		-	-	-	-	-	-		
3.2.4.1	Currency futures-buy		-	-	-	-	-	-		
3.2.4.2	Currency futures-sell		-	-	-	-	-	-		
3.2.5	Interest rate buy/sell futures		-	-	-	-	-	-		
3.2.5.1 3.2.5.2	Interest rate futures-buy Interest rate futures-sell		-	-	-	-	-	-		
3.2.5.2	Other		59.100	1.081.527	1.140.627	198.070	1.787.072	1.985.142		
В.	CUSTODY AND PLEDGED ASSETS (IV+V+VI)		538.221.142	271.761.841	809.982.983	468.439.063	257.727.659	726.166.722		
IV.	CUSTODIES		97.529.321	8.937.685	106.467.006	86.517.071	9.065.031	95.582.102		
4.1	Assets under management		-				-	-		
4.2	Custody marketable securities		33.907.933	285.114	34.193.047	30.685.555	300.524	30.986.079		
4.3	Cheques in collection process		7.032.779	5.271.773	12.304.552	5.914.701	5.311.108	11.225.809		
4.4	Commercial notes in collection process		38.036.612	306.119	38.342.731	32.414.352	274.624	32.688.976		
4.5	Other assets in collection process Underwritten securities		613	-	613	613	-	613		
4.6 4.7	Underwritten securities Other custodies		1.178 4.365	3.270	1.178 7.635	640 2.245	3.418	640 5.663		
4.7	Other custodies Custodians		4.365 18.545.841	3.071.409	21.617.250	2.245 17.498.965	3.418	20.674.322		
V.	PLEDGED ASSETS		440.691.821	262.824.156	703.515.977	381.921.992	248.662.628	630.584.620		
5.1	Marketable securities		1.562.623	210.267	1.772.890	1.528.764	221.573	1.750.337		
5.2	Collateral notes		5.201.535	408.925	5.610.460	4.491.731	413.970	4.905.701		
5.3	Commodity		25.830	-	25.830	25.830	-	25.830		
5.4	Warranty		-	-	-	-	-	-		
5.5	Land and buildings		87.785.689	36.335.560	124.121.249	78.511.399	35.516.868	114.028.267		
5.6	Other pledged assets		343.358.719	225.348.192	568.706.911	294.494.533	212.035.121	506.529.654		
5.7	Pledges		2.757.425	521.212	3.278.637	2.869.735	475.096	3.344.831		
VI.	ACCEPTED BILL GUARANTEES AND SURETIES		-	-	-	-	-	-		
	TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		617.686.049	294.667.767	912.353.816	549.052.649	274.355.522	823.408.171		
	TOTAL OFF DALANCE SHEET ACCOUNTS (A+D)		017.000.049	427.00/./0/	714.333.010	ンマン・ひごム・ひキブ	417.333.344	043.400.1/1		

TÜRKİYE HALK BANKASI AŞ CONSOLIDATED STATEMENT OF INCOME FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2012

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

III. CONSOLIDATED STATEMENT OF INCOME

			Reviewed	Reviewed	Reviewed	Reviewed
			Current period	Prior period	Current period	Prior period
	NACONEL VID EXPENSES		1 January-30	1 January-30	1 April-30	1 April-30
	INCOME AND EXPENSES	Note	June 2012	June 2011	June 2012	June 2011
I.	INTEREST INCOME	(1)	4.537.989	3.255.889	2.337.743	1.704.380
1.1	Interest on loans	(1)	3.246.960	2.337.006	1.681.331	1.209.791
1.2	Interest received from reserve deposits		147	2.337.000	81	(50)
1.3	Interest received from banks		5.124	3.670	3.180	2.622
1.4	Interest received from money market placements		7.288	128	7.263	16
1.5	Interest income on marketable securities		1.235.848	911.232	625.615	489.580
1.5.1	Financial assets held for trading		2.076	3.333	1.193	1.592
1.5.2	Financial assets at fair value through profit and loss			-	-	-
1.5.3	Financial assets available-for-sale		445.706	335.808	223.074	187.335
1.5.4	Investments held-to-maturity		788.066	572.091	401.348	300.653
1.6	Finance lease income		38.225		19.603	-
1.7	Other interest income		4.397	3.853	670	2.421
П.	INTEREST EXPENSE	(2)	2.273.392	1.714.590	1.130.905	903.271
2.1	Interest on deposits	(-)	2.014.329	1.442.653	1.031.980	739.591
2.2	Interest on borrowings		90.791	52.445	47.134	28.964
2.3	Interest on money market borrowings		105.705	201.578	20.234	126.248
2.4	Interest on marketable securities issued		35.978	201.570	19.230	120.240
2.5	Other interest expense		26.589	17.914	12.327	8.468
III.	NET INTEREST INCOME [I – II]		2.264.597	1.541.299	1.206.838	801.109
IV.	NET FEES AND COMMISSIONS INCOME				258.805	
	Fees and commissions income		412.321	324.854		172.913
4.1			492.566	377.562	302.534	202.458
4.1.1	Non-cash loans	(4.0)	59.856	51.074	31.010	26.110
4.1.2	Other	(10)	432.710	326.488	271.524	176.348
4.2	Fees and commissions expenses		80.245	52.708	43.729	29.545
4.2.1	Non-cash loans		877	41	221	23
4.2.2	Other		79.368	52.667	43.508	29.522
V.	DIVIDEND INCOME		655	5.552	652	5.407
VI.	NET TRADING PROFIT (NET)	(3)	17.758	96.369	6.263	(9.144)
6.1	Profit/loss from capital market operations		69.348	52.866	41.532	14.008
6.2	Profit/loss from financial derivative transactions		(315.666)	186.728	(279.529)	166.349
6.3	Foreign exchange gains/losses		264.076	(143.225)	244.260	(189.501)
VII.	OTHER OPERATING INCOME	(4)	342.663	467.460	168.970	277.451
VIII.	TOTAL OPERATING INCOME (III+IV+V+VI+VII)		3.037.994	2.435.534	1.641.528	1.247.736
IX.	LOANS AND OTHER RECEIVABLES IMPAIRMENT LOSS PROVISIONS (-)	(5)	369.845	201.719	223.454	115.512
X.	OTHER OPERATING EXPENSES(-)	(6)	1.091.195	974.576	564.763	496.876
XI.	NET OPERATING INCOME/(LOSS) (VIII-IX-X)		1.576.954	1.259.239	853.311	635.348
XII.	AMOUNT RECORDED IN EXCESS AS GAIN AFTER MERGER		-	-	-	
XIII.	PROFIT/LOSSES FROM EQUITY METHOD APPLIED SUBSIDIARIES		4.829	(471)	1.582	(5.567)
XIV	GAIN / (LOSS) ON NET MONETARY POSITION			()		(0.007)
XV.	INCOME/(LOSS) BEFORE TAXES (XI+XII+XIII+XIV)	(7)	1.581.783	1.258.768	854.893	629.781
XVI.	TAX INCOME PROVISION (±)	(8)	(345.601)	(261.305)	(187.407)	(129.523)
16.1	Current tax provision	(0)	(462.309)	(141.919)	(179.420)	(95.362)
16.2			116.708			
	Deferred tax provision NET OPERATING INCOME AFTER TAX (XV±XVI)	(0)		(119.386)	(7.987)	(34.161)
XVII.	· · · · · · · · · · · · · · · · · · ·	(9)	1.236.182	997.463	667.486	500.258
XVIII.	INCOME FROM DISCONTINUED OPERATIONS		-	-	-	-
18.1 18.2	Property and equipment income held for sale		=	-	-	-
	Sale profits from associates, subsidiaries and joint ventures (business partners)		-	-	-	-
18.3	Other income from terminated operations		-	-	-	-
XIX.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-	-	-
19.1	Property and equipment expense held for sale		-	-	-	-
19.2	Sale losses from associates, subsidiaries and joint ventures (business partners)		-	-	=	-
19.3	Other expenses from discontinued operations		-	-	-	-
XX.	INCOME/EXPENSE BEFORE TAXES FROM DISCONTINUED OPERATIONS	-				
XXI.	(XVIII-XIX) PROVISION FOR TAYES ON INCOME FROM DISCONTINUED	(7)	-	-	-	-
AAL	PROVISION FOR TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)	(8)				
21.1	Current tax provision	(0)	-	-	•	-
21.1	Deferred tax provision		-	-	-	-
XXII.	NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI)	(9)	-	-	-	-
	NET PROFIT/(LOSS) (XVII+XXII)	(10)	1 227 192	007.4/2	-	-
XXIII.		(10)	1.236.182	997.463	667.486	500.258
	Group's profit/loss		1.235.324	998.554	666.891	500.271
	Minority shares profit/loss		858	(1.091)	595	(13)
	To the distribution of the property of the pro					
	Earnings/losses per share (Full TRY)		0,98895	0,79884	0,53399	0,40022

TÜRKİYE HALK BANKASI AŞ CONSOLIDATED STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2012

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

IV. CONSOLIDATED STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY

		Reviewed	Reviewed
		Current period	Prior period
		1 January -	1 January -
	STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY	30 June 2012	30 June 2011
I.	ADDITIONS TO MARKETABLE SECURITIES REVALUATION DIFFERENCES FOR AVAILABLE FOR SALE FINANCIAL ASSETS	310.671	(225.148)
II.	TANGIBLE ASSETS REVALUATION DIFFERENCES		-
III.	INTANGIBLE ASSETS REVALUATION DIFFERENCES		-
IV.	FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	(12.871)	16.798
V. VI.	PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR CASH FLOW HEDGE PURPOSES (Effective portion of fair value differences) PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGE OF NET INVESTMENTS IN FOREIGN OPERATIONS	-	-
	(Effective portion of fair value differences)	-	-
VII.	THE EFFECT OF CORRECTIONS OF ERRORS AND CHANGES IN ACCOUNTING POLICIES	-	-
VIII.	OTHER PROFIT LOSS ITEMS ACCOUNTED UNDER EQUITY DUE TO TAS	-	170
IX.	DEFERRED TAX OF VALUATION DIFFERENCES	(54.787)	42.011
X.	TOTAL NET PROFIT/LOSS ACCOUNTED UNDER EQUITY (I+II++IX)	243.013	(166.169)
XI.	PROFIT/LOSS	1.236.182	997.463
11.1	Change in fair value of marketable securities (Transfer to profit/loss)	46.871	63.304
11.2	Reclassification and transfer of derivatives accounted for cash flow hedge purposes to income statement	-	-
11.3	Transfer of hedge of net investments in foreign operations to income statement	-	-
11.4	Other	1.189.311	934.159
XII.	TOTAL PROFIT/LOSS ACCOUNTED FOR THE PERIOD (X±XI)	1.479.195	831.294

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2012

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

			Effect of inflation adjustments on paid in	Share cancellation	Legal S	Statutory Extra-ordinary		income/	Prior period net		Revaluation changes in prop. and equip. and int.	I Free shares from	Value change in pro. and equip Hedging held for sale	excluding minority	Minority	
	1 January 2011 – 30 June 2011	Note Paid in capital	capital	premium profit	reserves	reserves reserves	reserves	(loss)	income/(loss)	marketable sec.	assets	shareholders	funds purp./term. op	. shares	shares	Total equity
I.	Balance at the beginning of prior period	1.250.000	1.220.451		620.349	- 2.225.576	47.181	1.842.695	45.998	113.530	-	61		7.365.841	6.484	7.372.325
II.	Corrections according to TAS 8		-		-		-	-	-	-	-	-		-	-	
2.1	The effect of corrections of errors	-	-		-		-	-	-	-	-	-		-	-	-
2.2	The effects of changes in accounting policy				-				-		-	-				
III.	New balance (I + II)	1.250.000	1.220.451		620.349	- 2.225.576	47.181	1.842.695	45.998	113.530	-	61		7.365.841	6.484	7.372.325
737	Changes within the period														2 005	2 005
IV. V.	Increase/decrease generated by merger Valuation changes in marketable securities		-		-		-	-	-	(183.143)	-	-		(183.143)	3.885	3.885 (183.137)
V. VI.	Valuation changes in marketable securities Hedging funds (effective portion)							-		(103.143)	-			(103.143)		(103.137)
6.1	Cash-flow hedge	_	_		_		_	_	_	-	_	_		_	-	_
6.2	Hedges for investment made in foreign countries	_	_		_		_	_	_	-	_	_		_	-	_
VII.	Revaluation changes of property and equipment		-					-	-	-	-	-		-	_	-
VIII.	Revaluation changes of intangible assets		-		-		-	-	-	-	-	-		-	-	-
IX.	Free shares from investment and associates, subsidiaries and joint ventures (business partners).		-		-		-	-	-	-	-	170		170	-	170
X.	Foreign exchange differences	-	-		-		16.798	-	-	-	-	-		16.798	-	16.798
XI.	Changes after disposal of securities		-		-		-	-	-	-	-	-		-	-	-
XII.	Changes after reclassification of securities		-		-		-	-	-	-	-	-		-	-	-
XIII.	Effect of changes in shareholders' equity of investments and associates to bank's shareholders' equity	-	-		-		-	-	-	-	-	-		-	-	-
XIV.	Increase in capital	•	-		-		-	-	-	-	-	-		-	-	-
14.1	Cash	-	-		-		-	-	-	-	-	-		-	-	-
14.2	From internal resources	-	-		-		-	-	-	-	-	-		-	-	-
XV.	Issuance of share certificates at end of period Share cancellation profits	•	-		•		-	-	-	-	-	-		-	-	-
XVI. XVII.	Adjustment to paid-in capital	-						-	-	-	-	-		-	_	
XVIII.			- :			: :										
XIX.	Net profit or losses		_					998.554	_	-	-	-		998.554	(1.091)	997.463
XX.	Profit distribution		_		144.851	- 1.222.252	_	(1.842.695)	8.106	-	-	-		(467.486)	(536)	(468.022)
20.1	Dividends distributed	-	_					-	(467.486)	-	-	_		(467.486)	(536)	(468.022)
20.2	Transfers to legal reserves	-	-		144.851	- 1.222.252	-	-	(1.367.103)	-	-	-		_	-	_
20.3	Other	-	-		-		-	(1.842.695)	1.842.695	-	-	-		-	-	-
	Closing balance	1.250.000	1.220.451		765.200	- 3.447.828	63.979	998.554	54.104	(69.613)	-	231		7.730.734	8.748	7.739.482
	1 January 2012 – 30 June 2012															
I.	Balance at end of prior period	1.250.000	1.220.451		765.200	- 3.447.828	67.040	2.027.379	54.104	(278.203)	-	231		8.554.030	6.840	8.560.870
	Changes within the period															
II.	Increase or decrease generated by merger		-		-		-	-	-		-	-				
III.	Valuation changes in marketable securities	•	-		-		-	-	-	255.847	-	-		255.847	37	255.884
IV.	Hedging Funds (effective portion)	•	-		-		-	-	-	-	-	-		-	-	-
4.1	Cash flow hedge	•	-		-		-	-	-	-	-	-		-	-	-
4.2 V.	Hedges for investments made in foreign countries Revaluation changes of property and equipment	•	-		•		-	-	-	-	-	-		-		-
VI.	Revaluation changes of intangible assets	-														_
VII.	Free shares from investment and associates, subsidiaries and joint ventures (business partners)		- :			: :								- :		
VIII.	Foreign exchange differences		_				(12,730)	-	_	-	-	-		(12.730)	(141)	(12.871)
IX.	Changes after disposal of securities		_					-	-	-	-	_		-	(/	(
	Changes after reclassification of securities		-				-	-	-	-	-	-		-	-	-
X.								-	-	-	-			-	-	-
X. XI.	Effect of changes in shareholders' equity of investments and associates to bank's shareholders' equity		-													
XI. XII.			-		-		-	-	-	-	-	-		-	-	
XI. XII. 12.1	Effect of changes in shareholders' equity of investments and associates to bank's shareholders' equity	:	:		-			:		:	-	-		:		-
XI. XII. 12.1 12.2	Effect of changes in shareholders' equity of investments and associates to bank's shareholders' equity Increase in capital Cash From internal resources		:		-	: :		:	:		-	-		:	-	-
XI. XII. 12.1 12.2 XIII.	Effect of changes in shareholders' equity of investments and associates to bank's shareholders' equity Increase in capital Cash From internal resources Issuance of share certificates at end of period	- - - -	· · ·		- - -		:	:	:			:		:		
XI. XII. 12.1 12.2 XIII. XIV.	Effect of changes in shareholders' equity of investments and associates to bank's shareholders' equity Increase in capital Cash From internal resources Issuance of share certificates at end of period Share cancellation profits		- - - - -		:		- - - -		- - - -	- - - -	- - - -	:		· ·	- - -	- - - -
XI. XII. 12.1 12.2 XIII. XIV. XV.	Effect of changes in shareholders' equity of investments and associates to bank's shareholders' equity Increase in capital Cash From internal resources Issuance of share certificates at end of period Share cancellation profits Adjustment to paid-in capital	- - - - - -	· · ·		:	· · · · · · · · · · · · · · · · · · ·	- - - -	- - - - -	- - - - -		- - - - -	- - - -		- - - - -		- - - - -
XI. XII. 12.1 12.2 XIII. XIV. XV. XVI.	Effect of changes in shareholders' equity of investments and associates to bank's shareholders' equity Increase in capital Cash From internal resources Issuance of share certificates at end of period Share cancellation profits Adjustment to paid-in capital Other''	: : : : :	- - - - -					-	- - - - -	- - - - -		- - - - -			-	
XI. XII. 12.1 12.2 XIII. XIV. XV. XVI. XVII.	Effect of changes in shareholders' equity of investments and associates to bank's shareholders' equity Increase in capital Cash From internal resources Issuance of share certificates at end of period Share cancellation profits Adjustment to paid-in capital Other"' Net profit or losses		- - - - - - -				-	1.235.324			- - - - - -	- - - - - -		1.235.324	- - - - - - 858	
XI. XII. 12.1 12.2 XIII. XIV. XVI. XVII. XVIII.	Effect of changes in shareholders' equity of investments and associates to bank's shareholders' equity Increase in capital Cash From internal resources Issuance of share certificates at end of period Share cancellation profits Adjustment to paid-in capital Other' Net profit or losses Profit distribution	- - - - - - - - -			149.613		_	1.235.324 (2.027.379)	(18.124)	:	- - - - - - -	- - - - - -		(386.770)	858	(386.770)
XI. XII. 12.1 12.2 XIII. XIV. XV. XVI. XVIII. 18.1	Effect of changes in shareholders' equity of investments and associates to bank's shareholders' equity Increase in capital Cash From internal resources Issuance of share certificates at end of period Share cancellation profits Adjustment to paid-in capital Other'' Net profit or losses Profit distribution Dividends distributed				-	- 1.509.120	_		(386.770)		- - - - - - -	-			- - - - - 858	(386.770)
XI. XII. 12.1 12.2 XIII. XIV. XVI. XVII. XVIII.	Effect of changes in shareholders' equity of investments and associates to bank's shareholders' equity Increase in capital Cash From internal resources Issuance of share certificates at end of period Share cancellation profits Adjustment to paid-in capital Other' Net profit or losses Profit distribution	- - - - - - - - - - - - - - - - - - -			149.613		-			-	-	-		(386.770)	858 -	1.236.182 (386.770) (386.770)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR

THE SIX-MONTH PERIOD ENDED 30 JUNE 2012

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

VI. CONSOLIDATED STATEMENT OF CASH FLOWS

			Reviewed	Reviewed
			Current period	Prior period
		Note	30 June 2012	30 June 2011
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating profit before changes in operating assets and liabilities		1.999.345	845.739
1.1.1	Interest received		4.663.452	3.153.680
1.1.2	Interest paid		(2.107.307)	(1.662.717)
1.1.3	Dividend received		655	4.483
1.1.4	Fees and commissions received		492.566	377.562
1.1.5	Other income		237.627	299.084
1.1.6	Collections from previously written off loans		212.592	252.471
1.1.7 1.1.8	Cash payments to personnel and service suppliers Taxes paid		(506.236) (399.618)	(468.365) (255.768)
1.1.9	Other	(1)	(594.386)	(854.691)
		(1)		
1.2	Assets and Liabilities Subject to Banking Operations		1.060.047	4.389.369
1.2.1	Net decrease in financial assets held for sale		21.001	(20.477)
1.2.2	Net (increase) decrease in financial assets at fair value through profit or loss		_	_
1.2.3	Net (increase) decrease in due from banks and other financial institutions		(12.112)	-
1.2.4	Net (increase) decrease in loans		(4.267.791)	(6.978.483)
1.2.5	Net (increase) decrease in other assets		(2.378.907)	(864.231)
1.2.6	Net increase (decrease) in bank deposits		1.534.873	1.043.278
1.2.7	Net increase (decrease) in other deposits		10.265.000	2.339.601
1.2.8	Net increase (decrease) in loans borrowed		(253.610)	1.103.084
1.2.9	Net increase (decrease) in matured payables Net increase (decrease) in other liabilities	(1)	(3.848.407)	7.766.597
1.2.10	,	(1)	(3.848.407)	7.700.397
I.	Net cash provided from banking operations		3.059.392	5.235.108
В.	CASH FLOWS FROM INVESTMENT ACTIVITIES			
II.	Net cash provided from/ (used in) investing activities		(846.179)	(1.246.655)
2.1	Cash paid for purchase of joint ventures, associates and subsidiaries		-	(39.133)
	Cash obtained from sale of entities joint ventures, associates and			
2.2	subsidiaries		-	-
2.3	Fixed assets purchases		(146.833)	(154.665)
2.4	Fixed assets sales		91.753	172.283
2.5 2.6	Cash paid for purchase of financial assets available for sale Cash obtained from sale of financial assets available for sale		(2.179.876) 2.536.420	(2.728.513)
2.7	Cash paid for purchase of investment securities		(1.834.285)	1.857.213 (477.522)
2.8	Cash obtained from sale of investment securities		691.253	127.810
2.9	Other		(4.611)	(4.128)
			(11011)	(20)
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net cash used in financing activities		(170.212)	(468.022)
3.1	Cash obtained from loans borrowed and securities issued		716.806	-
3.2	Cash used for repayment of loans borrowed and securities issued		(500.000)	-
3.3	Marketable securities issued		-	-
3.4	Dividends paid		(386.770)	(468.022)
3.5	Payments for finance leases		(262)	-
3.6	Other		14	-
IV.	Effect of change in foreign exchange rate on cash and cash equivalents	(1)	(424.679)	54.394
v.	Net increase / (decrease) in cash and cash equivalents		1.618.322	3.574.825
VI.	Cash and cash equivalents at beginning of the period	(4)	4.783.966	4.557.605
		. ,		
VII.	Cash and cash equivalents at end of the period	(5)	6.402.288	8.132.430