

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2018
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

| | | Reviewed | | |
|---|-------------|--------------------|--------------------|--------------------|
| | | Current Period | | |
| | | 30 June 2018 | | |
| ASSETS | Note | TRY | FC | TOTAL |
| I. FINANCIAL ASSETS (NET) | | 60.151.944 | 42.460.585 | 102.612.529 |
| 1.1 Cash and Cash Equivalents | | 8.493.645 | 30.689.626 | 39.183.271 |
| 1.1.1 Cash and Balances with Central Bank | (1) | 8.360.101 | 25.646.252 | 34.006.353 |
| 1.1.2 Banks | (3) | 105.430 | 5.043.374 | 5.148.804 |
| 1.1.3 Money Markets | | 28.114 | - | 28.114 |
| 1.2 Financial Assets at Fair Value Through Profit or Loss | (2) | 15.118.161 | 83.848 | 15.202.009 |
| 1.2.1 Government Debt Securities | | 15.085.245 | 82.611 | 15.167.856 |
| 1.2.2 Equity Instruments | | 337 | 985 | 1.322 |
| 1.2.3 Other Financial Assets | | 32.579 | 252 | 32.831 |
| 1.3 Financial Assets at Fair Value Through Other Comprehensive Income | (4) | 1.045.819 | 1.123.990 | 2.169.809 |
| 1.3.1 Government Debt Securities | | 1.018.414 | 1.049.141 | 2.067.555 |
| 1.3.2 Equity Instruments | | 27.287 | 74.849 | 102.136 |
| 1.3.3 Other Financial Assets | | 118 | - | 118 |
| 1.4 Financial Assets Measured at Amortised Cost | (6) | 35.515.496 | 9.648.298 | 45.163.794 |
| 1.4.1 Government Debt Securities | | 35.471.528 | 9.648.298 | 45.119.826 |
| 1.4.2 Other Financial Assets | | 43.968 | - | 43.968 |
| 1.5 Derivative Financial Assets | (2) | 672 | 915.070 | 915.742 |
| 1.5.1 Derivative Financial Assets at Fair Value Through Profit or Loss | | 672 | 915.070 | 915.742 |
| 1.5.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income | | - | - | - |
| 1.6 Non – Performing Financial Assets | | - | - | - |
| 1.7 Expected Loss Provision (-) | | 21.849 | 247 | 22.096 |
| II. LOANS (Net) | | 164.239.395 | 79.890.304 | 244.129.699 |
| 2.1 Loans | (5) | 162.914.871 | 77.431.641 | 240.346.512 |
| 2.1.1 Measured at Amortised Cost | | 162.914.871 | 77.431.641 | 240.346.512 |
| 2.1.2 Fair Value Through Profit or Loss | | - | - | - |
| 2.1.3 Fair Value Through Other Comprehensive Income | | - | - | - |
| 2.2 Lease Receivables | (10) | 639.155 | 2.174.786 | 2.813.941 |
| 2.2.1 Financial Lease Receivables | | 809.818 | 2.544.106 | 3.353.924 |
| 2.2.2 Operating Lease Receivables | | - | - | - |
| 2.2.3 Unearned Income (-) | | 170.663 | 369.320 | 539.983 |
| 2.3 Factoring Receivables | | 1.364.431 | 193.782 | 1.558.213 |
| 2.3.1 Measured at Amortised Cost | | 1.364.431 | 193.782 | 1.558.213 |
| 2.3.2 Fair Value Through Profit or Loss | | - | - | - |
| 2.3.3 Fair Value Through Other Comprehensive Income | | - | - | - |
| 2.4 Non- Performing Loans | (5) | 6.625.778 | 391.830 | 7.017.608 |
| 2.5 Expected Credit Loss (-) | (5) | 7.304.840 | 301.735 | 7.606.575 |
| 2.5.1 12 Month Expected Credit Losses (Stage I) | | 1.060.510 | 33.796 | 1.094.306 |
| 2.5.2 Significant Increase in Credit Risk (Stage II) | | 967.922 | 6.825 | 974.747 |
| 2.5.3 Credit – Impaired Losses (Stage III / Special Provision) | | 5.276.408 | 261.114 | 5.537.522 |
| III. PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (NET) | (14) | 5.038 | - | 5.038 |
| 3.1 Held for Sale Purpose | | 5.038 | - | 5.038 |
| 3.2 Related to Discontinued Operations | | - | - | - |
| IV. EQUITY INVESTMENTS | | 78.727 | 397.752 | 476.479 |
| 4.1 Investments in Associates (Net) | (7) | 26.549 | 397.752 | 424.301 |
| 4.1.1 Associates Valued Based on Equity Method | | 17.197 | 397.752 | 414.949 |
| 4.1.2 Unconsolidated Associates | | 9.352 | - | 9.352 |
| 4.2 Subsidiaries (Net) | (8) | 52.178 | - | 52.178 |
| 4.2.1 Unconsolidated Financial Subsidiaries | | - | - | - |
| 4.2.2 Unconsolidated Non- Financial Subsidiaries | | 52.178 | - | 52.178 |
| 4.3 Joint Ventures (Net) | (9) | - | - | - |
| 4.3.1 Joint Ventures Valued Based on Equity Method | | - | - | - |
| 4.3.2 Unconsolidated Joint Ventures | | - | - | - |
| V. PROPERTY AND EQUIPMENT (Net) | | 4.154.746 | 107.086 | 4.261.832 |
| VI. INTANGIBLE ASSETS (Net) | | 103.665 | 26.684 | 130.349 |
| 6.1 Goodwill | | - | - | - |
| 6.2 Other | | 103.665 | 26.684 | 130.349 |
| VII. INVESTMENT PROPERTIES (Net) | (12) | 947.857 | 5.371 | 953.228 |
| VIII. CURRENT TAX ASSET | (13) | 9.938 | 2.224 | 12.162 |
| IX. DEFERRED TAX ASSET | | 102.286 | 2.664 | 104.950 |
| X. OTHER ASSETS | (15) | 3.079.234 | 1.064.175 | 4.143.409 |
| TOTAL ASSETS | | 232.872.830 | 123.956.845 | 356.829.675 |

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2017
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

| | | Audited | | | |
|---------------------|---|------------------|--------------------|--------------------|--------------------|
| | | Prior period | | | |
| | | 31 December 2017 | | | |
| ASSETS | Note | TRY | FC | Total | |
| I. | CASH AND BALANCES WITH THE CENTRAL BANK | (1) | 12.917.490 | 23.763.887 | 36.681.377 |
| II. | FINANCIAL ASSETS AT FV THROUGH PROFIT AND LOSS (Net) | (2) | 10.120.010 | 363.498 | 10.483.508 |
| 2.1 | Trading financial assets | | 10.120.010 | 363.498 | 10.483.508 |
| 2.1.1 | Public sector debt securities | | 10.095.327 | - | 10.095.327 |
| 2.1.2 | Share certificates | | 354 | 886 | 1.240 |
| 2.1.3 | Financial assets held for trading | | 118 | 362.398 | 362.516 |
| 2.1.4 | Other marketable securities | | 24.211 | 214 | 24.425 |
| 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) | 677.360 | 5.635.807 | 6.313.167 |
| IV. | MONEY MARKET PLACEMENTS | | 1.288.168 | - | 1.288.168 |
| 4.1 | Interbank money market placements | | 1.258.647 | - | 1.258.647 |
| 4.2 | Takasbank (Clearing & Settlement Bank) Money Market placements | | 29.211 | - | 29.211 |
| 4.3 | Receivables from reverse repurchase agreements | | 310 | - | 310 |
| V. | FINANCIAL ASSETS AVAILABLE FOR SALE (Net) | (4) | 11.599.564 | 6.099.614 | 17.699.178 |
| 5.1 | Share certificates | | 24.561 | 54.538 | 79.099 |
| 5.2 | Public sector debt securities | | 11.575.003 | 6.045.076 | 17.620.079 |
| 5.3 | Other marketable securities | | - | - | - |
| VI. | LOANS AND RECEIVABLES | (5) | 139.626.734 | 65.925.861 | 205.552.595 |
| 6.1 | Loans and receivables | | 138.299.409 | 65.842.861 | 204.142.270 |
| 6.1.1 | Loans extended to risk group of the Bank | | - | - | - |
| 6.1.2 | Public sector debt securities | | - | - | - |
| 6.1.3 | Other | | 138.299.409 | 65.842.861 | 204.142.270 |
| 6.2 | Loans under follow-up | | 6.106.597 | 189.809 | 6.296.406 |
| 6.3 | Specific provisions (-) | | 4.779.272 | 106.809 | 4.886.081 |
| VII. | FACTORING RECEIVABLES | | 1.051.939 | 159.993 | 1.211.932 |
| VIII. | HELD TO MATURITY INVESTMENTS (Net) | (6) | 19.304.493 | 2.682.606 | 21.987.099 |
| 8.1 | Public sector debt securities | | 19.261.098 | 2.682.606 | 21.943.704 |
| 8.2 | Other marketable securities | | 43.395 | - | 43.395 |
| IX. | INVESTMENTS IN ASSOCIATES (Net) | (7) | 22.590 | 330.548 | 353.138 |
| 9.1 | Accounted for under equity method | | 16.270 | 330.548 | 346.818 |
| 9.2 | Unconsolidated associates | | 6.320 | - | 6.320 |
| 9.2.1 | Financial investments | | - | - | - |
| 9.2.2 | Non-financial investments | | 6.320 | - | 6.320 |
| X. | INVESTMENTS IN SUBSIDIARIES (Net) | (8) | 52.178 | - | 52.178 |
| 10.1 | Unconsolidated financial subsidiaries | | - | - | - |
| 10.2 | Unconsolidated non-financial subsidiaries | | 52.178 | - | 52.178 |
| XI. | JOINT VENTURES (Net) | (9) | - | - | - |
| 11.1 | Accounted for 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) | 626.642 | 2.044.611 | 2.671.253 |
| 12.1 | Finance lease receivables | | 788.528 | 2.378.704 | 3.167.232 |
| 12.2 | Operating lease receivables | | - | - | - |
| 12.3 | Other | | - | - | - |
| 12.4 | Unearned income (-) | | 161.886 | 334.093 | 495.979 |
| 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) | 3.658.962 | 92.638 | 3.751.600 |
| XV. | INTANGIBLE ASSETS (Net) | (13) | 120.393 | 22.702 | 143.095 |
| 15.1 | Goodwill | | - | - | - |
| 15.2 | Other | | 120.393 | 22.702 | 143.095 |
| XVI. | INVESTMENT PROPERTIES (Net) | (14) | 905.720 | 4.658 | 910.378 |
| XVII. | TAX ASSETS | (15) | 87.747 | 6.296 | 94.043 |
| 17.1 | Current tax assets | | 2.841 | 4.021 | 6.862 |
| 17.2 | Deferred tax assets | | 84.906 | 2.275 | 87.181 |
| XVIII. | ASSETS HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net) | (16) | 790 | - | 790 |
| 18.1 | Held for sale purpose | | 790 | - | 790 |
| 18.2 | Held from discontinued operations | | - | - | - |
| XIX. | OTHER ASSETS | (17) | 2.630.828 | 395.429 | 3.026.257 |
| TOTAL ASSETS | | | 204.691.608 | 107.528.148 | 312.219.756 |

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2018
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

| | | Reviewed | | |
|--|------|--------------------|--------------------|--------------------|
| | | Current Period | | |
| | | 30 June 2018 | | |
| LIABILITIES | Note | TRY | FC | TOTAL |
| I. DEPOSITS | (1) | 129.406.816 | 92.528.118 | 221.934.934 |
| II. FUNDS BORROWED | (3) | 1.791.319 | 18.268.192 | 20.059.511 |
| III. MONEY MARKET BORROWINGS | | 37.064.763 | 4.440.686 | 41.505.449 |
| IV. SECURITIES ISSUED (Net) | (4) | 3.589.694 | 10.377.787 | 13.967.481 |
| 4.1 Bills | | 3.464.112 | - | 3.464.112 |
| 4.2 Assets Backed Securities | | 125.582 | - | 125.582 |
| 4.3 Bonds | | - | 10.377.787 | 10.377.787 |
| V. FUNDS | (5) | 2.769.229 | - | 2.769.229 |
| 5.1 Borrower Funds | | 323 | - | 323 |
| 5.2 Other | | 2.768.906 | - | 2.768.906 |
| VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS | | - | - | - |
| VII. DERIVATIVE FINANCIAL ASSETS | (2) | 1.193 | 387.081 | 388.274 |
| 7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss | | 1.193 | 387.081 | 388.274 |
| 7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income | | - | - | - |
| VIII. FACTORING LIABILITIES | | 1.025 | 34 | 1.059 |
| IX. LEASE LIABILITIES | (7) | - | - | - |
| 9.1 Financial Lease | | - | - | - |
| 9.2 Operating Lease | | - | - | - |
| 9.3 Other | | - | - | - |
| 9.4 Deferred Financial Lease Expenses (-) | | - | - | - |
| X. PROVISIONS | (9) | 3.694.661 | 12.340 | 3.707.001 |
| 10.1 Restructuring Provisions | | - | - | - |
| 10.2 Reserve for Employee Benefits | | 956.079 | 4.816 | 960.895 |
| 10.3 Insurance for Technical Provision(Net) | | 2.126.729 | - | 2.126.729 |
| 10.4 Other Provisions | | 611.853 | 7.524 | 619.377 |
| XI. CURRENT TAX LIABILITY | (10) | 676.487 | 3.626 | 680.113 |
| XII. DEFERRED TAX LIABILITIES | (10) | 627.383 | 2.152 | 629.535 |
| XIII. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net) | (11) | - | - | - |
| 13.1 Held for Sale Purpose | | - | - | - |
| 13.2 Related to Discontinued Operations | | - | - | - |
| XIV. SUBORDINATED DEBT INSTRUMENTS | (12) | 1.001.322 | - | 1.001.322 |
| 14.1 Loans | | - | - | - |
| 14.2 Other Debt Instruments | | 1.001.322 | - | 1.001.322 |
| XV. OTHER LIABILITIES | (6) | 20.544.115 | 1.020.478 | 21.564.593 |
| XVI. SHAREHOLDERS' EQUITY | (13) | 28.267.862 | 353.312 | 28.621.174 |
| 16.1 Paid in Capital | | 1.250.000 | - | 1.250.000 |
| 16.2 Capital Reserves | | 1.270.002 | 39 | 1.270.041 |
| 16.2.1 Share Premium | | 39.737 | - | 39.737 |
| 16.2.2 Share Cancellation Profits | | - | - | - |
| 16.2.3 Other Capital Reserves | | 1.230.265 | 39 | 1.230.304 |
| 16.3 Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss | | 2.239.242 | 275 | 2.239.517 |
| 16.4 Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss | | (19.507) | (142.306) | (161.813) |
| 16.5 Profit Reserves | | 16.951.539 | 269.754 | 17.221.293 |
| 16.5.1 Legal Reserves | | 1.791.118 | 10.386 | 1.801.504 |
| 16.5.2 Status Reserves | | - | - | - |
| 16.5.3 Extraordinary Reserves | | 15.113.279 | 59.840 | 15.173.119 |
| 16.5.4 Other Profit Reserves | | 47.142 | 199.528 | 246.670 |
| 16.6 Income or (Loss) | | 6.352.298 | 221.609 | 6.573.907 |
| 16.6.1 Prior Periods' Income or (Loss) | | 4.548.107 | 188.035 | 4.736.142 |
| 16.6.2 Current Period Income or (Loss) | | 1.804.191 | 33.574 | 1.837.765 |
| 16.7 Minority Shares | | 224.288 | 3.941 | 228.229 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 229.435.869 | 127.393.806 | 356.829.675 |

Accompanying notes are an integral part of these consolidated financial statements.

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2017

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

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

| | | Audited | | |
|---|-------------|--------------------|--------------------|--------------------|
| | | Prior period | | |
| | | 31 December 2017 | | |
| LIABILITIES AND SHAREHOLDERS' EQUITY | Note | TRY | FC | Total |
| I. DEPOSITS | (1) | 116.559.965 | 76.710.656 | 193.270.621 |
| 1.1 Deposits Held by the Risk Group of the Bank | | 21.534 | 8 | 21.542 |
| 1.2 Other | | 116.538.431 | 76.710.648 | 193.249.079 |
| II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING | (2) | 146 | 150.527 | 150.673 |
| III. FUNDS BORROWED | (3) | 1.436.861 | 18.621.623 | 20.058.484 |
| IV. MONEY MARKET BALANCES | (3) | 29.615.560 | 5.387.762 | 35.003.322 |
| 4.1 Interbank money market borrowings | | 29.030.813 | 1.247.014 | 30.277.827 |
| 4.2 Takasbank (Clearing & Settlement Bank) Money Market takings | | 377.295 | - | 377.295 |
| 4.3 Funds from repurchase agreements | | 207.452 | 4.140.748 | 4.348.200 |
| V. MARKETABLE SECURITIES ISSUED (Net) | (4) | 3.381.225 | 8.640.905 | 12.022.130 |
| 5.1 Treasury bills | | 3.280.789 | - | 3.280.789 |
| 5.2 Asset-backed securities | | 100.436 | - | 100.436 |
| 5.3 Bonds | | - | 8.640.905 | 8.640.905 |
| VI. FUNDS | (5) | 2.724.634 | - | 2.724.634 |
| 6.1 Borrower Funds | | 860 | - | 860 |
| 6.2 Other | | 2.723.774 | - | 2.723.774 |
| VII. SUNDRY CREDITORS | | 3.678.813 | 179.545 | 3.858.358 |
| VIII. OTHER LIABILITIES | (6) | 11.476.631 | 526.985 | 12.003.616 |
| IX. FACTORING PAYABLES | | 2.307 | 755 | 3.062 |
| X. FINANCE LEASE PAYABLES | (7) | - | - | - |
| 10.1 Finance lease payables | | - | - | - |
| 10.2 Operating lease payables | | - | - | - |
| 10.3 Other | | - | - | - |
| 10.4 Deferred finance lease expenses (-) | | - | - | - |
| XI. DERIVATIVE FINANCIAL LIABILITIES HELD FOR RISK MANAGEMENT | (8) | - | - | - |
| 11.1 Fair value risk hedging | | - | - | - |
| 11.2 Cash flow risk hedging | | - | - | - |
| 11.3 Net foreign investment risk hedging | | - | - | - |
| XII. PROVISIONS | (9) | 5.299.348 | 40.741 | 5.340.089 |
| 12.1 General loan provisions | | 2.288.701 | 28.456 | 2.317.157 |
| 12.2 Restructuring provisions | | - | - | - |
| 12.3 Employee benefits provisions | | 854.242 | 6.198 | 860.440 |
| 12.4 Insurance technical reserves (Net) | | 1.810.804 | - | 1.810.804 |
| 12.5 Other provisions | | 345.601 | 6.087 | 351.688 |
| XIII. TAX LIABILITIES | (10) | 1.244.449 | 7.244 | 1.251.693 |
| 13.1 Current tax liabilities | | 672.431 | 5.092 | 677.523 |
| 13.2 Deferred tax liabilities | | 572.018 | 2.152 | 574.170 |
| 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 LOAN | (12) | 1.004.385 | - | 1.004.385 |
| XVI. SHAREHOLDERS' EQUITY | (13) | 25.378.161 | 150.528 | 25.528.689 |
| 16.1 Paid-in capital | | 1.250.000 | - | 1.250.000 |
| 16.2 Capital reserves | | 3.088.739 | (240.647) | 2.848.092 |
| 16.2.1 Share Premium | | 39.737 | - | 39.737 |
| 16.2.2 Share cancellation profits | | - | - | - |
| 16.2.3 Marketable securities revaluation fund | | (366.800) | (240.961) | (607.761) |
| 16.2.4 Tangible assets revaluation reserves | | 2.253.371 | 275 | 2.253.646 |
| 16.2.5 Intangible assets revaluation reserves | | - | - | - |
| 16.2.6 Revaluation reserves of investment properties | | - | - | - |
| 16.2.7 Bonus shares of subsidiaries, associates and joint ventures | | 4.723 | - | 4.723 |
| 16.2.8 Hedging Funds (effective portion) | | - | - | - |
| 16.2.9 Value Increase on Assets Held for Sale | | - | - | - |
| 16.2.10 Other capital reserves | | 1.157.708 | 39 | 1.157.747 |
| 16.3 Profit reserves | | 16.900.753 | 180.650 | 17.081.403 |
| 16.3.1 Legal reserves | | 1.750.382 | 8.559 | 1.758.941 |
| 16.3.2 Statutory reserves | | - | - | - |
| 16.3.3 Extraordinary reserves | | 15.103.229 | 27.317 | 15.130.546 |
| 16.3.4 Other profit reserves | | 47.142 | 144.774 | 191.916 |
| 16.4 Profit/Loss | | 3.932.096 | 206.974 | 4.139.070 |
| 16.4.1 Prior years' profits/losses | | (4.150) | 104.981 | 100.831 |
| 16.4.2 Period profit/loss | | 3.936.246 | 101.993 | 4.038.239 |
| 16.5 Minority shares | (14) | 206.573 | 3.551 | 210.124 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 201.802.485 | 110.417.271 | 312.219.756 |

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS
AS OF 30 JUNE 2018

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

II. CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS

| | | Reviewed | | |
|---|--|-----------------------|--------------------|----------------------|
| | | Current Period | | |
| | | 30 June 2018 | | |
| OFF BALANCE SHEET | Note | TRY | FC | TOTAL |
| A. | COMMITMENTS AND CONTINGENCIES (I+II+III) | 74.886.198 | 98.347.238 | 173.233.436 |
| I. | GUARANTEES AND SURETIES | (1) 33.970.524 | 36.776.391 | 70.746.915 |
| 1.1 | Letters of guarantee | 32.292.320 | 28.433.190 | 60.725.510 |
| 1.1.1 | Guarantees subject to public procurement law | 1.782.441 | 12.209.041 | 13.991.482 |
| 1.1.2 | Guarantees given for foreign trade operations | - | 58.119 | 58.119 |
| 1.1.3 | Other letters of guarantee | 30.509.879 | 16.166.030 | 46.675.909 |
| 1.2 | Bank loans | 10.216 | 4.285.093 | 4.295.309 |
| 1.2.1 | Import acceptances | - | 152.441 | 152.441 |
| 1.2.2 | Other bank acceptances | 10.216 | 4.132.652 | 4.142.868 |
| 1.3 | Letters of credit | 30.364 | 3.926.366 | 3.956.730 |
| 1.3.1 | Documentary letters of credit | 30.364 | 3.926.366 | 3.956.730 |
| 1.3.2 | Other letters of credit | - | - | - |
| 1.4 | Guaranteed refinancing | - | - | - |
| 1.5 | Endorsements | - | - | - |
| 1.5.1 | Endorsements to Central Bank of the Republic of Turkey | - | - | - |
| 1.5.2 | Other Endorsements | - | - | - |
| 1.6 | Purchase guarantees on marketable security issuance | - | - | - |
| 1.7 | Factoring guarantees | - | - | - |
| 1.8 | Other guarantees | 1.637.624 | 131.742 | 1.769.366 |
| 1.9 | Other sureties | - | - | - |
| II. | COMMITMENTS | (1) 25.662.251 | 4.381.436 | 30.043.687 |
| 2.1 | Irrevocable commitments | 25.607.103 | 3.194.712 | 28.801.815 |
| 2.1.1 | Forward asset purchase commitments | 1.124.809 | 2.255.014 | 3.379.823 |
| 2.1.2 | Forward deposit purchase and sale commitments | - | - | - |
| 2.1.3 | Capital commitments to subsidiaries and associates | - | - | - |
| 2.1.4 | Loan granting commitments | 4.513.541 | 584.780 | 5.098.321 |
| 2.1.5 | Securities underwriting commitments | - | - | - |
| 2.1.6 | Payment commitments for reserve deposits | - | - | - |
| 2.1.7 | Payment commitments for Cheques | 3.653.584 | - | 3.653.584 |
| 2.1.8 | Tax and fund liabilities from export commitments | 46.439 | - | 46.439 |
| 2.1.9 | Commitments for credit card expenditure limits | 12.500.921 | 44.613 | 12.545.534 |
| 2.1.10 | Commitments for credit cards and banking services promotions | 33.296 | - | 33.296 |
| 2.1.11 | Receivables from short sale commitments | - | - | - |
| 2.1.12 | Payables for short sale commitments | - | - | - |
| 2.1.13 | Other irrevocable commitments | 3.734.513 | 310.305 | 4.044.818 |
| 2.2 | Revocable commitments | 55.148 | 1.186.724 | 1.241.872 |
| 2.2.1 | Revocable loan granting commitments | - | 968.143 | 968.143 |
| 2.2.2 | Other revocable commitments | 55.148 | 218.581 | 273.729 |
| III. | DERIVATIVE FINANCIAL INSTRUMENTS | 15.253.423 | 57.189.411 | 72.442.834 |
| 3.1 | Derivative financial instruments held for risk management | - | - | - |
| 3.1.1 | Fair value risk hedging transactions | - | - | - |
| 3.1.2 | Cash flow risk hedging transactions | - | - | - |
| 3.1.3 | Net foreign investment risk hedging transactions | - | - | - |
| 3.2 | Transactions for trading | 15.253.423 | 57.189.411 | 72.442.834 |
| 3.2.1 | Forward foreign currency buy/sell transactions | 4.726.371 | 15.535.464 | 20.261.835 |
| 3.2.1.1 | Forward foreign currency transactions-buy | 1.856.706 | 9.976.069 | 11.832.775 |
| 3.2.1.2 | Forward foreign currency transactions-sell | 2.869.665 | 5.559.395 | 8.429.060 |
| 3.2.2 | Currency and interest rate swaps | 6.048.718 | 30.219.181 | 36.267.899 |
| 3.2.2.1 | Currency swap-buy | 1.693.263 | 10.031.751 | 11.725.014 |
| 3.2.2.2 | Currency swap-sell | 4.355.455 | 7.199.374 | 11.554.829 |
| 3.2.2.3 | Interest rate swap-buy | - | 6.494.028 | 6.494.028 |
| 3.2.2.4 | Interest rate swap-sell | - | 6.494.028 | 6.494.028 |
| 3.2.3 | Currency, interest rate and marketable securities options | 4.478.334 | 5.442.009 | 9.920.343 |
| 3.2.3.1 | Currency call options | 2.239.229 | 2.720.942 | 4.960.171 |
| 3.2.3.2 | Currency put options | 2.239.105 | 2.721.067 | 4.960.172 |
| 3.2.3.3 | Interest rate call options | - | - | - |
| 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 | Interest rate futures-buy | - | - | - |
| 3.2.5.2 | Interest rate futures-sell | - | - | - |
| 3.2.6 | Other | - | 5.992.757 | 5.992.757 |
| B. | CUSTODY AND PLEDGED ASSETS (IV+V+VI) | 920.512.265 | 259.012.413 | 1.179.524.678 |
| IV. | CUSTODIES | 461.959.771 | 34.827.561 | 496.787.332 |
| 4.1 | Assets under management | - | - | - |
| 4.2 | Custody marketable securities | 182.429.978 | 719.063 | 183.149.041 |
| 4.3 | Cheques in collection process | 17.194.305 | 22.908.690 | 40.102.995 |
| 4.4 | Commercial notes in collection process | 223.954.582 | 4.211.829 | 228.166.411 |
| 4.5 | Other assets in collection process | - | - | - |
| 4.6 | Underwritten securities | - | - | - |
| 4.7 | Other custodies | 4.321.105 | 193.508 | 4.514.613 |
| 4.8 | Custodians | 34.059.801 | 6.794.471 | 40.854.272 |
| V. | PLEDGED ASSETS | 458.552.494 | 224.184.852 | 682.737.346 |
| 5.1 | Marketable securities | 5.387.285 | 666.416 | 6.053.701 |
| 5.2 | Collateral notes | 8.533.154 | 1.042.461 | 9.575.615 |
| 5.3 | Commodity | 25.813 | - | 25.813 |
| 5.4 | Warranty | - | - | - |
| 5.5 | Land and buildings | 362.668.647 | 188.852.375 | 551.521.022 |
| 5.6 | Other pledged assets | 74.626.753 | 30.964.024 | 105.590.777 |
| 5.7 | Pledges | 7.310.842 | 2.659.576 | 9.970.418 |
| VI. | ACCEPTED BILL GUARANTEES AND SURETIES | - | - | - |
| TOTAL OFF BALANCE SHEET ACCOUNTS (A+B) | | 995.398.463 | 357.359.651 | 1.352.758.114 |

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS
AS OF 31 DECEMBER 2017

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

II. CONSOLIDATED STATEMENT OF OFF BALANCE SHEET ITEMS

| | | Audited | | |
|---|-------------|-------------------------|--------------------|----------------------|
| | | Prior period | | |
| | | 31 December 2017 | | |
| OFF BALANCE SHEET | Note | TRY | FC | Total |
| A. COMMITMENTS AND CONTINGENCIES (I+II+III) | | 55.825.715 | 59.017.870 | 114.843.585 |
| I. GUARANTEES AND SURETIES | (1) | 28.091.702 | 30.695.956 | 58.787.658 |
| 1.1 Letters of guarantee | | 26.885.534 | 22.774.574 | 49.660.108 |
| 1.1.1 Guarantees subject to public procurement law | | 1.522.672 | 10.045.779 | 11.568.451 |
| 1.1.2 Guarantees given for foreign trade operations | | - | 24.183 | 24.183 |
| 1.1.3 Other letters of guarantee | | 25.362.862 | 12.704.612 | 38.067.474 |
| 1.2 Bank loans | | 16.829 | 3.676.678 | 3.693.507 |
| 1.2.1 Import acceptances | | - | 226.526 | 226.526 |
| 1.2.2 Other bank acceptances | | 16.829 | 3.450.152 | 3.466.981 |
| 1.3 Letters of credit | | 47.204 | 4.100.917 | 4.148.121 |
| 1.3.1 Documentary letters of credit | | 47.204 | 4.100.917 | 4.148.121 |
| 1.3.2 Other letters of credit | | - | - | - |
| 1.4 Guaranteed refinancing | | - | - | - |
| 1.5 Endorsements | | - | - | - |
| 1.5.1 Endorsements to Central Bank of the Republic of Turkey | | - | - | - |
| 1.5.2 Other Endorsements | | - | - | - |
| 1.6 Purchase guarantees on marketable security issuance | | - | - | - |
| 1.7 Factoring guarantees | | - | - | - |
| 1.8 Other guarantees | | 1.142.135 | 143.787 | 1.285.922 |
| 1.9 Other sureties | | - | - | - |
| II. COMMITMENTS | (1) | 22.879.077 | 2.235.117 | 25.114.194 |
| 2.1 Irrevocable commitments | | 22.879.077 | 1.310.028 | 24.189.105 |
| 2.1.1 Forward asset purchase commitments | | 248.484 | 661.967 | 910.451 |
| 2.1.2 Forward deposit purchase and sale commitments | | - | - | - |
| 2.1.3 Capital commitments to subsidiaries and associates | | - | - | - |
| 2.1.4 Loan granting commitments | | 4.191.402 | 493.963 | 4.685.365 |
| 2.1.5 Securities underwriting commitments | | - | - | - |
| 2.1.6 Payment commitments for reserve deposits | | - | - | - |
| 2.1.7 Payment commitments for Cheques | | 3.269.281 | - | 3.269.281 |
| 2.1.8 Tax and fund liabilities from export commitments | | 38.072 | - | 38.072 |
| 2.1.9 Commitments for credit card expenditure limits | | 11.562.109 | 37.787 | 11.599.896 |
| 2.1.10 Commitments for credit cards and banking services promotions | | 32.736 | - | 32.736 |
| 2.1.11 Receivables from short sale commitments | | - | - | - |
| 2.1.12 Payables for short sale commitments | | - | - | - |
| 2.1.13 Other irrevocable commitments | | 3.536.993 | 116.311 | 3.653.304 |
| 2.2 Revocable commitments | | - | 925.089 | 925.089 |
| 2.2.1 Revocable loan granting commitments | | - | 57.071 | 57.071 |
| 2.2.2 Other revocable commitments | | - | 868.018 | 868.018 |
| III. DERIVATIVE FINANCIAL INSTRUMENTS | | 4.854.936 | 26.086.797 | 30.941.733 |
| 3.1 Derivative financial instruments held for risk management | | - | - | - |
| 3.1.1 Fair value risk hedging transactions | | - | - | - |
| 3.1.2 Cash flow risk hedging transactions | | - | - | - |
| 3.1.3 Net foreign investment risk hedging transactions | | - | - | - |
| 3.2 Transactions for trading | | 4.854.936 | 26.086.797 | 30.941.733 |
| 3.2.1 Forward foreign currency buy/sell transactions | | 2.711.228 | 6.374.073 | 9.085.301 |
| 3.2.1.1 Forward foreign currency transactions-buy | | 1.359.880 | 4.498.627 | 5.858.507 |
| 3.2.1.2 Forward foreign currency transactions-sell | | 1.351.348 | 1.875.446 | 3.226.794 |
| 3.2.2 Currency and interest rate swaps | | 1.353.630 | 15.891.963 | 17.245.593 |
| 3.2.2.1 Currency swap-buy | | 418.414 | 2.843.148 | 3.261.562 |
| 3.2.2.2 Currency swap-sell | | 935.216 | 2.162.053 | 3.097.269 |
| 3.2.2.3 Interest rate swap-buy | | - | 5.443.381 | 5.443.381 |
| 3.2.2.4 Interest Rate swap-sell | | - | 5.443.381 | 5.443.381 |
| 3.2.3 Currency, interest rate and marketable securities options | | 790.078 | 1.090.343 | 1.880.421 |
| 3.2.3.1 Currency call options | | 394.932 | 545.279 | 940.211 |
| 3.2.3.2 Currency put options | | 395.146 | 545.064 | 940.210 |
| 3.2.3.3 Interest rate call options | | - | - | - |
| 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 Interest rate futures-buy | | - | - | - |
| 3.2.5.2 Interest rate futures-sell | | - | - | - |
| 3.2.6 Other | | - | 2.730.418 | 2.730.418 |
| B. CUSTODY AND PLEDGED ASSETS (IV+V+VI) | | 835.132.210 | 209.876.872 | 1.045.009.082 |
| IV. CUSTODIES | | 394.414.878 | 29.275.633 | 423.690.511 |
| 4.1 Assets under management | | - | - | - |
| 4.2 Custody marketable securities | | 177.566.380 | 518.467 | 178.084.847 |
| 4.3 Cheques in collection process | | 15.489.840 | 22.716.178 | 38.206.018 |
| 4.4 Commercial notes in collection process | | 193.733.321 | 491.087 | 194.224.408 |
| 4.5 Other assets in collection process | | - | - | - |
| 4.6 Underwritten securities | | - | - | - |
| 4.7 Other custodies | | 4.136.680 | 127.221 | 4.263.901 |
| 4.8 Custodians | | 3.488.657 | 5.422.680 | 8.911.337 |
| V. PLEDGED ASSETS | | 440.717.332 | 180.601.239 | 621.318.571 |
| 5.1 Marketable securities | | 4.512.526 | 571.558 | 5.084.084 |
| 5.2 Collateral notes | | 7.261.444 | 911.790 | 8.173.234 |
| 5.3 Commodity | | 25.813 | 145.204 | 171.017 |
| 5.4 Warranty | | - | - | - |
| 5.5 Land and buildings | | 324.029.119 | 151.762.384 | 475.791.503 |
| 5.6 Other pledged assets | | 67.075.089 | 23.900.616 | 90.975.705 |
| 5.7 Pledges | | 37.813.341 | 3.309.687 | 41.123.028 |
| VI. ACCEPTED BILL GUARANTEES AND SURETIES | | - | - | - |
| TOTAL OFF BALANCE SHEET ACCOUNTS (A+B) | | 890.957.925 | 268.894.742 | 1.159.852.667 |

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF INCOME AS OF 30 JUNE 2018
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

III. CONSOLIDATED STATEMENT OF INCOME

| INCOME AND EXPENSES | | Note | Reviewed Current Period | |
|---------------------|--|------|----------------------------|--------------------------|
| | | | 1 January- 30 June 2018 | 1 April- 30 June 2018 |
| I. | INTEREST INCOME | (1) | 15.195.332 | 8.084.566 |
| 1.1 | Interest on Loans | | 12.311.717 | 6.547.225 |
| 1.2 | Interest on Reserve Requirements | | 69.599 | 33.106 |
| 1.3 | Interest on Banks | | 215.575 | 115.368 |
| 1.4 | Interest on Money Market Transactions | | 24.555 | 13.167 |
| 1.5 | Interest on Marketable Securities Portfolio | | 2.309.142 | 1.233.996 |
| 1.5.1 | Fair Value Through Profit or Loss | | 7.358 | 4.735 |
| 1.5.2 | Fair Value Through Other Comprehensive Income | | 83.959 | (350.833) |
| 1.5.3 | Measured at Amortized Cost | | 2.217.825 | 1.580.094 |
| 1.6 | Financial Lease Income | | 124.428 | 67.089 |
| 1.7 | Other Interest Income | | 140.316 | 74.615 |
| II. | INTEREST EXPENSE (-) | (2) | 10.715.736 | 5.749.099 |
| 2.1 | Interest on Deposits | | 7.791.850 | 4.087.727 |
| 2.2 | Interest on Funds Borrowed | | 343.375 | 182.270 |
| 2.3 | Interest Expense on Money Market Transactions | | 1.900.052 | 1.112.483 |
| 2.4 | Interest on Securities Issued | | 566.109 | 315.492 |
| 2.5 | Other Interest Expense | | 114.350 | 51.127 |
| III. | NET INTEREST INCOME (I - II) | | 4.479.596 | 2.335.467 |
| IV. | NET FEES AND COMMISSIONS INCOME | | 869.678 | 473.737 |
| 4.1 | Fees and Commissions Received | | 1.218.741 | 665.451 |
| 4.1.1 | Non – cash Loans | | 253.387 | 134.718 |
| 4.1.2 | Other | | 965.354 | 530.733 |
| 4.2 | Fees and Commissions Paid (-) | | 349.063 | 191.714 |
| 4.2.1 | Non – cash Loans | | 1.999 | 1.159 |
| 4.2.2 | Other | | 347.064 | 190.555 |
| V. | PERSONNEL EXPENSE (-) | | (1.258.636) | (659.260) |
| VI. | DIVIDEND INCOME | (3) | 12.663 | 12.578 |
| VII. | TRADING INCOME / LOSS (Net) | (4) | 91.276 | 54.215 |
| 7.1 | Trading Gains / (Losses) on Securities | | 15.487 | 4.462 |
| 7.2 | Gains / (Losses) on Derivate Financial Transactions | | 323.546 | 262.394 |
| 7.3 | Foreign Exchange Gains / (Losses) | | (247.757) | (212.641) |
| VIII. | OTHER OPERATING INCOME | (5) | 1.220.853 | 637.568 |
| IX. | GROSS OPERATING INCOME (III+IV+V+VI+VII+VIII) | | 5.415.430 | 2.854.305 |
| X. | EXPECTED LOSS PROVISIONS (-) | (6) | 1.045.701 | 571.933 |
| XI. | OTHER OPERATING EXPENSES (-) | (7) | 2.087.075 | 1.171.579 |
| XII. | NET OPERATING INCOME /LOSS (IX-X-XI) | | 2.282.654 | 1.110.793 |
| XIII. | EXCESS AMOUNT RECORDED AS | | | |
| | INCOME AFTER MERGER | | - | - |
| XIV. | INCOME / (LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD | | 13.800 | 7.278 |
| XV. | INCOME / (LOSS) ON NET MONETARY POSITION | | - | - |
| XVI. | PROFIT / LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XII+...+XV) | (8) | 2.296.454 | 1.118.071 |
| XVII. | TAX PROVISIONS FOR CONTINUED OPERATIONS (±) | (9) | (451.046) | (217.460) |
| 17.1 | Current Tax Provision | | 82.028 | 19.960 |
| 17.2 | Deferred Tax Income Effect (+) | | (769.949) | (571.772) |
| 17.3 | Deferred Tax Expense Effect (-) | | 400.931 | 334.352 |
| XVIII. | CURRENT PERIOD PROFIT / LOSS FROM CONTINUED OPERATIONS (XVI±XVII) | (10) | 1.845.408 | 900.611 |
| XIX. | INCOME FROM DISCONTINUED OPERATIONS | | - | - |
| 19.1 | Income from non- Current Assets Held for Sale | | - | - |
| 19.2 | Profit from Sales of Associates, Subsidiaries and Joint Ventures | | - | - |
| 19.3 | Income from Other Discontinued Operations | | - | - |
| XX. | EXPENSES FOR DISCONTINUED OPERATIONS (-) | | - | - |
| 20.1 | Expenses for Non-current Assets Held for Sale | | - | - |
| 20.2 | Loss from Sales of Associates, Subsidiaries and Joint Ventures | | - | - |
| 20.3 | Expenses for Other Discontinued Operations | | - | - |
| XXI. | PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XIX-XX) | | - | - |
| XXII. | TAX PROVISION FOR DISCONTINUED OPERATIONS (±) | | - | - |
| 22.1 | Current Tax Provision | | - | - |
| 22.2 | Deferred Tax Expense Effect (+) | | - | - |
| 22.3 | Deferred Tax Income Effect (-) | | - | - |
| XXIII. | PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XXI±XXII) | | - | - |
| XXIV. | NET PROFIT/(LOSS) (XVIII+XXIII) | (11) | 1.845.408 | 900.611 |
| 24.1 | Profit / (Loss) of Group | | 1.837.765 | 895.862 |
| 24.2 | Profit / (Loss) of Minority Shares (-) | | 7.643 | 4.749 |
| | Profit / (Loss) Per Share | | 1,4702 | 0,7167 |

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF INCOME AS OF 30 JUNE 2017
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

III. CONSOLIDATED STATEMENT OF INCOME

| INCOME AND EXPENSES | | Note | Reviewed Prior period | |
|---------------------|---|-------------|-----------------------------|---------------------------|
| | | | 1 January - 30 June 2017 | 1 April - 30 June 2017 |
| I. | INTEREST INCOME | (1) | 10.847.572 | 5.541.132 |
| 1.1 | Interest on loans | | 8.481.881 | 4.391.050 |
| 1.2 | Interest received from reserve deposits | | 52.130 | 30.094 |
| 1.3 | Interest received from banks | | 115.111 | 68.886 |
| 1.4 | Interest received from money market placements | | 23.549 | 11.187 |
| 1.5 | Interest income on marketable securities | | 1.988.376 | 947.659 |
| 1.5.1 | Financial assets held for trading | | 1.483 | 1.002 |
| 1.5.2 | Financial assets at fair value through profit and loss | | - | - |
| 1.5.3 | Financial assets available-for-sale | | 807.883 | 394.114 |
| 1.5.4 | Investments held-to-maturity | | 1.179.010 | 552.543 |
| 1.6 | Finance lease income | | 90.730 | 46.553 |
| 1.7 | Other interest income | | 95.795 | 45.703 |
| II. | INTEREST EXPENSE | (2) | 6.385.857 | 3.481.073 |
| 2.1 | Interest on deposits | | 4.611.837 | 2.514.814 |
| 2.2 | Interest on borrowings | | 260.868 | 122.204 |
| 2.3 | Interest on money market borrowings | | 1.056.489 | 621.896 |
| 2.4 | Interest on bonds issued | | 391.703 | 195.541 |
| 2.5 | Other interest expense | | 64.960 | 26.618 |
| III. | NET INTEREST INCOME [I – II] | | 4.461.715 | 2.060.059 |
| IV. | NET FEES AND COMMISSIONS INCOME | | 965.679 | 460.523 |
| 4.1 | Fees and commissions income | | 1.246.407 | 609.507 |
| 4.1.1 | Non-cash loans | | 187.471 | 96.119 |
| 4.1.2 | Other | | 1.058.936 | 513.388 |
| 4.2 | Fees and commissions expenses | | 280.728 | 148.984 |
| 4.2.1 | Non-cash loans | | 1.973 | 1.298 |
| 4.2.2 | Other | | 278.755 | 147.686 |
| V. | DIVIDEND INCOME | (3) | 3.467 | 3.263 |
| VI. | NET TRADING PROFIT (NET) | (4) | 122.262 | 46.839 |
| 6.1 | Profit/loss from capital market operations | | 19.503 | 10.255 |
| 6.2 | Profit/loss from financial derivative transactions | | (189.887) | (46.336) |
| 6.3 | Foreign exchange gains/losses | | 292.646 | 82.920 |
| VII. | OTHER OPERATING INCOME | (5) | 996.165 | 520.634 |
| VIII. | TOTAL OPERATING INCOME (III+IV+V+VI+VII) | | 6.549.288 | 3.091.318 |
| IX. | IMPAIRMENT LOSSES ON LOANS AND OTHER RECEIVABLES (-) | (6) | 741.492 | 262.363 |
| X. | OTHER OPERATING EXPENSES(-) | (7) | 2.718.469 | 1.447.930 |
| XI. | NET OPERATING INCOME/(LOSS) (VIII-IX-X) | | 3.089.327 | 1.381.025 |
| XII. | AMOUNT RECORDED IN EXCESS AS GAIN AFTER MERGER | | - | - |
| XIII. | PROFIT/LOSSES FROM SUBSIDIARIES ACCOUNTED FOR AT EQUITY METHOD | | 9.934 | 4.886 |
| XIV. | GAIN / (LOSS) ON NET MONETARY POSITION | | - | - |
| XV. | INCOME/(LOSS) BEFORE TAXES (XI+XII+XIII+XIV) | (8) | 3.099.261 | 1.385.911 |
| XVI. | TAX INCOME PROVISION (±) | (9) | (632.651) | (275.946) |
| 16.1 | Current tax charge | | (601.981) | (296.622) |
| 16.2 | Deferred tax (charge) / benefit | | (30.670) | 20.676 |
| XVII. | NET OPERATING INCOME AFTER TAX (XV±XVI) | (10) | 2.466.610 | 1.109.965 |
| 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 | | - | - |
| XX. | INCOME/EXPENSE BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX) | | - | - |
| XXI. | PROVISION FOR TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±) | | - | - |
| 21.1 | Current tax charge | | - | - |
| 21.2 | Deferred tax charge | | - | - |
| XXII. | NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI) | | - | - |
| XXIII. | NET PROFIT/(LOSS) (XVII+XXII) | (11) | 2.466.610 | 1.109.965 |
| 23.1 | Group's profit/loss | | 2.459.899 | 1.107.224 |
| 23.2 | Minority shares profit/loss | | 6.711 | 2.741 |
| | Earnings/losses per share (Full TRY) | | 1,96792 | 0,88578 |

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF INCOME AND EXPENSE ITEMS
ACCOUNTED UNDER SHAREHOLDERS' EQUITY AS OF 30 JUNE 2018
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

| | Reviewed |
|---|-----------------------|
| | Current Period |
| | 1 January – |
| | 30 June 2018 |
| STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY | |
| I. CURRENT PERIOD INCOME/LOSS | 1.845.408 |
| II. OTHER COMPREHENSIVE INCOME | 442.563 |
| 2.1 Not Reclassified Through Profit or Loss | (3.385) |
| 2.1.1 Property and Equipment Revaluation Increase/Decrease | (3.884) |
| 2.1.2 Intangible Assets Revaluation Increase/Decrease | - |
| 2.1.3 Defined Benefit Pension Plan Remeasurement Gain/Loss | - |
| 2.1.4 Other Comprehensive Income Items Not Reclassified Through Profit or Loss | - |
| 2.1.5 Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss | 499 |
| 2.2 Reclassified Through Profit or Loss | 445.948 |
| 2.2.1 Foreign Currency Translation Differences | 84.812 |
| 2.2.2 Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income | 451.435 |
| 2.2.3 Cash Flow Hedge Income/Loss | - |
| 2.2.4 Foreign Net Investment Hedge Income/Loss | - |
| 2.2.5 Other Comprehensive Income Items Reclassified Through Profit or Lossess | - |
| 2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss | (90.299) |
| III. TOTAL COMPREHENSIVE INCOME (I+II) | 2.287.971 |

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF INCOME AND EXPENSE ITEMS
ACCOUNTED UNDER SHAREHOLDERS' EQUITY AS OF 30 JUNE 2017
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

| | Reviewed |
|---|----------------------------|
| | Prior period |
| | 1 January- 30 June 2017 |
| STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY | |
| I. ADDITIONS TO MARKETABLE SECURITIES REVALUATION DIFFERENCES FOR AVAILABLE FOR SALE FINANCIAL ASSETS | 362.590 |
| II. TANGIBLE ASSETS REVALUATION DIFFERENCES | 21.777 |
| III. INTANGIBLE ASSETS REVALUATION DIFFERENCES | - |
| IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS | 140.328 |
| V. PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR CASH FLOW HEDGE PURPOSES (Effective portion of fair value differences) | - |
| 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 FOR UNDER EQUITY DUE TO TAS | 2.951 |
| IX. DEFERRED TAX ON VALUATION DIFFERENCES | (23.467) |
| X. TOTAL NET PROFIT/LOSS ACCOUNTED FOR UNDER EQUITY (I+II+...+IX) | 504.179 |
| XI. PROFIT/LOSS | 2.466.610 |
| 11.1 Change in fair value of marketable securities (Transfer to profit/loss) | 18.258 |
| 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 | 2.448.352 |
| XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE PERIOD (X±XI) | 2.970.789 |

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 30 JUNE 2018
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

| Reviewed (1 January – 30 June 2018) | Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss | | | | | | Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss | | | | | | Total Equity | | | |
|--|--|-------------------|----------------------------------|---------------------------|--|--|--|---|---|--|--------------------|----------------------------------|------------------------------------|--------------------|--------------------|-----------------|
| | Paid in Capital | Share Premiums | Share Cancellation Profits | Other Capital Reserves | Accumulated Revaluation Increase/Decrease of Fixed Assets | Accumulated Remeasurement Gain/Loss of Defined Benefit Pension Plan | Other(Shares of Investments Valued by Equity Method in Other Comprehensive Income Not Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Not Reclassified Through Other Profit or Loss) | Foreign Currency Translation Differences | Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income | Other (Cash Flow Hedge Gain/Loss, Shares of Investments Valued by Equity Method in Other Comprehensive Income Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Reclassified Through Other Profit or Loss) | Profit Reserves | Prior Period Profit or (Loss) | Current Period Profit or (Loss) | Minority Shares | Minority Shares | Total Equity |
| I. Prior Period End Balance | 1.250.000 | 39.737 | - | 1.173.214 | 2.253.646 | (10.744) | - | 52.631 | (660.392) | - | 17.081.403 | 4.139.070 | - | 25.318.565 | 210.124 | 25.528.689 |
| II. Corrections and Accounting Policy Changes Made According to TAS 8 | - | - | - | - | - | - | - | - | - | - | 678.853 | - | - | 678.853 | 4 | 678.857 |
| 2.1 Effects of Corrections | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2.2 Effects of the Changes in Accounting Policies | - | - | - | - | - | - | - | - | - | - | 678.853 | - | - | 678.853 | 4 | 678.857 |
| III. Adjusted Beginning Balance (I+II) | 1.250.000 | 39.737 | - | 1.173.214 | 2.253.646 | (10.744) | - | 52.631 | (660.392) | - | 17.081.403 | 4.817.923 | - | 25.997.418 | 210.128 | 26.207.546 |
| IV. Total Comprehensive Income | - | - | - | - | (3.385) | - | - | 84.812 | 361.136 | - | - | - | 1.837.765 | 2.280.328 | 7.643 | 2.287.971 |
| V. Capital Increase by Cash | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| VI. Capital Increase by Internal Sources | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| VII. Paid in Capital Inflation Adjustment Difference | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| VIII. Convertible Bonds to Share | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| IX. Subordinated Debt Instruments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| X. Increase / Decrease by Other Changes | - | - | - | 57.090 | - | - | - | - | - | - | 54.161 | 5.512 | - | 116.763 | 11.415 | 128.178 |
| XI. Profit Distribution | - | - | - | - | - | - | - | - | - | - | 85.729 | (87.293) | - | (1.564) | (957) | (2.521) |
| 11.1 Dividends Paid | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (2.521) | (2.521) |
| 11.2 Transfers to Reserves | - | - | - | - | - | - | - | - | - | - | 85.729 | (87.293) | - | (1.564) | 1.564 | - |
| 11.3 Other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Period End Balance (III+IV+.....+X+XI) | 1.250.000 | 39.737 | - | 1.230.304 | 2.250.261 | (10.744) | - | 137.443 | (299.256) | - | 17.221.293 | 4.736.142 | 1.837.765 | 28.392.945 | 228.229 | 28.621.174 |

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 30 JUNE 2017
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

| Reviewed | 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.f. | Total Shareholder's equity | | | |
|---|------|-----------------|--|---------------|---------------------------------------|----------------|--------------------|-------------------------|----------------|----------------------------------|--------------------------------|--------------------------------------|---|--------------------------------|---------------|---|----------------------------|----------------------------|------------|-----------|
| | | | | | | | | | | | | | | | | | Minority Shares | Total shareholders' equity | | |
| I. 1 January 2017 – 30 June 2017 | | | | | | | | | | | | | | | | | | | | |
| Balance at end of prior period | | 1.250.000 | 1.220.451 | 39.737 | - 1.562.172 | - | - | 12.956.536 | 33.837 | 2.533.607 | 166.949 | (718.928) | 2.107.278 | 4.723 | - | - | 21.156.362 | 213.158 | 21.369.520 | |
| Changes within the period | | | | | | | | | | | | | | | | | | | | |
| II. Increase/decrease generated by merger | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| III. Valuation changes in marketable securities | | - | - | - | - | - | - | - | - | - | - | 340.203 | - | - | - | - | - | 340.203 | 9 | 340.212 |
| IV. Hedging funds (effective portion) | | - | - | - | - | - | - | - | (42.781) | - | - | - | - | - | - | - | - | (42.781) | - | (42.781) |
| 4.1 Cash-flow hedge | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 4.2 Hedges for investment made in foreign countries | | - | - | - | - | - | - | - | (42.781) | - | - | - | - | - | - | - | - | (42.781) | - | (42.781) |
| V. Revaluation changes of property and equipment | | - | - | - | - | - | - | - | - | - | - | - | 20.688 | - | - | - | - | 20.688 | - | 20.688 |
| VI. Revaluation changes of intangible assets | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| VII. Bonus shares from investment and associates, subsidiaries and joint ventures (business partners). | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| VIII. Foreign exchange differences | | - | - | - | - | - | - | - | 140.144 | - | - | - | - | - | - | - | - | 140.144 | 184 | 140.328 |
| 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⁽¹⁾ | | - | - | - | (257) | - | - | 491 | 9.446 | - | 34.404 | - | - | - | - | - | - | - | - | - |
| XVII. Net profit or losses | | - | - | - | - | - | - | - | - | 2.459.899 | - | - | - | - | - | - | - | 2.459.899 | 6.711 | 2.466.610 |
| XVIII. Profit distribution | | - | - | - | 169.229 | - | - | 2.166.464 | - | (2.533.607) | (60.828) | - | - | - | - | - | - | (258.742) | - | (258.742) |
| 18.1 Dividends distributed | | - | - | - | - | - | - | - | - | - | (258.742) | - | - | - | - | - | - | (258.742) | - | (258.742) |
| 18.2 Transfers to legal reserves | | - | - | - | 169.229 | - | - | 2.166.464 | - | - | (2.335.693) | - | - | - | - | - | - | - | - | - |
| 18.3 Other | | - | - | - | - | - | - | - | - | (2.533.607) | 2.533.607 | - | - | - | - | - | - | - | - | - |
| Period End Balance | | 1.250.000 | 1.220.451 | 39.737 | - 1.731.144 | - | - | 15.123.491 | 140.646 | 2.459.899 | 140.525 | (378.725) | 2.127.966 | 4.723 | - | - | 23.859.857 | 221.710 | 24.081.567 | |

⁽¹⁾ Due to change in group shares.

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF CASH FLOWS AS OF 30 JUNE 2018
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

VI. CONSOLIDATED STATEMENT OF CASH FLOWS

| | | Reviewed |
|-------------|--|------------------------------------|
| | | Current Period |
| | | 1 January- 30 June 2018 |
| | Note | |
| A. | CASH FLOWS FROM BANKING OPERATIONS | |
| 1.1 | Operating profit before changes in operating assets and liabilities | (3.833.587) |
| 1.1.1 | Interest received | 13.434.215 |
| 1.1.2 | Interest paid | (10.125.215) |
| 1.1.3 | Dividend received | 12.663 |
| 1.1.4 | Fees and commissions received | 1.224.075 |
| 1.1.5 | Other income | 986.740 |
| 1.1.6 | Collections from previously written off loans | 703.498 |
| 1.1.7 | Cash payments to personnel and service suppliers | (1.270.554) |
| 1.1.8 | Taxes paid | (377.188) |
| 1.1.9 | Other | (8.421.821) |
| 1.2 | Assets and Liabilities Subject to Banking Operations | (2.506.246) |
| 1.2.1 | Net (increase) decrease in financial assets held for sale | (102.162) |
| 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 | (12.594) |
| 1.2.4 | Net (increase) decrease in loans | (36.432.939) |
| 1.2.5 | Net (increase) decrease in other assets | (5.027.365) |
| 1.2.6 | Net increase (decrease) in bank deposits | 6.429.885 |
| 1.2.7 | Net increase (decrease) in other deposits | 21.835.823 |
| 1.2.8 | Net increase (decrease) in loans borrowed | (33.981) |
| 1.2.9 | Net increase (decrease) in matured payables | - |
| 1.2.10 | Net increase (decrease) in other liabilities | 10.837.087 |
| I. | Net cash provided from banking operations | (6.339.833) |
| B. | CASH FLOWS FROM INVESTMENT ACTIVITIES | |
| II. | Net cash provided from/ (used in) investing activities | (6.437.849) |
| 2.1 | Cash paid for purchase of joint ventures, associates and subsidiaries | (142.652) |
| 2.2 | Cash obtained from sale of entities joint ventures, associates and subsidiaries | - |
| 2.3 | Fixed assets purchases | (719.796) |
| 2.4 | Fixed assets sales | 134.607 |
| 2.5 | Cash paid for purchase of financial assets at fair value through other comprehensive income | (6.020.653) |
| 2.6 | Cash obtained from sale of financial assets at fair value through other comprehensive income | 2.463.655 |
| 2.7 | Cash paid for purchase of investment securities | (5.057.204) |
| 2.8 | Cash obtained from sale of investment securities | 2.891.448 |
| 2.9 | Other | 12.746 |
| C. | CASH FLOWS FROM FINANCING ACTIVITIES | |
| III. | Net cash used in financing activities | 1.861.934 |
| 3.1 | Cash obtained from loans borrowed and securities issued | 2.887.178 |
| 3.2 | Cash used for repayment of loans borrowed and securities issued | (1.022.723) |
| 3.3 | Bonds issued | - |
| 3.4 | Dividends paid | (2.521) |
| 3.5 | Payments for finance leases | - |
| 3.6 | Other | - |
| IV. | Effect of change in foreign exchange rate on cash and cash equivalents | 2.117.726 |
| V. | Net increase / (decrease) in cash and cash equivalents | (8.798.022) |
| VI. | Cash and cash equivalents at beginning of the period | 27.122.191 |
| VII. | Cash and cash equivalents at end of the period | 18.324.169 |

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF CASH FLOWS AS OF 30 JUNE 2017
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

VI. CONSOLIDATED STATEMENT OF CASH FLOWS

| | | Reviewed |
|---|--|---------------------|
| | | Prior period |
| | | 1 January – |
| | | 30 June 2017 |
| | Note | |
| A. CASH FLOWS FROM BANKING OPERATIONS | | |
| 1.1 | Operating profit before changes in operating assets and liabilities | 3.924.428 |
| 1.1.1 | Interest received | 10.460.340 |
| 1.1.2 | Interest paid | (5.716.311) |
| 1.1.3 | Dividend received | 3.467 |
| 1.1.4 | Fees and commissions received | 1.246.407 |
| 1.1.5 | Other income | 826.416 |
| 1.1.6 | Collections from previously written off loans | 302.430 |
| 1.1.7 | Cash payments to personnel and service suppliers | (1.036.596) |
| 1.1.8 | Taxes paid | (520.041) |
| 1.1.9 | Other | (1.641.684) |
| 1.2 | Assets and Liabilities Subject to Banking Operations | 2.431.938 |
| 1.2.1 | Net (increase) decrease in financial assets held for sale | 16.143 |
| 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 | 15.497 |
| 1.2.4 | Net (increase) decrease in loans | (22.588.509) |
| 1.2.5 | Net (increase) decrease in other assets | (4.341.004) |
| 1.2.6 | Net increase (decrease) in bank deposits | (5.935.607) |
| 1.2.7 | Net increase (decrease) in other deposits | 26.952.159 |
| 1.2.8 | Net increase (decrease) in loans borrowed | (1.444.895) |
| 1.2.9 | Net increase (decrease) in matured payables | - |
| 1.2.10 | Net increase (decrease) in other liabilities | 9.758.154 |
| I. | Net cash provided from banking operations | 6.356.366 |
| B. CASH FLOWS FROM INVESTMENT ACTIVITIES | | |
| II. | Net cash provided from/ (used in) investing activities | (4.659.768) |
| 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 | (182.921) |
| 2.4 | Fixed assets sales | 68.337 |
| 2.5 | Cash paid for purchase of financial assets available for sale | (4.724.069) |
| 2.6 | Cash obtained from sale of financial assets available for sale | 2.811.559 |
| 2.7 | Cash paid for purchase of investment securities | (3.810.874) |
| 2.8 | Cash obtained from sale of investment securities | 1.176.467 |
| 2.9 | Other | 1.733 |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| III. | Net cash used in financing activities | 750.580 |
| 3.1 | Cash obtained from loans borrowed and securities issued | 3.095.680 |
| 3.2 | Cash used for repayment of loans borrowed and securities issued | (2.086.358) |
| 3.3 | Bonds issued | - |
| 3.4 | Dividends paid | (258.742) |
| 3.5 | Payments for finance leases | - |
| 3.6 | Other | - |
| IV. | Effect of change in foreign exchange rate on cash and cash equivalents | 33.734 |
| V. | Net increase / (decrease) in cash and cash equivalents | 2.480.912 |
| VI. | Cash and cash equivalents at beginning of the period | 15.530.596 |
| VII. | Cash and cash equivalents at end of the period | 18.011.508 |

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