

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2019
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

	ASSETS	Note	Reviewed			Audited		
			Current Period			Prior Period		
			30 June 2019	31 December 2018				
		TRY	FC	TOTAL	TRY	FC	TOTAL	
I.	FINANCIAL ASSETS (NET)		30.985.482	39.085.124	70.070.606	21.452.260	39.789.022	61.241.282
1.1	Cash and Cash Equivalents		4.733.548	33.728.829	38.462.377	4.215.704	36.559.750	40.775.454
1.1.1	Cash and Balances with Central Bank	(1)	4.017.426	30.990.570	35.007.996	3.983.094	31.596.630	35.579.724
1.1.2	Banks	(3)	195.591	2.745.245	2.940.836	181.392	4.964.779	5.146.171
1.1.3	Money Markets		536.402	-	536.402	65.318	-	65.318
1.1.4	Expected Loss Provision (-)		15.871	6.986	22.857	14.100	1.659	15.759
1.2	Financial Assets at Fair Value Through Profit or Loss	(2)	17.091.009	25.829	17.116.838	14.516.355	22.580	14.538.935
1.2.1	Government Debt Securities		17.072.307	22.902	17.095.209	14.415.482	21.455	14.436.937
1.2.2	Equity Instruments		-	2.927	2.927	74	1.125	1.199
1.2.3	Other Financial Assets		18.702	-	18.702	100.799	-	100.799
1.3	Financial Assets at Fair Value Through Other Comprehensive Income	(4)	9.160.861	4.098.728	13.259.589	2.720.192	2.144.620	4.864.812
1.3.1	Government Debt Securities		8.587.747	3.979.876	12.567.623	2.579.303	2.058.759	4.638.062
1.3.2	Equity Instruments		28.982	118.852	147.834	24.793	85.861	110.654
1.3.3	Other Financial Assets		544.132	-	544.132	116.096	-	116.096
1.4	Derivative Financial Assets	(2)	64	1.231.738	1.231.802	9	1.062.072	1.062.081
1.4.1	Derivative Financial Assets at Fair Value Through Profit or Loss		64	1.231.738	1.231.802	9	1.062.072	1.062.081
1.4.2	Derivative Financial Assets at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
II.	FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		239.767.037	115.946.576	355.713.613	212.632.972	102.399.552	315.032.524
2.1	Loans	(5)	195.910.668	95.332.552	291.243.220	173.737.859	89.093.926	262.831.785
2.2	Lease Receivables	(10)	983.377	2.484.131	3.467.508	1.021.724	2.465.872	3.487.596
2.3	Factoring Receivables		1.287.108	73.843	1.360.951	1.277.726	139.535	1.417.261
2.4	Other Financial Assets Measured at Amortised Cost	(6)	51.516.418	18.541.854	70.058.272	45.172.546	11.158.799	56.331.345
2.4.1	Government Debt Securities		51.454.802	18.541.854	69.996.656	45.110.909	11.158.799	56.269.708
2.4.2	Other Financial Assets		61.616	-	61.616	61.637	-	61.637
2.5	Expected Credit Loss (-)		9.930.534	485.804	10.416.338	8.576.883	458.580	9.035.463
III.	PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(14)	2.656	-	2.656	9.593	-	9.593
3.1	Held for Sale Purpose		2.656	-	2.656	9.593	-	9.593
3.2	Related to Discontinued Operations		-	-	-	-	-	-
IV.	EQUITY INVESTMENTS		86.138	453.088	539.226	84.321	431.547	515.868
4.1	Investments in Associates (Net)	(7)	28.992	453.088	482.080	27.175	431.547	458.722
4.1.1	Associates Valued Based on Equity Method		19.640	453.088	472.728	17.823	431.547	449.370
4.1.2	Unconsolidated Associates		9.352	-	9.352	9.352	-	9.352
4.2	Subsidiaries (Net)	(8)	57.146	-	57.146	57.146	-	57.146
4.2.1	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2	Unconsolidated Non- Financial Subsidiaries		57.146	-	57.146	57.146	-	57.146
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)		7.332.591	204.452	7.537.043	4.514.930	124.956	4.639.886
VI.	INTANGIBLE ASSETS (Net)		142.326	34.639	176.965	149.098	34.313	183.411
6.1	Goodwill		-	-	-	-	-	-
6.2	Other		142.326	34.639	176.965	149.098	34.313	183.411
VII.	INVESTMENT PROPERTIES (Net)	(12)	1.015.840	6.401	1.022.241	967.406	5.995	973.401
VIII.	CURRENT TAX ASSET		2.017	3.109	5.126	19.860	6.183	26.043
IX.	DEFERRED TAX ASSET	(13)	69.075	3.275	72.350	95.326	3.019	98.345
X.	OTHER ASSETS	(15)	4.584.704	568.129	5.152.833	4.406.874	1.094.449	5.501.323
TOTAL ASSETS			283.987.866	156.304.793	440.292.659	244.332.640	143.889.036	388.221.676

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2019
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

	Note	Reviewed			Audited		
		Current Period			Prior Period		
		30 June 2019	31 December 2018				
LIABILITIES	TRY	FC	TOTAL	TRY	FC	TOTAL	
I. DEPOSITS	(1)	125.238.454	140.743.129	265.981.583	137.508.551	113.070.969	250.579.520
II. FUNDS BORROWED	(3)	1.226.961	13.017.488	14.244.449	1.286.624	13.987.856	15.274.480
III. MONEY MARKETS		61.874.561	4.947.237	66.821.798	32.815.996	5.402.273	38.218.269
IV. SECURITIES ISSUED (Net)	(4)	6.424.985	10.186.725	16.611.710	4.321.374	12.024.839	16.346.213
4.1 Bills		3.625.025	-	3.625.025	2.164.993	-	2.164.993
4.2 Assets Backed Securities		2.163.280	-	2.163.280	1.951.469	-	1.951.469
4.3 Bonds		636.680	10.186.725	10.823.405	204.912	12.024.839	12.229.751
V. FUNDS		2.872.037	-	2.872.037	2.874.121	-	2.874.121
5.1 Borrower Funds		-	-	-	-	-	-
5.2 Other		2.872.037	-	2.872.037	2.874.121	-	2.874.121
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL ASSETS	(2)	70	587.627	587.697	16	410.323	410.339
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss		70	587.627	587.697	16	410.323	410.339
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
VIII. FACTORING LIABILITIES		122	4	126	2.310	107	2.417
IX. LEASE LIABILITIES	(6)	501.234	157.490	658.724	85	-	85
X. PROVISIONS	(8)	3.675.220	54.479	3.729.699	4.153.786	13.000	4.166.786
10.1 Restructuring Provisions		-	-	-	-	-	-
10.2 Reserve for Employee Benefits		742.470	7.293	749.763	915.732	10.886	926.618
10.3 Insurance for Technical Provision (Net)		2.537.106	44.664	2.581.770	2.215.153	-	2.215.153
10.4 Other Provisions		395.644	2.522	398.166	1.022.901	2.114	1.025.015
XI. CURRENT TAX LIABILITY	(9)	1.041.847	4.506	1.046.353	729.532	8.140	737.672
XII. DEFERRED TAX LIABILITIES	(9)	179.680	2.152	181.832	453.608	2.152	455.760
XIII. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)		-	-	-	2.030	-	2.030
13.1 Held for Sale Purpose		-	-	-	2.030	-	2.030
13.2 Related to Discontinued Operations		-	-	-	-	-	-
XIV. SUBORDINATED DEBT INSTRUMENTS	(10)	6.178.449	5.908.897	12.087.346	6.182.084	-	6.182.084
14.1 Loans		-	5.908.897	5.908.897	-	-	-
14.2 Other Debt Instruments		6.178.449	-	6.178.449	6.182.084	-	6.182.084
XV. OTHER LIABILITIES	(5)	23.909.137	1.595.304	25.504.441	22.367.642	1.063.018	23.430.660
XVI. SHAREHOLDERS' EQUITY	(11)	29.442.707	522.157	29.964.864	29.098.151	443.089	29.541.240
16.1 Paid-in Capital		1.250.000	-	1.250.000	1.250.000	-	1.250.000
16.2 Capital Reserves		1.003.954	-	1.003.954	1.267.795	-	1.267.795
16.2.1 Share Premium		39.740	-	39.740	39.740	-	39.740
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Other Capital Reserves		964.214	-	964.214	1.228.055	-	1.228.055
16.3 Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		2.468.442	3.787	2.472.229	2.468.324	(105)	2.468.219
16.4 Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		34.880	(119.973)	(85.093)	(20.981)	(154.979)	(175.960)
16.5 Profit Reserves		23.671.024	369.057	24.040.081	20.490.940	329.114	20.820.054
16.5.1 Legal Reserves		2.459.822	29.703	2.489.525	2.009.871	8.868	2.018.739
16.5.2 Status Reserves		-	-	-	-	-	-
16.5.3 Extraordinary Reserves		21.164.060	104.574	21.268.634	18.433.927	104.574	18.538.501
16.5.4 Other Profit Reserves		47.142	234.780	281.922	47.142	215.672	262.814
16.6 Income or (Loss)		746.955	263.812	1.010.767	3.400.708	263.783	3.664.491
16.6.1 Prior Periods' Income or (Loss)		180.340	239.327	419.667	808.240	199.604	1.007.844
16.6.2 Current Period Income or (Loss)		566.615	24.485	591.100	2.592.468	64.179	2.656.647
16.7 Minority Shares		267.452	5.474	272.926	241.365	5.276	246.641
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		262.565.464	177.727.195	440.292.659	241.795.910	146.425.766	388.221.676

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 2019

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

II. CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS

		Reviewed			Audited		
		Current Period			Prior Period		
		30 June 2019			31 December 2018		
OFF-BALANCE SHEET	Note	TRY	FC	TOTAL	TRY	FC	TOTAL
A.	COMMITMENTS AND CONTINGENCIES (I+II+III)	92.143.238	123.446.267	215.589.505	70.479.149	89.431.738	159.910.887
I.	GUARANTEES AND WARRANTIES	39.417.812	52.125.473	91.543.285	36.985.278	46.684.697	83.669.975
1.1	Letters of guarantee	36.939.010	40.222.682	77.161.692	34.982.709	36.415.106	71.397.815
1.1.1	Guarantees subject to public procurement law	1.953.870	12.130.779	14.084.649	1.982.722	12.444.947	14.427.669
1.1.2	Guarantees given for foreign trade operations	-	71.899	71.899	-	64.120	64.120
1.1.3	Other letters of guarantee	34.985.140	28.020.004	63.005.144	32.999.987	23.906.039	56.906.026
1.2	Bank loans	12.571	8.021.566	8.034.137	11.845	7.038.415	7.050.260
1.2.1	Import acceptances	-	66.225	66.225	-	94.572	94.572
1.2.2	Other bank acceptances	12.571	7.955.341	7.967.912	11.845	6.943.843	6.955.688
1.3	Letters of credit	115.461	3.772.197	3.887.658	119.895	3.110.315	3.230.210
1.3.1	Documentary letters of credit	115.461	3.772.197	3.887.658	119.895	3.110.315	3.230.210
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	2.350.770	109.028	2.459.798	1.870.829	120.861	1.991.690
1.9	Other sureties	-	-	-	-	-	-
II.	COMMITMENTS	23.280.732	3.994.138	27.274.870	24.243.741	3.598.496	27.842.237
2.1	Irrevocable commitments	23.027.094	1.851.821	24.878.915	24.091.603	2.105.823	26.197.426
2.1.1	Forward asset purchase commitments	20.819	980.212	1.001.031	807.737	1.228.932	2.036.669
2.1.2	Forward deposit purchase and sale commitments	-	-	-	-	-	-
2.1.3	Capital commitments to subsidiaries and associates	-	-	-	-	-	-
2.1.4	Loan granting commitments	2.089.766	597.947	2.687.713	4.159.896	530.684	4.690.580
2.1.5	Securities underwriting commitments	-	-	-	-	-	-
2.1.6	Payment commitments for reserve deposits	-	-	-	-	-	-
2.1.7	Payment commitments for Cheques	3.314.963	-	3.314.963	2.661.413	-	2.661.413
2.1.8	Tax and fund liabilities from export commitments	73.060	-	73.060	65.280	-	65.280
2.1.9	Commitments for credit card expenditure limits	13.632.795	60.236	13.693.031	12.674.648	54.296	12.728.944
2.1.10	Commitments for credit cards and banking services promotions	29.203	-	29.203	31.409	-	31.409
2.1.11	Receivables for short sale commitments	-	-	-	-	-	-
2.1.12	Payables for short sale commitments	-	-	-	-	-	-
2.1.13	Other irrevocable commitments	3.866.488	213.426	4.079.914	3.691.220	291.911	3.983.131
2.2	Revocable commitments	253.638	-	2.395.955	152.138	1.492.673	1.644.811
2.2.1	Revocable loan granting commitments	-	1.246.258	1.246.258	-	1.137.584	1.137.584
2.2.2	Other revocable commitments	253.638	896.059	1.149.697	152.138	355.089	507.227
III.	DERIVATIVE FINANCIAL INSTRUMENTS	29.444.694	67.326.656	96.771.350	9.250.130	39.148.545	48.398.675
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	29.444.694	67.326.656	96.771.350	9.250.130	39.148.545	48.398.675
3.2.1	Forward foreign currency buy/sell transactions	2.300.540	6.130.832	8.431.372	1.805.572	5.242.539	7.048.111
3.2.1.1	Forward foreign currency transactions-buy	1.574.728	3.519.820	5.094.548	1.553.375	3.067.752	4.621.127
3.2.1.2	Forward foreign currency transactions-sell	725.812	2.611.012	3.336.824	252.197	2.174.787	2.426.984
3.2.2	Currency and interest rate swaps	18.125.572	48.957.134	67.082.706	5.146.767	28.105.082	33.251.849
3.2.2.1	Currency swap-buy	470.729	23.840.506	24.311.235	1.012.983	7.070.935	8.083.918
3.2.2.2	Currency swap-sell	17.654.843	6.253.432	23.908.275	4.133.784	3.641.263	7.775.047
3.2.2.3	Interest rate swap-buy	-	9.431.598	9.431.598	-	8.696.442	8.696.442
3.2.2.4	Interest Rate swap-sell	-	9.431.598	9.431.598	-	8.696.442	8.696.442
3.2.3	Currency, interest rate and marketable securities options	2.363.373	3.667.278	6.030.651	2.297.791	3.561.455	5.859.246
3.2.3.1	Currency call options	1.007.545	1.996.070	3.003.615	1.148.905	1.780.728	2.929.633
3.2.3.2	Currency put options	1.355.828	1.671.208	3.027.036	1.148.886	1.780.727	2.929.613
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	6.655.209	6.105.099	12.760.308	-	-	-
3.2.4.1	Currency futures-buy	2.029.799	4.198.314	6.228.113	-	-	-
3.2.4.2	Currency futures-sell	4.625.410	1.906.785	6.532.195	-	-	-
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	-	2.466.313	2.466.313	-	2.239.469	2.239.469
B.	CUSTODY AND PLEDGED ASSETS (IV+V+VI)	1.049.618.066	350.230.681	1.399.848.747	957.578.147	312.632.590	1.270.210.737
IV.	CUSTODIES	523.071.547	50.532.441	573.603.988	435.748.450	42.655.486	478.403.936
4.1	Assets under management	-	-	-	-	-	-
4.2	Custody marketable securities	190.197.886	1.258.952	191.456.838	164.714.542	1.017.194	165.731.736
4.3	Cheques in collection process	16.047.766	30.934.990	46.982.756	15.459.699	26.465.087	41.924.786
4.4	Commercial notes in collection process	265.849.082	6.743.849	272.592.931	239.248.814	5.578.699	244.827.513
4.5	Other assets in collection process	-	-	-	-	-	-
4.6	Underwritten securities	-	-	-	-	-	-
4.7	Other custodies	3.047.662	817.895	3.865.557	4.281.053	486.438	4.767.491
4.8	Custodians	47.929.151	10.776.755	58.705.906	12.044.342	9.108.068	21.152.410
V.	PLEDGED ASSETS	526.546.519	299.698.240	826.244.759	521.829.697	269.977.104	791.806.801
5.1	Marketable securities	6.299.925	912.034	7.211.959	5.910.919	772.952	6.683.871
5.2	Collateral notes	7.851.123	1.347.167	9.198.290	7.602.929	1.172.031	8.774.960
5.3	Commodity	25.812	-	25.812	25.812	-	25.812
5.4	Warranty	-	-	-	-	-	-
5.5	Land and buildings	413.184.806	245.700.424	658.885.230	384.296.983	225.968.770	610.265.753
5.6	Other pledged assets	76.253.105	40.335.337	116.588.442	76.479.920	39.614.525	116.094.445
5.7	Pledges	22.931.748	11.403.278	34.335.026	47.513.134	2.448.826	49.961.960
VI.	ACCEPTED BILL GUARANTEES AND SURETIES	-	-	-	-	-	-
TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)		1.141.761.304	473.676.948	1.615.438.252	1.028.057.296	402.064.328	1.430.121.624

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED 30 JUNE 2019
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

III. CONSOLIDATED STATEMENT OF PROFIT OR LOSS

			Reviewed Current Period	Reviewed Prior Period	Reviewed Current Period	Reviewed Prior Period
			1 January- 30 June 2019	1 January- 30 June 2018	1 April- 30 June 2019	1 April- 30 June 2018
INCOME AND EXPENSES	Note					
I.	INTEREST INCOME	(1)	23.383.166	15.195.332	12.399.788	8.084.566
1.1	Interest on Loans		17.815.809	12.311.717	9.339.276	6.547.225
1.2	Interest on Reserve Requirements		67.727	69.599	41.578	33.106
1.3	Interest on Banks		259.752	215.575	114.350	115.368
1.4	Interest on Money Market Transactions		21.891	24.555	21.438	13.167
1.5	Interest on Marketable Securities Portfolio		4.838.888	2.309.142	2.686.067	1.233.996
1.5.1	Fair Value Through Profit or Loss		10.309	7.358	4.423	4.735
1.5.2	Fair Value Through Other Comprehensive Income		748.174	83.959	470.334	(350.833)
1.5.3	Measured at Amortized Cost		4.080.405	2.217.825	2.211.310	1.580.094
1.6	Financial Lease Interest Income		157.228	124.428	78.674	67.089
1.7	Other Interest Income		221.871	140.316	118.405	74.615
II.	INTEREST EXPENSE (-)	(2)	18.877.128	10.715.736	9.866.746	5.749.099
2.1	Interest on Deposits		12.142.516	7.791.850	6.008.788	4.087.727
2.2	Interest on Funds Borrowed		266.783	343.375	142.588	182.270
2.3	Interest Expense on Money Market Transactions		5.073.488	1.900.052	2.967.340	1.112.483
2.4	Interest on Securities Issued		1.202.025	566.109	654.668	315.492
2.5	Interest on Leases		50.220	-	24.042	-
2.6	Other Interest Expenses		142.096	114.350	69.320	51.127
III.	NET INTEREST INCOME (I - II)		4.506.038	4.479.596	2.533.042	2.335.467
IV.	NET FEES AND COMMISSIONS INCOME		1.291.733	869.678	700.320	473.737
4.1	Fees and Commissions Received		1.939.017	1.218.741	1.052.753	665.451
4.1.1	Non – cash Loans		464.418	253.387	245.014	134.718
4.1.2	Other	(11)	1.474.599	965.354	807.739	530.733
4.2	Fees and Commissions Paid (-)		647.284	349.063	352.433	191.714
4.2.1	Non – cash Loans		2.421	1.999	1.078	1.159
4.2.2	Other	(11)	644.863	347.064	351.355	190.555
V.	DIVIDEND INCOME		13.911	12.663	3.918	12.578
VI.	TRADING INCOME / LOSS (Net)	(3)	(1.810.175)	91.276	(1.402.984)	54.215
6.1	Trading Gains / (Losses) on Securities		31.951	15.487	13.819	4.462
6.2	Gains / (Losses) on Derivate Financial Transactions		(31.118)	323.546	(506.915)	262.394
6.3	Foreign Exchange Gains / (Losses)		(1.811.008)	(247.757)	(909.888)	(212.641)
VII.	OTHER OPERATING INCOME	(4)	2.854.222	1.220.853	1.937.234	637.569
VIII.	GROSS OPERATING INCOME (III+IV+V+VI+VII)		6.855.729	6.674.066	3.771.530	3.513.566
IX.	EXPECTED LOSS PROVISIONS (-)	(5)	2.591.219	942.365	1.482.754	539.596
X.	OTHER PROVISION EXPENSES (-)	(5)	5.931	103.336	(28.623)	32.166
XI.	PERSONNEL EXPENSE (-)		1.427.487	1.258.636	652.515	659.260
XII.	OTHER OPERATING EXPENSES (-)	(6)	2.369.463	2.087.075	1.230.144	1.171.751
XIII.	NET OPERATING INCOME /LOSS (VIII-IX-X-XI-XII)		461.629	2.282.654	434.740	1.110.793
XIV.	INCOME AFTER MERGER		-	-	-	-
XV.	INCOME / (LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD		16.327	13.800	6.966	7.278
XVI.	INCOME / (LOSS) ON NET MONETARY POSITION		-	-	-	-
XVII.	PROFIT / LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII+...+XVI)		477.956	2.296.454	441.706	1.118.071
XVIII.	TAX PROVISIONS FOR CONTINUED OPERATIONS (±)	(7)	122.420	(451.046)	(19.030)	(217.460)
18.1	Current Tax Provision		89.631	82.028	44.525	(19.960)
18.2	Deferred Tax Income Effect (+)		550.524	769.949	(144.090)	571.772
18.3	Deferred Tax Expense Effect (-)		762.575	400.931	(118.595)	334.352
XIX.	CURRENT PERIOD PROFIT / LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)	(9)	600.376	1.845.408	422.676	900.611
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-	-	-
20.1	Income from non- Current Assets Held for Sale		-	-	-	-
20.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures		-	-	-	-
20.3	Income from Other Discontinued Operations		-	-	-	-
XXI.	EXPENSES FOR DISCONTINUED OPERATIONS (-)		-	-	-	-
21.1	Expenses for Non-current Assets Held for Sale		-	-	-	-
21.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-	-	-
21.3	Expenses for Other Discontinued Operations		-	-	-	-
XXII.	PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XX-XXI)		-	-	-	-
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-	-	-
23.1	Current Tax Provision		-	-	-	-
23.2	Deferred Tax Expense Effect (+)		-	-	-	-
23.3	Deferred Tax Income Effect (-)		-	-	-	-
XXIV.	PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XIX±XXII)		-	-	-	-
XXV.	NET PROFIT/(LOSS) (XVIII+XXIV)	(10)	600.376	1.845.408	422.676	900.611
25.1	Profit / (Loss) of Group		591.100	1.837.765	418.339	895.862
25.2	Profit / (Loss) of Minority Shares (-)		9.276	7.643	4.337	4.749
	Profit / (Loss) Per Share		0,4728800	1,470212	0,3346712	0,7166896

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 FOR THE PERIOD ENDED 30 JUNE 2019
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

IV. CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Reviewed	Reviewed
	Current Period	Prior Period
	1 January – 30 June	1 January – 30 June
	2019	2018
STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY		
I. CURRENT PERIOD INCOME/LOSS	600.376	1.845.408
II. OTHER COMPREHENSIVE INCOME	90.867	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	90.867	445.948
2.2.1 Foreign Currency Translation Differences	6.601	84.812
2.2.2 Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	48.384	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 Losses	-	-
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	35.882	(90.299)
III. TOTAL COMPREHENSIVE INCOME (I+II)	691.243	2.287.971

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 30 JUNE 2019
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss							Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss							Current Period Profit or (Loss)	Total Equity Expect Minority Shares	Minority Shares	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 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)						
Reviewed (1 January– 30 June 2018)																		
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	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		
Reviewed (1 January – 30 June 2019)																		
I. Prior Period End Balance	1.250.000	39.740	-	1.228.055	2.459.595	8.624	-	(1.454)	(174.506)	-	20.820.054	1.007.844	2.656.647	29.294.599	246.641	29.541.240		
II. Corrections and Accounting Policy Changes Made According to TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2.1 Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2.2 Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
III. Adjusted Beginning Balance (I-II)	1.250.000	39.740	-	1.228.055	2.459.595	8.624	-	(1.454)	(174.506)	-	20.820.054	1.007.844	2.656.647	29.294.599	246.641	29.541.240		
IV. Total Comprehensive Income	-	-	-	-	-	-	-	6.601	84.266	-	-	-	591.100	681.967	9.276	691.243		
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	-	-	-	(263.841)	4.010	-	-	-	-	-	(88.510)	2.721.762	(2.656.647)	(283.226)	15.607	(267.619)		
XI. Profit Distribution	-	-	-	-	-	-	-	-	-	-	3.308.537	(3.309.939)	-	(1.402)	1.402	-		
11.1 Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	(1.402)	-	(1.402)	1.402	-		
11.2 Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	3.308.537	(3.308.537)	-	-	-	-		
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Period End Balance (III+IV+.....+X+XI)	1.250.000	39.740	-	964.214	2.463.605	8.624	-	5.147	(90.240)	-	24.040.081	419.667	591.100	29.691.938	272.926	29.964.864		

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2019
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

VI. CONSOLIDATED STATEMENT OF CASH FLOWS

	Reviewed	Reviewed
	Current Period	Prior Period
Note	1 January- 30 June 2019	1 January- 30 June 2018
A. CASH FLOWS FROM BANKING OPERATIONS		
1.1 Operating profit before changes in operating assets and liabilities	(7.404.366)	(3.833.587)
1.1.1 Interest received	20.241.382	13.434.215
1.1.2 Interest paid	(18.820.323)	(10.125.215)
1.1.3 Dividend received	13.911	12.663
1.1.4 Fees and commissions received	1.939.017	1.224.075
1.1.5 Other income	1.847.171	986.740
1.1.6 Collections from previously written off loans	759.195	703.498
1.1.7 Cash payments to personnel and service suppliers	(1.446.253)	(1.270.554)
1.1.8 Taxes paid	(487.220)	(377.188)
1.1.9 Other	(11.451.246)	(8.421.821)
1.2 Changes in Assets and Liabilities Subject to Banking Operations	10.496.519	(2.506.246)
1.2.1 Net Increase / decrease in Financial assets at fair value through profit or loss	(2.578.964)	(102.162)
1.2.2 Net (increase) / decrease in due from banks	(6.475)	(12.594)
1.2.3 Net (increase) / decrease in loans	(25.880.629)	(36.432.939)
1.2.4 Net (increase) / decrease in other assets	(6.894.872)	(5.027.365)
1.2.5 Net increase / (decrease) in bank deposits	(2.974.316)	6.429.885
1.2.6 Net increase / (decrease) in other deposits	18.407.553	21.835.823
1.2.7 Net Increase / (decrease) in financial liabilities at fair value through profit or loss	-	-
1.2.8 Net increase / (decrease) in funds borrowed	(1.046.787)	(33.981)
1.2.9 Net increase / (decrease) in matured payables	-	-
1.2.10 Net increase / (decrease) in other liabilities	31.471.009	10.837.087
I. Net cash provided from banking operations	3.092.153	(6.339.833)
B. CASH FLOWS FROM INVESTMENT ACTIVITIES		
II. Net cash provided from/ (used in) investing activities	(21.633.264)	(6.437.849)
2.1 Cash paid for purchase of joint ventures, associates and subsidiaries	(109.320)	(142.652)
2.2 Cash obtained from sale of entities joint ventures, associates and subsidiaries	39.375	-
2.3 Fixed assets purchases	(2.655.928)	(719.796)
2.4 Fixed assets sales	273.301	134.607
2.5 Cash paid for purchase of financial assets at fair value through other comprehensive income	(9.499.827)	(6.020.653)
2.6 Cash obtained from sale of financial assets at fair value through other comprehensive income	1.656.022	2.463.655
2.7 Cash paid for purchase of investment securities	(14.697.232)	(5.057.204)
2.8 Cash obtained from sale of investment securities	3.354.408	2.891.448
2.9 Other	5.937	12.746
C. CASH FLOWS FROM FINANCING ACTIVITIES		
III. Net cash flow from financing activities	4.979.503	1.861.934
3.1 Cash obtained from loans borrowed and securities issued	9.936.512	2.887.178
3.2 Cash used for repayment of loans borrowed and securities issued	(4.585.202)	(1.022.723)
3.3 Bonds issued	-	-
3.4 Dividends paid	-	(2.521)
3.5 Payments for finance leases	(109.423)	-
3.6 Other	(262.384)	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents	1.125.828	2.117.726
V. Net increase / (decrease) in cash and cash equivalents	(12.435.780)	(8.798.022)
VI. Cash and cash equivalents at beginning of the period	23.448.586	27.122.191
VII. Cash and cash equivalents at end of the period	11.012.806	18.324.169

The accompanying notes are an integral part of these consolidated financial statement