

**TÜRKİYE HALK BANKASI AŞ**  
**UNCONSOLIDATED BALANCE SHEET AS OF 30 SEPTEMBER 2016**  
(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 September 2016			31 December 2015		
ASSETS		TRY	FC	Total	TRY	FC	Total
<b>I. CASH AND BALANCES WITH THE CENTRAL BANK</b>		<b>5.134.762</b>	<b>21.903.293</b>	<b>27.038.055</b>	<b>4.339.259</b>	<b>18.985.712</b>	<b>23.324.971</b>
<b>II. FINANCIAL ASSETS AT FV THROUGH PROFIT AND LOSS (Net)</b>		<b>69.251</b>	<b>331.839</b>	<b>401.090</b>	<b>6.831</b>	<b>262.510</b>	<b>269.341</b>
2.1 Trading financial assets		69.251	331.839	401.090	6.831	262.510	269.341
2.1.1 Public sector debt securities		61.327	-	61.327	780	15.294	16.074
2.1.2 Share certificates		-	-	-	-	-	-
2.1.3 Financial assets held for trading		-	331.676	331.676	7	247.048	247.055
2.1.4 Other marketable securities		7.924	163	8.087	6.044	168	6.212
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		-	-	-	-	-	-
<b>III. BANKS</b>		<b>57.774</b>	<b>752.040</b>	<b>809.814</b>	<b>65.338</b>	<b>2.447.947</b>	<b>2.513.285</b>
<b>IV. MONEY MARKET PLACEMENTS</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4.1 Interbank money market placements		-	-	-	-	-	-
4.2 Istanbul Stock Exchange Money Market placements		-	-	-	-	-	-
4.3 Receivables from reverse repurchase agreements		-	-	-	-	-	-
<b>V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)</b>		<b>10.049.518</b>	<b>3.994.599</b>	<b>14.044.117</b>	<b>7.308.585</b>	<b>3.900.408</b>	<b>11.208.993</b>
5.1 Share certificates		61.805	30.593	92.398	67.558	93.190	160.748
5.2 Public sector debt securities		9.987.713	3.964.006	13.951.719	7.241.027	3.807.218	11.048.245
5.3 Other marketable securities		-	-	-	-	-	-
<b>VI. LOANS AND RECEIVABLES</b>		<b>97.627.800</b>	<b>46.984.585</b>	<b>144.612.385</b>	<b>87.246.312</b>	<b>39.498.665</b>	<b>126.744.977</b>
6.1 Loans and receivables		96.477.027	46.984.585	143.461.612	86.300.459	39.498.665	125.799.124
6.1.1 Loans extended to risk group of the Bank		209.254	763.597	972.851	356.892	683.526	1.040.418
6.1.2 Public sector debt securities		-	-	-	-	-	-
6.1.3 Other		96.267.773	46.220.988	142.488.761	85.943.567	38.815.139	124.758.706
6.2 Loans under follow-up		4.624.884	-	4.624.884	3.973.738	-	3.973.738
6.3 Specific provisions (-)		3.474.111	-	3.474.111	3.027.885	-	3.027.885
<b>VII. FACTORING RECEIVABLES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII. HELD TO MATURITY INVESTMENTS (Net)</b>		<b>14.787.728</b>	<b>1.969.063</b>	<b>16.756.791</b>	<b>14.745.329</b>	<b>1.931.468</b>	<b>16.676.797</b>
8.1 Public sector debt securities		14.787.728	1.969.063	16.756.791	14.745.329	1.931.468	16.676.797
8.2 Other marketable securities		-	-	-	-	-	-
<b>IX. INVESTMENTS IN ASSOCIATES (Net)</b>		<b>19.083</b>	<b>220.862</b>	<b>239.945</b>	<b>19.083</b>	<b>208.237</b>	<b>227.320</b>
9.1 Accounted under equity method		-	-	-	-	-	-
9.2 Unconsolidated associates		19.083	220.862	239.945	19.083	208.237	227.320
9.2.1 Financial investments		12.763	220.862	233.625	12.763	208.237	221.000
9.2.2 Non-financial investments		6.320	-	6.320	6.320	-	6.320
<b>X. INVESTMENTS IN SUBSIDIARIES (Net)</b>		<b>2.348.480</b>	<b>331.013</b>	<b>2.679.493</b>	<b>2.410.288</b>	<b>275.646</b>	<b>2.685.934</b>
10.1 Unconsolidated financial subsidiaries		2.310.451	331.013	2.641.464	2.372.259	275.646	2.647.905
10.2 Unconsolidated non-financial subsidiaries		38.029	-	38.029	38.029	-	38.029
<b>XI. JOINT VENTURES (Net)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
11.1 Accounted under equity method		-	-	-	-	-	-
11.2 Unconsolidated joint ventures		-	-	-	-	-	-
11.2.1 Financial joint ventures		-	-	-	-	-	-
11.2.2 Non-financial joint ventures		-	-	-	-	-	-
<b>XII. FINANCE LEASE RECEIVABLES (Net)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
12.1 Finance lease receivables		-	-	-	-	-	-
12.2 Operating lease receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned income (-)		-	-	-	-	-	-
<b>XIII. DERIVATIVE FIN. ASSETS HELD FOR RISK MANAGEMENT</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
13.1 Fair value risk hedging		-	-	-	-	-	-
13.2 Cash flow risk hedging		-	-	-	-	-	-
13.3 Net foreign investment risk hedging		-	-	-	-	-	-
<b>XIV. TANGIBLE ASSETS (Net)</b>		<b>2.111.785</b>	<b>102</b>	<b>2.111.887</b>	<b>2.099.353</b>	<b>94</b>	<b>2.099.447</b>
<b>XV. INTANGIBLE ASSETS (Net)</b>		<b>83.964</b>	<b>-</b>	<b>83.964</b>	<b>76.951</b>	<b>-</b>	<b>76.951</b>
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		83.964	-	83.964	76.951	-	76.951
<b>XVI. INVESTMENT PROPERTIES (Net)</b>		<b>363.278</b>	<b>-</b>	<b>363.278</b>	<b>365.000</b>	<b>-</b>	<b>365.000</b>
<b>XVII. TAX ASSET</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
17.1 Current tax asset		-	-	-	-	-	-
17.2 Deferred tax asset		-	-	-	-	-	-
<b>XVIII. ASSETS HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)</b>		<b>549</b>	<b>-</b>	<b>549</b>	<b>1.091</b>	<b>-</b>	<b>1.091</b>
18.1 Held for sale purpose		549	-	549	1.091	-	1.091
18.2 Held from discontinued operations		-	-	-	-	-	-
<b>XIX. OTHER ASSETS</b>		<b>2.002.106</b>	<b>175.700</b>	<b>2.177.806</b>	<b>1.373.154</b>	<b>162.089</b>	<b>1.535.243</b>
<b>TOTAL ASSETS</b>		<b>134.656.078</b>	<b>76.663.096</b>	<b>211.319.174</b>	<b>120.056.574</b>	<b>67.672.776</b>	<b>187.729.350</b>

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

**TÜRKİYE HALK BANKASI AŞ**  
**UNCONSOLIDATED BALANCE SHEET AS OF 30 SEPTEMBER 2016**  
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

	Note	Reviewed			Audited		
		Current period			Prior period		
		TRY	FC	Total	TRY	FC	Total
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>							
		30 September 2016			31 December 2015		
<b>I. DEPOSITS</b>		<b>90.447.211</b>	<b>47.146.694</b>	<b>137.593.905</b>	<b>79.722.638</b>	<b>42.423.327</b>	<b>122.145.965</b>
1.1 Deposits Held by the Risk Group of the Bank		1.539.239	80.190	1.619.429	920.174	98.940	1.019.114
1.2 Other		88.907.972	47.066.504	135.974.476	78.802.464	42.324.387	121.126.851
<b>II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING</b>		<b>15</b>	<b>236.283</b>	<b>236.298</b>	<b>18</b>	<b>150.688</b>	<b>150.706</b>
<b>III. FUNDS BORROWED</b>		<b>458.414</b>	<b>16.603.830</b>	<b>17.062.244</b>	<b>824.208</b>	<b>19.437.408</b>	<b>20.261.616</b>
<b>IV. MONEY MARKET BALANCES</b>		<b>12.489.346</b>	<b>1.353.038</b>	<b>13.842.384</b>	<b>7.681.767</b>	<b>728.499</b>	<b>8.410.266</b>
4.1 Interbank money market borrowings		1.750.401	-	1.750.401	100.030	-	100.030
4.2 Istanbul Stock Exchange money market takings		-	-	-	-	-	-
4.3 Funds from repurchase agreements		10.738.945	1.353.038	12.091.983	7.581.737	728.499	8.310.236
<b>V. MARKETABLE SECURITIES ISSUED (Net)</b>		<b>1.871.735</b>	<b>9.001.576</b>	<b>10.873.311</b>	<b>1.565.442</b>	<b>7.339.847</b>	<b>8.905.289</b>
5.1 Treasury bills		1.871.735	-	1.871.735	1.565.442	-	1.565.442
5.2 Asset-backed securities		-	-	-	-	-	-
5.3 Bonds		-	9.001.576	9.001.576	-	7.339.847	7.339.847
<b>VI. FUNDS</b>		<b>2.125.336</b>	<b>-</b>	<b>2.125.336</b>	<b>1.963.699</b>	<b>-</b>	<b>1.963.699</b>
6.1 Borrower Funds		48.982	-	48.982	27.850	-	27.850
6.2 Other		2.076.354	-	2.076.354	1.935.849	-	1.935.849
<b>VII. SUNDRY CREDITORS</b>		<b>2.415.076</b>	<b>33.036</b>	<b>2.448.112</b>	<b>2.125.454</b>	<b>192.134</b>	<b>2.317.588</b>
<b>VIII. OTHER LIABILITIES</b>		<b>2.098.180</b>	<b>401.302</b>	<b>2.499.482</b>	<b>1.256.321</b>	<b>336.082</b>	<b>1.592.403</b>
<b>IX. FACTORING PAYABLES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>X. FINANCE LEASE PAYABLES</b>		<b>154</b>	<b>-</b>	<b>154</b>	<b>1.090</b>	<b>-</b>	<b>1.090</b>
10.1 Finance lease payables		180	-	180	1.243	-	1.243
10.2 Operating lease payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance lease expenses (-)		26	-	26	153	-	153
<b>XI. DERIVATIVE FINANCIAL LIABILITIES HELD FOR RISK MANAGEMENT</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
11.1 Fair value risk hedging		-	-	-	-	-	-
11.2 Cash flow risk hedging		-	-	-	-	-	-
11.3 Net foreign investment risk hedging		-	-	-	-	-	-
<b>XII. PROVISIONS</b>		<b>2.623.484</b>	<b>4.491</b>	<b>2.627.975</b>	<b>2.124.774</b>	<b>4.369</b>	<b>2.129.143</b>
12.1 General loan provisions		1.652.636	-	1.652.636	1.123.838	-	1.123.838
12.2 Restructuring provisions		-	-	-	-	-	-
12.3 Employee benefits provisions		711.750	-	711.750	670.863	-	670.863
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions		259.098	4.491	263.589	330.073	4.369	334.442
<b>XIII. TAX LIABILITY</b>		<b>637.674</b>	<b>8</b>	<b>637.682</b>	<b>427.235</b>	<b>7</b>	<b>427.242</b>
13.1 Current tax liability		494.952	8	494.960	357.971	7	357.978
13.2 Deferred tax liability		142.722	-	142.722	69.264	-	69.264
<b>XIV. LIABILITIES FOR ASSET HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
14.1 Held for sale purpose		-	-	-	-	-	-
14.2 Held from discontinued operations		-	-	-	-	-	-
<b>XV. SUBORDINATED CAPITAL</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XVI. SHAREHOLDERS' EQUITY</b>		<b>21.359.590</b>	<b>12.701</b>	<b>21.372.291</b>	<b>19.426.817</b>	<b>(2.474)</b>	<b>19.424.343</b>
16.1 Paid-in capital		1.250.000	-	1.250.000	1.250.000	-	1.250.000
16.2 Capital reserves		3.280.485	12.701	3.293.186	3.311.617	(2.474)	3.309.143
16.2.1 Share Premium		-	-	-	-	-	-
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Marketable securities revaluation fund		918.284	12.701	930.985	969.309	(2.474)	966.835
16.2.4 Tangible assets revaluation reserves		1.128.074	-	1.128.074	1.128.435	-	1.128.435
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		8.711	-	8.711	8.711	-	8.711
16.2.8 Hedging Funds (effective portion)		-	-	-	-	-	-
16.2.9 Value Increase on Assets Held for Sale		-	-	-	-	-	-
16.2.10 Other capital reserves		1.225.416	-	1.225.416	1.205.162	-	1.205.162
16.3 Profit reserves		14.633.669	-	14.633.669	12.549.887	-	12.549.887
16.3.1 Legal reserves		1.482.358	-	1.482.358	1.335.865	-	1.335.865
16.3.2 Statutory reserves		-	-	-	-	-	-
16.3.3 Extraordinary reserves		13.104.130	-	13.104.130	11.166.841	-	11.166.841
16.3.4 Other profit reserves		47.181	-	47.181	47.181	-	47.181
16.4 Profit/Loss		2.195.436	-	2.195.436	2.315.313	-	2.315.313
16.4.1 Prior years income/loss		-	-	-	-	-	-
16.4.2 Period profit/loss		2.195.436	-	2.195.436	2.315.313	-	2.315.313
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>136.526.215</b>	<b>74.792.959</b>	<b>211.319.174</b>	<b>117.119.463</b>	<b>70.609.887</b>	<b>187.729.350</b>

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



**TÜRKİYE HALK BANKASI AŞ**  
**UNCONSOLIDATED STATEMENT OF INCOME AS OF 30 SEPTEMBER 2016**  
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

**III. STATEMENT OF INCOME**

INCOME AND EXPENSES	Note	Current period	Prior period	Current period	Prior period
		1 January-30 September 2016	1 January-30 September 2015	1 July-30 September 2016	1 July-30 September 2015
<b>I. INTEREST INCOME</b>		<b>12.307.018</b>	<b>9.865.310</b>	<b>4.340.941</b>	<b>3.466.258</b>
1.1 Interest on loans		10.318.677	8.165.767	3.639.721	2.976.308
1.2 Interest received from reserve deposits		44.785	8.961	14.913	6.513
1.3 Interest received from banks		59.323	21.581	18.477	9.530
1.4 Interest received from money market placements		18	-	18	-
1.5 Interest income on marketable securities		1.876.066	1.664.830	664.065	473.133
1.5.1 Financial assets held for trading		4.031	2.720	1.510	1.008
1.5.2 Financial assets at fair value through profit and loss		-	-	-	-
1.5.3 Financial assets available-for-sale		753.162	566.890	272.727	194.376
1.5.4 Investments held-to-maturity		1.118.873	1.095.220	389.828	277.749
1.6 Finance lease income		-	-	-	-
1.7 Other interest income		8.149	4.171	3.747	774
<b>II. INTEREST EXPENSE</b>		<b>7.328.268</b>	<b>5.683.939</b>	<b>2.459.872</b>	<b>2.088.059</b>
2.1 Interest on deposits		6.026.631	4.554.582	2.021.194	1.659.016
2.2 Interest on borrowings		267.087	231.381	93.030	95.016
2.3 Interest on money market borrowings		565.951	503.879	174.691	193.957
2.4 Interest on bonds issued		400.309	340.725	149.021	126.596
2.5 Other interest expense		68.290	53.372	21.936	13.474
<b>III. NET INTEREST INCOME [ I – II ]</b>		<b>4.978.750</b>	<b>4.181.371</b>	<b>1.881.069</b>	<b>1.378.199</b>
<b>IV. NET FEES AND COMMISSIONS INCOME</b>		<b>960.770</b>	<b>886.109</b>	<b>344.314</b>	<b>271.057</b>
4.1 Fees and commissions income		1.239.153	1.139.976	444.495	358.318
4.1.1 Non-cash loans		212.215	158.632	74.598	57.962
4.1.2 Other		1.026.938	981.344	369.897	300.356
4.2 Fees and commissions expenses		278.383	253.867	100.181	87.261
4.2.1 Non-cash loans		35	19	4	5
4.2.2 Other		278.348	253.848	100.177	87.256
<b>V. DIVIDEND INCOME</b>		<b>267.152</b>	<b>188.677</b>	<b>70.990</b>	<b>52</b>
<b>VI. NET TRADING PROFIT (NET)</b>		<b>98.568</b>	<b>(170.627)</b>	<b>61.446</b>	<b>(143.374)</b>
6.1 Profit/loss from capital market operations		15.761	28.274	8.853	1.171
6.2 Profit/loss from financial derivative transactions		(368.586)	182.553	45.217	783.721
6.3 Foreign exchange gains/losses		451.393	(381.454)	7.376	(928.266)
<b>VII. OTHER OPERATING INCOME</b>		<b>470.022</b>	<b>769.238</b>	<b>67.245</b>	<b>62.730</b>
<b>VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)</b>		<b>6.775.262</b>	<b>5.854.768</b>	<b>2.425.064</b>	<b>1.568.664</b>
<b>IX. LOANS AND OTHER RECEIVABLES IMPAIRMENT LOSS PROVISIONS (-)</b>		<b>1.170.367</b>	<b>1.213.721</b>	<b>630.619</b>	<b>120.586</b>
<b>X. OTHER OPERATING EXPENSES(-)</b>		<b>2.801.199</b>	<b>2.584.384</b>	<b>908.528</b>	<b>894.925</b>
<b>XI. NET OPERATING INCOME/(LOSS) (VIII-IX-X)</b>		<b>2.803.696</b>	<b>2.056.663</b>	<b>885.917</b>	<b>553.153</b>
<b>XII. AMOUNT RECORDED IN EXCESS AS GAIN AFTER MERGER</b>		-	-	-	-
<b>XIII. PROFIT/LOSSES FROM EQUITY METHOD APPLIED SUBSIDIARIES</b>		-	-	-	-
<b>XIV. GAIN / (LOSS) ON NET MONETARY POSITION</b>		-	-	-	-
<b>XV. INCOME/(LOSS) BEFORE TAXES (XI+XII+XIII+XIV)</b>		<b>2.803.696</b>	<b>2.056.663</b>	<b>885.917</b>	<b>553.153</b>
<b>XVI. TAX INCOME PROVISION (±)</b>		<b>(608.260)</b>	<b>(389.301)</b>	<b>(256.161)</b>	<b>(115.181)</b>
16.1 Current tax provision		(571.976)	(2.495)	(164.469)	26.685
16.2 Deferred tax provision		(36.284)	(386.806)	(91.692)	(141.866)
<b>XVII. NET OPERATING INCOME AFTER TAX (XV±XVI)</b>		<b>2.195.436</b>	<b>1.667.362</b>	<b>629.756</b>	<b>437.972</b>
<b>XVIII. INCOME FROM DISCONTINUED OPERATIONS</b>		-	-	-	-
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		-	-	-	-
<b>XIX. EXPENSES FROM DISCONTINUED OPERATIONS (-)</b>		-	-	-	-
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		-	-	-	-
<b>XX. INCOME/EXPENSE BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)</b>		-	-	-	-
<b>XXI. PROVISION FOR TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)</b>		-	-	-	-
21.1 Current tax provision		-	-	-	-
21.2 Deferred tax provision		-	-	-	-
<b>XXII. NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI)</b>		-	-	-	-
<b>XXIII. NET PROFIT/(LOSS) (XVII+XXII)</b>		<b>2.195.436</b>	<b>1.667.362</b>	<b>629.756</b>	<b>437.972</b>
Earnings/losses per share (Full TRY)		1,75635	1,33389	0,50381	0,35038

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 AS OF 30 SEPTEMBER 2016**  
*(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 September	1 January-30 September
STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY	2016	2016
<b>I. ADDITIONS TO MARKETABLE SECURITIES REVALUATION DIFFERENCES FOR AVAILABLE FOR SALE FINANCIAL ASSETS</b>	1.342	(942.225)
<b>II. TANGIBLE ASSETS REVALUATION DIFFERENCES</b>	(379)	1.028.054
<b>III. INTANGIBLE ASSETS REVALUATION DIFFERENCES</b>	-	-
<b>IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS</b>	20.254	-
<b>V. PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR CASH FLOW HEDGE PURPOSES (Effective portion of fair value differences)</b>	-	-
<b>VI. PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGE OF NET INVESTMENTS IN FOREIGN OPERATIONS (Effective portion of fair value differences)</b>	-	-
<b>VII. THE EFFECT OF CORRECTIONS OF ERRORS AND CHANGES IN ACCOUNTING POLICIES</b>	-	-
<b>VIII. OTHER PROFIT LOSS ITEMS ACCOUNTED UNDER EQUITY DUE TO TAS</b>	-	452
<b>IX. DEFERRED TAX OF VALUATION DIFFERENCES</b>	(37.174)	122.711
<b>X. TOTAL NET PROFIT/LOSS ACCOUNTED UNDER EQUITY (I+II+...+IX)</b>	(15.957)	208.992
<b>XI. PROFIT/LOSS</b>	<b>2.195.436</b>	<b>1.667.362</b>
11.1 Change in fair value of marketable securities (Transfer to profit/loss)	4.086	27.241
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	2.191.350	1.640.121
<b>XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE PERIOD (X±XI)</b>	<b>2.179.479</b>	<b>1.876.354</b>

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

**TÜRKİYE HALK BANKASI AŞ**

**UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 30 SEPTEMBER 2016**

(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 cancellation 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
<b>1 January 2015 – 30 September 2015</b>																	
<b>I.</b>		<b>1.250.000</b>	<b>1.220.451</b>	-	-	<b>1.217.403</b>	-	<b>9.300.043</b>	<b>34.104</b>	<b>2.205.768</b>	-	<b>1.299.384</b>	-	<b>8.769</b>	-	-	<b>16.535.922</b>
<b>II.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III.</b>		-	-	-	-	-	-	-	-	-	-	<b>(768.021)</b>	-	-	-	-	<b>(768.021)</b>
<b>IV.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>V.</b>		-	-	-	-	-	-	-	-	-	-	-	<b>976.651</b>	-	-	-	<b>976.651</b>
<b>VI.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XI.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XII.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XIII.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XIV.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XV.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XVI.</b>		-	-	-	-	<b>69</b>	-	-	<b>(24.681)</b>	-	-	<b>25.101</b>	-	<b>(58)</b>	-	-	<b>431</b>
<b>XVII.</b>		-	-	-	-	-	-	-	-	<b>1.667.362</b>	-	-	-	-	-	-	<b>1.667.362</b>
<b>XVIII.</b>		-	-	-	-	<b>118.393</b>	-	<b>1.866.798</b>	-	<b>(2.205.768)</b>	-	-	-	-	-	-	<b>(220.577)</b>
18.1		-	-	-	-	-	-	-	-	-	<b>(220.577)</b>	-	-	-	-	-	<b>(220.577)</b>
18.2		-	-	-	-	<b>118.393</b>	-	<b>1.866.798</b>	-	-	<b>(1.985.191)</b>	-	-	-	-	-	-
18.3		-	-	-	-	-	-	-	-	<b>(2.205.768)</b>	<b>2.205.768</b>	-	-	-	-	-	-
		<b>1.250.000</b>	<b>1.220.451</b>	-	-	<b>1.335.865</b>	-	<b>11.166.841</b>	<b>9.423</b>	<b>1.667.362</b>	-	<b>556.464</b>	<b>976.651</b>	<b>8.711</b>	-	-	<b>18.191.768</b>
<b>1 January 2016 – 30 September 2016</b>																	
<b>I.</b>		<b>1.250.000</b>	<b>1.220.451</b>	-	-	<b>1.335.865</b>	-	<b>11.166.841</b>	<b>31.892</b>	<b>2.315.313</b>	-	<b>966.835</b>	<b>1.128.435</b>	<b>8.711</b>	-	-	<b>19.424.343</b>
<b>II.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III.</b>		-	-	-	-	-	-	-	-	-	-	<b>(35.850)</b>	-	-	-	-	<b>(35.850)</b>
<b>IV.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>V.</b>		-	-	-	-	-	-	-	-	-	-	-	<b>(361)</b>	-	-	-	<b>(361)</b>
<b>VI.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII.</b>		-	-	-	-	-	-	-	<b>20.254</b>	-	-	-	-	-	-	-	<b>20.254</b>
<b>IX.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XI.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XII.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XIII.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XIV.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XV.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XVI.</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XVII.</b>		-	-	-	-	-	-	-	-	<b>2.195.436</b>	-	-	-	-	-	-	<b>2.195.436</b>
<b>XVIII.</b>		-	-	-	-	<b>146.493</b>	-	<b>1.937.289</b>	-	<b>(2.315.313)</b>	-	-	-	-	-	-	<b>(231.531)</b>
18.1		-	-	-	-	-	-	-	-	-	<b>(231.531)</b>	-	-	-	-	-	<b>(231.531)</b>
18.2		-	-	-	-	<b>146.493</b>	-	<b>1.937.289</b>	-	-	<b>(2.083.782)</b>	-	-	-	-	-	-
18.3		-	-	-	-	-	-	-	-	<b>(2.315.313)</b>	<b>2.315.313</b>	-	-	-	-	-	-
		<b>1.250.000</b>	<b>1.220.451</b>	-	-	<b>1.482.358</b>	-	<b>13.104.130</b>	<b>52.146</b>	<b>2.195.436</b>	-	<b>930.985</b>	<b>1.128.074</b>	<b>8.711</b>	-	-	<b>21.372.291</b>

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

**TÜRKİYE HALK BANKASI AŞ**  
**UNCONSOLIDATED STATEMENT OF CASH FLOWS AS OF 30 SEPTEMBER 2016**  
*(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)*

**VI. STATEMENT OF CASH FLOWS**

	<b>Reviewed</b>	<b>Reviewed</b>
	<b>Current period</b>	<b>Prior period</b>
	<b>30 September 2016</b>	<b>30 September 2015</b>
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>		
<b>1.1 Operating profit before changes in operating assets and liabilities</b>	<b>2.161.843</b>	<b>(1.396.528)</b>
1.1.1 Interest received	11.609.925	9.084.963
1.1.2 Interest paid	(7.564.353)	(5.378.647)
1.1.3 Dividend received	95.592	124.358
1.1.4 Fees and commissions received	1.239.153	1.139.976
1.1.5 Other income	318.711	584.178
1.1.6 Collections from previously written off loans	314.177	367.433
1.1.7 Cash payments to personnel and service suppliers	(1.299.022)	(1.151.646)
1.1.8 Taxes paid	(393.486)	(208.471)
1.1.9 Other	(2.158.854)	(5.958.672)
<b>1.2 Assets and Liabilities Subject to Banking Operations</b>	<b>306.653</b>	<b>908.312</b>
1.2.1 Net decrease in financial assets held for sale	(47.511)	9.188
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	(4.224)	14.010
1.2.4 Net (increase) decrease in loans	(17.536.331)	(24.739.567)
1.2.5 Net (increase) decrease in other assets	(823.331)	(3.938.867)
1.2.6 Net increase (decrease) in bank deposits	7.139.153	(252.801)
1.2.7 Net increase (decrease) in other deposits	8.198.096	19.292.716
1.2.8 Net increase (decrease) in loans borrowed	(3.186.551)	8.391.665
1.2.9 Net increase (decrease) in matured payables	-	-
1.2.10 Net increase (decrease) in other liabilities	6.567.352	2.131.968
<b>I. Net cash provided from banking operations</b>	<b>2.468.496</b>	<b>(488.216)</b>
<b>B. CASH FLOWS FROM INVESTMENT ACTIVITIES</b>		
<b>II. Net cash provided from/ (used in) investing activities</b>	<b>(2.984.553)</b>	<b>17.632</b>
2.1 Cash paid for purchase of joint ventures, associates and subsidiaries	(14.636)	(30.153)
2.2 Cash obtained from sale of entities joint ventures, associates and subsidiaries	-	-
2.3 Fixed assets purchases	(204.816)	(266.802)
2.4 Fixed assets sales	110.685	115.329
2.5 Cash paid for purchase of financial assets available for sale	(4.081.729)	(1.785.530)
2.6 Cash obtained from sale of financial assets available for sale	1.318.651	819.341
2.7 Cash paid for purchase of investment securities	(1.398.758)	(656.813)
2.8 Cash obtained from sale of investment securities	1.295.509	1.839.204
2.9 Other	(9.459)	(16.944)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III. Net cash used in financing activities</b>	<b>2.078.087</b>	<b>2.530.611</b>
3.1 Cash obtained from loans borrowed and securities issued	6.310.554	4.616.654
3.2 Cash used for repayment of loans borrowed and securities issued	(4.000.000)	(1.750.000)
3.3 Bonds issued	-	-
3.4 Dividends paid	(231.531)	(335.577)
3.5 Payments for finance leases	(79)	(347)
3.6 Other	(857)	(119)
<b>IV. Effect of change in foreign exchange rate on cash and cash equivalents</b>	<b>111.988</b>	<b>1.151.406</b>
<b>V. Net increase / (decrease) in cash and cash equivalents</b>	<b>1.674.018</b>	<b>3.211.433</b>
<b>VI. Cash and cash equivalents at beginning of the period</b>	<b>8.874.614</b>	<b>6.989.244</b>
<b>VII. Cash and cash equivalents at end of the period</b>	<b>10.548.632</b>	<b>10.200.677</b>

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