

TÜRKİYE HALK BANKASI AŞ
UNCONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2014
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

	ASSETS	Note	Reviewed			Audited		
			Current period			Prior period		
			30 June 2014	31 December 2013		30 June 2014	31 December 2013	
			TRY	FC	Total	TRY	FC	Total
I.	CASH AND BALANCES WITH THE CENTRAL BANK	(1)	1.200.829	16.212.073	17.412.902	2.801.119	17.174.665	19.975.784
II.	FINANCIAL ASSETS AT FV THROUGH PROFIT AND LOSS (Net)	(2)	9.391	100.770	110.161	11.871	151.662	163.533
2.1	Trading financial assets		9.391	100.770	110.161	11.871	151.662	163.533
2.1.1	Public sector debt securities		5.721	11.816	17.537	8.331	11.843	20.174
2.1.2	Share certificates		-	-	-	-	-	-
2.1.3	Financial assets held for trading		9	88.818	88.827	3	139.684	139.687
2.1.4	Other marketable securities		3.661	136	3.797	3.537	135	3.672
2.2	Financial assets at fair value through profit and loss		-	-	-	-	-	-
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)	75.713	1.001.308	1.077.021	109.740	1.739.036	1.848.776
IV.	MONEY MARKET PLACEMENTS		-	-	-	-	-	-
4.1	Interbank money market placements		-	-	-	-	-	-
4.2	Istanbul Stock Exchange Money Market placements		-	-	-	-	-	-
4.3	Receivables from reverse repurchase agreements		-	-	-	-	-	-
V.	FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(4)	6.913.240	2.297.103	9.210.343	7.446.090	2.094.658	9.540.748
5.1	Share certificates		59.865	2.313	62.178	61.839	2.313	64.152
5.2	Public sector debt securities		6.843.690	2.294.790	9.138.480	7.384.251	2.092.345	9.476.596
5.3	Other marketable securities		9.685	-	9.685	-	-	-
VI.	LOANS AND RECEIVABLES	(5)	66.846.294	25.340.567	92.186.861	60.059.891	24.788.399	84.848.290
6.1	Loans and receivables		66.308.975	25.340.567	91.649.542	59.625.042	24.788.399	84.413.441
6.1.1	Loans extended to risk group of the Bank		278.220	370.941	649.161	116.312	384.799	501.111
6.1.2	Public sector debt securities		-	-	-	-	-	-
6.1.3	Other		66.030.755	24.969.626	91.000.381	59.508.730	24.403.600	83.912.330
6.2	Loans under follow-up		2.493.331	-	2.493.331	2.245.176	-	2.245.176
6.3	Specific provisions (-)		1.956.012	-	1.956.012	1.810.327	-	1.810.327
VII.	FACTORING RECEIVABLES		-	-	-	-	-	-
VIII.	HELD TO MATURITY INVESTMENTS (Net)	(6)	17.298.102	1.282.750	18.580.852	17.787.879	1.066.707	18.854.586
8.1	Public sector debt securities		17.298.102	1.282.750	18.580.852	17.787.879	1.066.707	18.854.586
8.2	Other marketable securities		-	-	-	-	-	-
IX.	INVESTMENTS IN ASSOCIATES (Net)	(7)	17.837	74.716	92.553	17.837	74.716	92.553
9.1	Accounted under equity method		-	-	-	-	-	-
9.2	Unconsolidated associates		17.837	74.716	92.553	17.837	74.716	92.553
9.2.1	Financial investments		11.518	74.716	86.234	11.518	74.716	86.234
9.2.2	Non-financial investments		6.319	-	6.319	6.319	-	6.319
X.	INVESTMENTS IN SUBSIDIARIES (Net)	(8)	2.149.978	145.359	2.295.337	2.188.904	145.359	2.334.263
10.1	Unconsolidated financial subsidiaries		2.119.374	145.359	2.264.733	2.158.300	145.359	2.303.659
10.2	Unconsolidated non-financial subsidiaries		30.604	-	30.604	30.604	-	30.604
XI.	JOINT VENTURES (Net)	(9)	-	-	-	-	-	-
11.1	Accounted under equity method		-	-	-	-	-	-
11.2	Unconsolidated joint ventures		-	-	-	-	-	-
11.2.1	Financial joint ventures		-	-	-	-	-	-
11.2.2	Non-financial joint ventures		-	-	-	-	-	-
XII.	FINANCE LEASE RECEIVABLES (Net)	(10)	-	-	-	-	-	-
12.1	Finance lease receivables		-	-	-	-	-	-
12.2	Operating lease receivables		-	-	-	-	-	-
12.3	Other		-	-	-	-	-	-
12.4	Unearned income (-)		-	-	-	-	-	-
XIII.	DERIVATIVE FIN. ASSETS HELD FOR RISK MANAGEMENT	(11)	-	-	-	-	-	-
13.1	Fair value risk hedging		-	-	-	-	-	-
13.2	Cash flow risk hedging		-	-	-	-	-	-
13.3	Net foreign investment risk hedging		-	-	-	-	-	-
XIV.	TANGIBLE ASSETS (Net)	(12)	1.115.639	88	1.115.727	1.067.725	89	1.067.814
XV.	INTANGIBLE ASSETS (Net)	(13)	47.297	-	47.297	45.147	-	45.147
15.1	Goodwill		-	-	-	-	-	-
15.2	Other		47.297	-	47.297	45.147	-	45.147
XVI.	INVESTMENT PROPERTIES (Net)	(14)	-	-	-	-	-	-
XVII.	TAX ASSET	(15)	159.349	-	159.349	-	-	-
17.1	Current tax asset		-	-	-	-	-	-
17.2	Deferred tax asset		159.349	-	159.349	-	-	-
XVIII.	ASSETS HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)	(16)	2.990	-	2.990	4.112	-	4.112
18.1	Held for sale purpose		2.990	-	2.990	4.112	-	4.112
18.2	Held from discontinued operations		-	-	-	-	-	-
XIX.	OTHER ASSETS	(17)	1.439.720	35.421	1.475.141	1.127.307	40.594	1.167.901
TOTAL ASSETS			97.276.379	46.490.155	143.766.534	92.667.622	47.275.885	139.943.507

The accompanying notes are an integral part of these unconsolidated financial statements.

TÜRKİYE HALK BANKASI AŞ
UNCONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2014
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

	Note	Reviewed			Audited		
		Current period			Prior period		
		30 June 2014			31 December 2013		
LIABILITIES AND SHAREHOLDERS' EQUITY		TRY	FC	Total	TRY	FC	Total
I. DEPOSITS	(1)	58.799.638	35.092.572	93.892.210	65.201.782	35.554.415	100.756.197
1.1 Deposits Held by the Risk Group of the Bank		728.037	122.702	850.739	847.848	113.756	961.604
1.2 Other		58.071.601	34.969.870	93.041.471	64.353.934	35.440.659	99.794.593
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)	32	68.457	68.489	30	43.818	43.848
III. FUNDS BORROWED	(3)	798.217	11.365.585	12.163.802	837.988	12.777.167	13.615.155
IV. MONEY MARKET BALANCES		9.619.017	-	9.619.017	771.416	-	771.416
4.1 Interbank money market borrowings		-	-	-	-	-	-
4.2 Istanbul Stock Exchange Takasbank borrowings		-	-	-	-	-	-
4.3 Funds from repurchase agreements		9.619.017	-	9.619.017	771.416	-	771.416
V. MARKETABLE SECURITIES ISSUED (Net)	(4)	923.150	4.243.127	5.166.277	946.297	3.218.387	4.164.684
5.1 Treasury bills		923.150	-	923.150	946.297	-	946.297
5.2 Asset-backed securities		-	-	-	-	-	-
5.3 Bonds		-	4.243.127	4.243.127	-	3.218.387	3.218.387
VI. FUNDS	(5)	1.515.611	-	1.515.611	1.488.542	-	1.488.542
6.1 Borrower Funds		36.549	-	36.549	24.702	-	24.702
6.2 Other		1.479.062	-	1.479.062	1.463.840	-	1.463.840
VII. SUNDRY CREDITORS		1.718.842	19.893	1.738.735	1,543.681	80.372	1,624.053
VIII. OTHER LIABILITIES	(6)	1,571.264	283.378	1,854.642	953.828	280.768	1,234.596
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. FINANCE LEASE PAYABLES	(7)	980	-	980	1,390	-	1,390
10.1 Finance lease payables		1.197	-	1.197	1.751	-	1.751
10.2 Operating lease payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance lease expenses (-)		217	-	217	361	-	361
DERIVATIVE FINANCIAL LIABILITIES HELD FOR RISK		-	-	-	-	-	-
XI. MANAGEMENT	(8)	-	-	-	-	-	-
11.1 Fair value risk hedging		-	-	-	-	-	-
11.2 Cash flow risk hedging		-	-	-	-	-	-
11.3 Net foreign investment risk hedging		-	-	-	-	-	-
XII. PROVISIONS	(9)	1,962.095	3.174	1,965,269	1,897.032	3.204	1,900.236
12.1 General loan provisions		1.176.304	-	1.176.304	1.134.717	-	1.134.717
12.2 Restructuring provisions		-	-	-	-	-	-
12.3 Employee benefits provisions		509.169	-	509.169	515.688	-	515.688
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions		276.622	3.174	279.796	246.627	3.204	249.831
XIII. TAX LIABILITY	(10)	506.965	12	506.977	197.595	22	197.617
13.1 Current tax liability		506.965	12	506.977	189.292	22	189.314
13.2 Deferred tax liability		-	-	-	8.303	-	8.303
XIV. LIABILITIES FOR ASSET HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)	(11)	-	-	-	-	-	-
14.1 Held for sale purpose		-	-	-	-	-	-
14.2 Held from discontinued operations		-	-	-	-	-	-
XV. SUBORDINATED CAPITAL	(12)	-	-	-	-	-	-
XVI. SHAREHOLDERS' EQUITY	(13)	15,256.489	18.036	15,274.525	14,291.687	(145.914)	14,145.773
16.1 Paid-in capital		1.250.000	-	1.250.000	1.250.000	-	1.250.000
16.2 Capital reserves		2.264.091	18.036	2.282.127	2.186.832	(145.914)	2.040.918
16.2.1 Share Premium		-	-	-	-	-	-
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Marketable securities revaluation fund		1.034.871	18.036	1.052.907	959.464	(145.914)	813.550
16.2.4 Tangible assets revaluation reserves		-	-	-	-	-	-
16.2.5 Intangible assets revaluation reserves		-	-	-	-	-	-
16.2.6 Revaluation reserves of real estate for investment purpose		-	-	-	-	-	-
16.2.7 Bonus shares of subsidiaries, associates and joint ventures		8.769	-	8.769	6.917	-	6.917
16.2.8 Hedging Funds (effective portion)		-	-	-	-	-	-
16.2.9 Value Increase on Assets Held for Sale		-	-	-	-	-	-
16.2.10 Other capital reserves		1.220.451	-	1.220.451	1.220.451	-	1.220.451
16.3 Profit reserves		10.579.771	-	10.579.771	8.104.012	-	8.104.012
16.3.1 Legal reserves		1.217.403	-	1.217.403	1.048.602	-	1.048.602
16.3.2 Statutory reserves		-	-	-	-	-	-
16.3.3 Extraordinary reserves		9.300.043	-	9.300.043	6.993.085	-	6.993.085
16.3.4 Other profit reserves		62.325	-	62.325	62.325	-	62.325
16.4 Profit/Loss		1.162.627	-	1.162.627	2.750.843	-	2.750.843
16.4.1 Prior years income/loss		-	-	-	-	-	-
16.4.2 Period profit/loss		1.162.627	-	1.162.627	2.750.843	-	2.750.843
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		92.672.300	51.094.234	143.766.534	88.131.268	51.812.239	139.943.507

The accompanying notes are an integral part of these unconsolidated financial statements.

TÜRKİYE HALK BANKASI AŞ
UNCONSOLIDATED STATEMENT OF INCOME
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2014
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

III. STATEMENT OF INCOME

INCOME AND EXPENSES	Note	Reviewed	Reviewed	Reviewed	Reviewed
		Current period 1 January-30 June 2014	Prior period 1 January-30 June 2013	Current period 1 April - 30 June 2014	Prior period 1 April-30 June 2013
I. INTEREST INCOME	(1)	5.653.573	4.392.310	2.919.778	2.138.312
1.1 Interest on loans		4.175.619	3.448.332	2.158.493	1.720.629
1.2 Interest received from reserve deposits		198	167	98	86
1.3 Interest received from banks		6.011	5.544	2.698	2.458
1.4 Interest received from money market placements		-	1.299	-	(424)
1.5 Interest income on marketable securities		1.468.659	934.240	756.686	414.521
1.5.1 Financial assets held for trading		673	1.098	345	769
1.5.2 Financial assets at fair value through profit and loss		-	-	-	-
1.5.3 Financial assets available-for-sale		453.614	372.984	231.713	158.742
1.5.4 Investments held-to-maturity		1.014.372	560.158	524.628	255.010
1.6 Finance lease income		-	-	-	-
1.7 Other interest income		3.086	2.728	1.803	1.042
II. INTEREST EXPENSE	(2)	3.264.917	1.944.372	1.692.900	935.281
2.1 Interest on deposits		2.725.280	1.726.831	1.410.206	818.034
2.2 Interest on borrowings		126.721	95.440	60.178	53.191
2.3 Interest on money market borrowings		259.689	13.338	151.233	9.056
2.4 Interest on bonds issued		118.213	79.486	58.676	43.800
2.5 Other interest expense		35.014	29.277	12.607	11.200
III. NET INTEREST INCOME [I – II]		2.388.656	2.447.938	1.226.878	1.203.031
IV. NET FEES AND COMMISSIONS INCOME		469.052	446.958	247.251	229.444
4.1 Fees and commissions income		657.691	562.301	350.599	289.052
4.1.1 Non-cash loans		88.732	72.710	45.816	36.687
4.1.2 Other		568.959	489.591	304.783	252.365
4.2 Fees and commissions expenses		188.639	115.343	103.348	59.608
4.2.1 Non-cash loans		18	4	1	3
4.2.2 Other		188.621	115.339	103.347	59.605
V. DIVIDEND INCOME	(3)	146.023	81.604	46.712	81.604
VI. NET TRADING PROFIT (NET)	(4)	15.393	314.522	95.354	133.289
6.1 Profit/loss from capital market operations		164.090	271.643	161.994	153.492
6.2 Profit/loss from financial derivative transactions		(377.402)	124.651	(249.826)	187.881
6.3 Foreign exchange gains/losses		228.705	(81.772)	183.186	(208.084)
VII. OTHER OPERATING INCOME	(5)	233.991	207.461	110.144	97.957
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)		3.253.115	3.498.483	1.726.339	1.745.325
IX. LOANS AND OTHER RECEIVABLES IMPAIRMENT LOSS PROVISIONS (-)	(6)	383.963	413.341	189.995	223.840
X. OTHER OPERATING EXPENSES(-)	(7)	1.437.089	1.320.244	747.852	673.030
XI. NET OPERATING INCOME/(LOSS) (VIII-IX-X)		1.432.063	1.764.898	788.492	848.455
XII. AMOUNT RECORDED IN EXCESS AS GAIN AFTER MERGER		-	-	-	-
XIII. PROFIT/LOSSES FROM EQUITY METHOD APPLIED SUBSIDIARIES		-	-	-	-
XIV. GAIN / (LOSS) ON NET MONETARY POSITION		-	-	-	-
XV. INCOME/(LOSS) BEFORE TAXES (XI+XII+XIII+XIV)	(8)	1.432.063	1.764.898	788.492	848.455
XVI. TAX INCOME PROVISION (±)	(9)	(269.436)	(336.415)	(156.246)	(133.367)
16.1 Current tax provision		(504.911)	(134.403)	(344.757)	61.665
16.2 Deferred tax provision		235.475	(202.012)	188.511	(195.032)
XVII. NET OPERATING INCOME AFTER TAX (XV±XVI)	(10)	1.162.627	1.428.483	632.246	715.088
XVIII. INCOME FROM DISCONTINUED OPERATIONS		-	-	-	-
18.1 Property and equipment income held for sale		-	-	-	-
18.2 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		-	-	-	-
INCOME/EXPENSE BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)	(8)	-	-	-	-
PROVISION FOR TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)	(9)	-	-	-	-
21.1 Current tax provision		-	-	-	-
21.2 Deferred tax provision		-	-	-	-
XXII. NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI)	(10)	-	-	-	-
XXIII. NET PROFIT/(LOSS) (XVII+XXII)	(11)	1.162.627	1.428.483	632.246	715.088
Earnings/losses per share (Full TRY)		0,93010	1,14279	0,50580	0,57207

The accompanying notes are an integral part of these unconsolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

**UNCONSOLIDATED STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2014**

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

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

	Reviewed	Reviewed
	Current period	Prior period
	1 January-30 June	1 January-30 June
STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY	2014	2013
I. ADDITIONS TO MARKETABLE SECURITIES REVALUATION DIFFERENCES FOR AVAILABLE FOR SALE FINANCIAL ASSETS	307.180	(629.074)
II. TANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	-	(3.281)
VI. 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	1.852	(21.512)
IX. DEFERRED TAX OF VALUATION DIFFERENCES	(67.823)	103.883
X. TOTAL NET PROFIT/LOSS ACCOUNTED UNDER EQUITY (I+II+...+IX)	241.209	(549.984)
XI. PROFIT/LOSS	1.162.627	1.428.483
11.1 Change in fair value of marketable securities (Transfer to profit/loss)	161.784	250.320
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	1.000.843	1.178.163
XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE PERIOD (X±XI)	1.403.836	878.499

The accompanying notes are an integral part of these unconsolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2014

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

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Note	Paid in capital	Effect of inflation adjustments on paid in capital	Share premium	Share certificate on profit	Legal reserves	Statutory reserves	Extra-ordinary reserves	Other reserves	Current period net income/(loss)	Prior period net income/(loss)	Valuation changes in marketable sec.	Revaluation changes in prop. and equip. and int. assets	Bonus shares from shareholders	Hedging funds	Value change in pro. and equip. held for sale purp./term. op.	Total shareholders' equity
1 January 2013 – 30 June 2013																	
I.	Balance at end of prior period	1.250.000	1.220.451	-	-	884.336	-	5.113.614	54.850	2.595.211	-	1.199.524	-	4.969	-	-	12.322.955
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	-	-	884.336	-	5.113.614	54.850	2.595.211	-	1.199.524	-	4.969	-	-	12.322.955
Changes within the period																	
IV.	Increase/decrease generated by merger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Valuation changes in marketable securities	-	-	-	-	-	-	-	-	-	-	(548.413)	-	-	-	-	(548.413)
VI.	Hedging funds (effective portion)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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.	Bonus shares from investment and associates, subsidiaries and joint ventures (business partners).	-	-	-	-	-	-	-	-	-	-	-	-	1.710	-	-	1.710
X.	Foreign exchange differences	-	-	-	-	-	-	-	(3.281)	-	-	-	-	-	-	-	(3.281)
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Adjustment to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX.	Net profit or losses	-	-	-	-	-	-	-	-	1.428.483	-	-	-	-	-	-	1.428.483
XX.	Profit distribution	-	-	-	-	164.266	-	1.879.471	-	(2.595.211)	-	-	-	-	-	-	(551.474)
20.1	Dividends distributed	-	-	-	-	-	-	-	-	-	(551.474)	-	-	-	-	-	(551.474)
20.2	Transfers to legal reserves	-	-	-	-	164.266	-	1.879.471	-	-	(2.043.737)	-	-	-	-	-	-
20.3	Other	-	-	-	-	-	-	-	-	(2.595.211)	2.595.211	-	-	-	-	-	-
	Closing balance	1.250.000	1.220.451	-	-	1.048.602	-	6.993.085	51.569	1.428.483	-	651.111	-	6.679	-	-	12.649.980
1 January 2014 – 30 June 2014																	
I.	Balance at end of prior period	1.250.000	1.220.451	-	-	1.048.602	-	6.993.085	62.325	2.750.843	-	813.550	-	6.917	-	-	14.145.773
Changes within the period																	
II.	Increase or decrease generated by merger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Valuation changes in marketable securities	-	-	-	-	-	-	-	-	-	-	239.357	-	-	-	-	239.357
IV.	Hedging Funds (effective portion)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Hedges for investments made in foreign countries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Revaluation changes of property and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Revaluation changes of intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Bonus shares from investment and associates, subsidiaries and joint ventures (business partners)	-	-	-	-	-	-	-	-	-	-	-	-	1.852	-	-	1.852
VIII.	Foreign exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Changes after disposal of securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Changes after reclassification of securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Effect of changes in shareholders equity of investments and associates to bank's shareholders equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Increase in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2	From internal resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Issuance of share certificates at end of period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Adjustment to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Net profit or losses	-	-	-	-	-	-	-	-	1.162.627	-	-	-	-	-	-	1.162.627
XVIII.	Profit distribution	-	-	-	-	168.801	-	2.306.958	-	(2.750.843)	-	-	-	-	-	-	(275.084)
18.1	Dividends distributed	-	-	-	-	-	-	-	-	-	(275.084)	-	-	-	-	-	(275.084)
18.2	Transfers to legal reserves	-	-	-	-	168.801	-	2.306.958	-	-	(2.475.759)	-	-	-	-	-	-
18.3	Other	-	-	-	-	-	-	-	-	(2.750.843)	2.750.843	-	-	-	-	-	-
	Closing balance	1.250.000	1.220.451	-	-	1.217.403	-	9.300.043	62.325	1.162.627	-	1.052.907	-	8.769	-	-	15.274.525

The accompanying notes are an integral part of these unconsolidated financial statements.

TÜRKİYE HALK BANKASI AŞ
UNCONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX-MONTH PERIOD
ENDED 30 JUNE 2014

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

VI. STATEMENT OF CASH FLOWS

		Reviewed	Reviewed
		Current period	Prior period
	Note	30 June 2014	30 June 2013
A.	CASH FLOWS FROM BANKING OPERATIONS		
1.1	Operating profit before changes in operating assets and liabilities	1.083.406	1.356.111
1.1.1	Interest received	5.523.339	4.215.111
1.1.2	Interest paid	(3.133.283)	(1.667.808)
1.1.3	Dividend received	6.016	3.111
1.1.4	Fees and commissions received	657.691	562.301
1.1.5	Other income	70.801	69.464
1.1.6	Collections from previously written off loans	293.369	283.814
1.1.7	Cash payments to personnel and service suppliers	(632.828)	(551.577)
1.1.8	Taxes paid	(243.827)	(633.350)
1.1.9	Other	(1)	(924.955)
1.2	Assets and Liabilities Subject to Banking Operations	(5.772.383)	(4.089.031)
1.2.1	Net decrease in financial assets held for sale	2.633	(77.191)
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	(2.811)	(12.513)
1.2.4	Net (increase) decrease in loans	(7.266.875)	(7.926.434)
1.2.5	Net (increase) decrease in other assets	301.385	(2.316.792)
1.2.6	Net increase (decrease) in bank deposits	2.593.701	1.329.376
1.2.7	Net increase (decrease) in other deposits	(9.517.006)	849.154
1.2.8	Net increase (decrease) in loans borrowed	(1.444.495)	3.368.483
1.2.9	Net increase (decrease) in matured payables	-	-
1.2.10	Net increase (decrease) in other liabilities	(1)	696.886
I.	Net cash provided from banking operations	(4.688.977)	(2.732.920)
B.	CASH FLOWS FROM INVESTMENT ACTIVITIES		
II.	Net cash provided from/ (used in) investing activities	1.501.880	1.732.409
2.1	Cash paid for purchase of joint ventures, associates and subsidiaries	-	-
2.2	Cash obtained from sale of entities joint ventures, associates and subsidiaries	-	-
2.3	Fixed assets purchases	(172.315)	(124.730)
2.4	Fixed assets sales	69.039	122.515
2.5	Cash paid for purchase of financial assets available for sale	(2.741.682)	(4.903.864)
2.6	Cash obtained from sale of financial assets available for sale	3.816.167	6.307.514
2.7	Cash paid for purchase of investment securities	(1.862.646)	(897.153)
2.8	Cash obtained from sale of investment securities	2.397.149	1.233.461
2.9	Other	(3.832)	(5.334)
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
III.	Net cash used in financing activities	671.810	736.971
3.1	Cash obtained from loans borrowed and securities issued	1.947.304	2.038.253
3.2	Cash used for repayment of loans borrowed and securities issued	(1.000.000)	(750.000)
3.3	Bonds issued	-	-
3.4	Dividends paid	(275.084)	(551.474)
3.5	Payments for finance leases	(172)	(256)
3.6	Other	(238)	448
IV.	Effect of change in foreign exchange rate on cash and cash equivalents	(1)	266.929
V.	Net increase / (decrease) in cash and cash equivalents	(2.543.932)	3.389
VI.	Cash and cash equivalents at beginning of the period	(4)	5.269.486
VII.	Cash and cash equivalents at end of the period	(5)	5.272.875

The accompanying notes are an integral part of these unconsolidated financial statements.