

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2014
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

ASSETS	Note	Audited			Audited		
		Current period			Prior period		
		31 December 2014			31 December 2013		
		TRY	FC	Total	TRY	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK	(1)	4.159.392	16.172.544	20.331.936	2.801.122	17.220.273	20.021.395
II. FINANCIAL ASSETS AT FV THROUGH PROFIT AND LOSS (Net)	(2)	98.142	127.838	225.980	33.681	151.639	185.320
2.1 Trading financial assets		98.142	127.838	225.980	33.681	151.639	185.320
2.1.1 Public sector debt securities		52.984	12.748	65.732	23.019	11.843	34.862
2.1.2 Share certificates		7.334	-	7.334	2.285	-	2.285
2.1.3 Financial assets held for trading		8.669	114.951	123.620	3	139.661	139.664
2.1.4 Other marketable securities		29.155	139	29.294	8.374	135	8.509
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)	144.475	1.314.057	1.458.532	162.649	1.746.126	1.908.775
IV. MONEY MARKET PLACEMENTS		302.107	-	302.107	230.684	-	230.684
4.1 Interbank money market placements		-	-	-	-	-	-
4.2 Istanbul Stock Exchange Money Market placements		295.531	-	295.531	226.561	-	226.561
4.3 Receivables from reverse repurchase agreements		6.576	-	6.576	4.123	-	4.123
V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(4)	6.522.618	2.673.229	9.195.847	7.681.406	2.146.543	9.827.949
5.1 Share certificates		23.310	3.803	27.113	12.759	3.850	16.609
5.2 Public sector debt securities		6.487.863	2.669.426	9.157.289	7.658.640	2.142.693	9.801.333
5.3 Other marketable securities		11.445	-	11.445	10.007	-	10.007
VI. LOANS AND RECEIVABLES	(5)	74.082.436	27.748.717	101.831.153	59.943.579	25.025.348	84.968.927
6.1 Loans and receivables		72.796.798	27.748.717	100.545.515	59.508.730	25.023.517	84.532.247
6.1.1 Loans extended to risk group of the Bank		-	-	-	-	-	-
6.1.2 Public sector debt securities		-	-	-	-	-	-
6.1.3 Other		72.796.798	27.748.717	100.545.515	59.508.730	25.023.517	84.532.247
6.2 Loans under follow-up		3.699.661	19.385	3.719.046	2.245.176	19.032	2.264.208
6.3 Specific provisions (-)		2.414.023	19.385	2.433.408	1.810.327	17.201	1.827.528
VII. FACTORING RECEIVABLES		361.345	-	361.345	325.332	-	325.332
VIII. HELD TO MATURITY INVESTMENTS (Net)	(6)	16.292.845	1.576.237	17.869.082	17.830.196	1.143.402	18.973.598
8.1 Public sector debt securities		16.282.076	1.576.237	17.858.313	17.822.902	1.143.402	18.966.304
8.2 Other marketable securities		10.769	-	10.769	7.294	-	7.294
IX. INVESTMENTS IN ASSOCIATES (Net)	(7)	20.863	205.255	226.118	20.703	206.348	227.051
9.1 Accounted under equity method		14.544	205.255	219.799	14.384	206.348	220.732
9.2 Unconsolidated associates		6.319	-	6.319	6.319	-	6.319
9.2.1 Financial investments		-	-	-	-	-	-
9.2.2 Non-financial investments		6.319	-	6.319	6.319	-	6.319
X. INVESTMENTS IN SUBSIDIARIES (Net)	(8)	37.859	-	37.859	30.604	-	30.604
10.1 Unconsolidated financial subsidiaries		-	-	-	-	-	-
10.2 Unconsolidated non-financial subsidiaries		37.859	-	37.859	30.604	-	30.604
XI. JOINT VENTURES (Net)	(9)	-	-	-	-	-	-
11.1 Accounted under equity method		-	-	-	-	-	-
11.2 Unconsolidated joint ventures		-	-	-	-	-	-
11.2.1 Financial joint ventures		-	-	-	-	-	-
11.2.2 Non-financial joint ventures		-	-	-	-	-	-
XII. FINANCE LEASE RECEIVABLES (Net)	(10)	284.747	1.617.789	1.902.536	213.634	1.480.122	1.693.756
12.1 Finance lease receivables		341.837	1.856.299	2.198.136	257.566	1.708.375	1.965.941
12.2 Operating lease receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned income (-)		57.090	238.510	295.600	43.932	228.253	272.185
XIII. DERIVATIVE FIN. ASSETS HELD FOR RISK MANAGEMENT	(11)	-	-	-	-	-	-
13.1 Fair value risk hedging		-	-	-	-	-	-
13.2 Cash flow risk hedging		-	-	-	-	-	-
13.3 Net foreign investment risk hedging		-	-	-	-	-	-
XIV. TANGIBLE ASSETS (Net)	(12)	1.647.142	36.773	1.683.915	1,426.005	37.297	1,463.302
XV. INTANGIBLE ASSETS (Net)	(13)	65.989	16.612	82.601	50.567	16.472	67.039
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		65.989	16.612	82.601	50.567	16.472	67.039
XVI. INVESTMENT PROPERTIES (Net)	(14)	24.529	-	24.529	36.344	-	36.344
XVII. TAX ASSET	(15)	309.467	-	309.467	16.771	-	16.771
17.1 Current tax asset		-	-	-	-	-	-
17.2 Deferred tax asset		309.467	-	309.467	16.771	-	16.771
XVIII. ASSETS HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)	(16)	8.776	-	8.776	6.971	-	6,971
18.1 Held for sale purpose		8.776	-	8.776	6.971	-	6.971
18.2 Held from discontinued operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(17)	1.370.246	132.232	1,502.478	1,412.132	140.332	1,552.464
TOTAL ASSETS		105.732.978	51.621.283	157.354.261	92.222.380	49.313.902	141.536.282

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2014
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	Audited			Audited		
		Current period			Prior period		
		31 December 2014			31 December 2013		
		TRY	FC	Total	TRY	FC	Total
I. DEPOSITS	(1)	69.388.437	34.265.713	103.654.150	64.388.562	36.006.617	100.395.179
1.1 Deposits Held by the Risk Group of the Bank		26.936	84	27.020	34.628	23	34.651
1.2 Other		69.361.501	34.265.629	103.627.130	64.353.934	36.006.594	100.360.528
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)	15	184.714	184.729	34	53.458	53.492
III. FUNDS BORROWED	(3)	1.343.590	12.838.184	14.181.774	1.145.123	13.941.229	15.086.352
IV. MONEY MARKET BALANCES	(3)	8.534.729	231.208	8.765.937	1.261.476	-	1.261.476
4.1 Interbank money market borrowings		-	-	-	-	-	-
4.2 Istanbul Stock Exchange Takasbank borrowings		338.583	-	338.583	481.944	-	481.944
4.3 Funds from repurchase agreements		8.196.146	231.208	8.427.354	779.532	-	779.532
V. MARKETABLE SECURITIES ISSUED (Net)	(4)	1.441.777	4.649.617	6.091.394	933.279	3.218.387	4.151.666
5.1 Treasury bills		1.441.777	-	1.441.777	845.573	-	845.573
5.2 Asset-backed securities		-	-	-	-	-	-
5.3 Bonds		-	4.649.617	4.649.617	87.706	3.218.387	3.306.093
VI. FUNDS	(5)	1.769.291	-	1.769.291	1.488.542	-	1.488.542
6.1 Borrower Funds		19.412	-	19.412	24.702	-	24.702
6.2 Other		1.749.879	-	1.749.879	1.463.840	-	1.463.840
VII. SUNDRY CREDITORS		2.028.200	61.332	2.089.532	1.572.133	121.032	1.693.165
VIII. OTHER LIABILITIES	(6)	1.191.543	246.506	1.438.049	1.028.232	328.445	1.356.677
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. FINANCE LEASE PAYABLES	(7)	-	-	-	-	-	-
10.1 Finance lease payables		-	-	-	-	-	-
10.2 Operating lease payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance lease expenses (-)		-	-	-	-	-	-
DERIVATIVE FINANCIAL LIABILITIES HELD FOR RISK		-	-	-	-	-	-
XI. MANAGEMENT	(8)	-	-	-	-	-	-
11.1 Fair value risk hedging		-	-	-	-	-	-
11.2 Cash flow risk hedging		-	-	-	-	-	-
11.3 Net foreign investment risk hedging		-	-	-	-	-	-
XII. PROVISIONS	(9)	2.787.238	13.992	2.801.230	2.446.264	11.297	2.457.561
12.1 General loan provisions		1.268.847	8.982	1.277.829	1.134.717	7.696	1.142.413
12.2 Restructuring provisions		-	-	-	-	-	-
12.3 Employee benefits provisions		613.971	1.529	615.500	525.157	389	525.546
12.4 Insurance technical reserves (Net)		655.718	-	655.718	536.283	-	536.283
12.5 Other provisions		248.702	3.481	252.183	250.107	3.212	253.319
XIII. TAX LIABILITY	(10)	557.185	3.582	560.767	218.928	2.229	221.157
13.1 Current tax liability		554.863	1.430	556.293	210.243	77	210.320
13.2 Deferred tax liability		2.322	2.152	4.474	8.685	2.152	10.837
XIV. LIABILITIES FOR ASSET HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)	(11)	-	-	-	-	-	-
14.1 Held for sale purpose		-	-	-	-	-	-
14.2 Held from discontinued operations		-	-	-	-	-	-
XV. SUBORDINATED CAPITAL	(12)	-	-	-	-	-	-
XVI. SHAREHOLDERS' EQUITY	(13)	15.627.097	190.311	15.817.408	13.349.116	21.899	13.371.015
16.1 Paid-in capital		1.250.000	-	1.250.000	1.250.000	-	1.250.000
16.2 Capital reserves		1.437.609	20.667	1.458.276	1.120.017	(143.043)	976.974
16.2.1 Share Premium		39.009	-	39.009	39.009	-	39.009
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Marketable securities revaluation fund		174.118	20.667	194.785	(141.626)	(143.043)	(284.669)
16.2.4 Tangible assets revaluation reserves		-	-	-	-	-	-
16.2.5 Intangible assets revaluation reserves		-	-	-	-	-	-
16.2.6 Revaluation reserves of real estate for investment purpose		-	-	-	-	-	-
16.2.7 Bonus shares of subsidiaries, associates and joint ventures		4.031	-	4.031	2.183	-	2.183
16.2.8 Hedging Funds (effective portion)		-	-	-	-	-	-
16.2.9 Value Increase on Assets Held for Sale		-	-	-	-	-	-
16.2.10 Other capital reserves		1.220.451	-	1.220.451	1.220.451	-	1.220.451
16.3 Profit reserves		10.446.591	73.615	10.520.206	7.973.360	90.487	8.063.847
16.3.1 Legal reserves		1.250.053	3.020	1.253.073	1.072.926	3.020	1.075.946
16.3.2 Statutory reserves		-	-	-	-	-	-
16.3.3 Extraordinary reserves		9.163.290	-	9.163.290	6.838.498	-	6.838.498
16.3.4 Other profit reserves		33.248	70.595	103.843	61.936	87.467	149.403
16.4 Profit/Loss		2.316.182	93.984	2.410.166	2.844.782	72.465	2.917.247
16.4.1 Prior years income/loss		67.304	72.464	139.768	19.497	55.052	74.549
16.4.2 Period profit/loss		2.248.878	21.520	2.270.398	2.825.285	17.413	2.842.698
16.5 Minority shares	(14)	176.715	2.045	178.760	160.957	1.990	162.947
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		104.669.102	52.685.159	157.354.261	87.831.689	53.704.593	141.536.282

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 2014

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

II. CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS

		Audited			Audited		
		Current period			Prior period		
		31 December 2014			31 December 2013		
OFF BALANCE SHEET	Note	TRY	FC	Total	TRY	FC	Total
A.	COMMITMENTS AND CONTINGENCIES (I-II+III)	36.641.855	46.036.699	82.678.554	36.152.140	31.547.845	67.699.985
I.	GUARANTEES AND SURETYSHIPS	15.065.347	17.800.594	32.865.941	12.812.483	14.307.946	27.120.429
1.1	Letters of guarantee	14.406.581	10.562.412	24.968.993	12.237.139	8.156.797	20.393.936
1.1.1	Guarantees subject to public procurement law	1.192.549	8.229.799	9.422.348	1.070.118	6.452.989	7.523.107
1.1.2	Guarantees given for foreign trade operations	-	-	-	-	-	-
1.1.3	Other letters of guarantee	13.214.032	2.332.613	15.546.645	11.167.021	1.703.808	12.870.829
1.2	Bank loans	121.450	2.946.706	3.068.156	90.489	1.854.314	1.944.803
1.2.1	Import acceptances	-	108.977	108.977	-	165.770	165.770
1.2.2	Other bank acceptances	121.450	2.837.729	2.959.179	90.489	1.688.544	1.779.033
1.3	Letters of credit	10.996	3.912.606	3.923.602	2.062	3.823.197	3.825.259
1.3.1	Documentary letters of credit	10.996	3.888.067	3.899.063	2.062	3.823.197	3.825.259
1.3.2	Other letters of credit	-	24.539	24.539	-	-	-
1.4	Guaranteed prefinancings	-	-	-	-	-	-
1.5	Endorsements	-	-	-	-	-	-
1.5.1	Endorsements to Central Bank of Turkish Republic	-	-	-	-	-	-
1.5.2	Other Endorsements	-	-	-	-	-	-
1.6	Purchase guarantees on marketable security issuance	-	-	-	-	-	-
1.7	Factoring guarantees	-	-	-	-	-	-
1.8	Other guarantees	526.090	378.870	904.960	482.563	473.638	956.201
1.9	Other suretyships	230	-	230	230	-	230
II.	COMMITMENTS	18.932.774	966.589	19.899.363	18.187.773	1.341.029	19.528.802
2.1	Irrevocable commitments	18.932.774	757.931	19.690.705	18.187.773	1.175.935	19.365.708
2.1.1	Forward asset purchase commitments	121.105	433.442	554.547	619.400	842.453	1.461.853
2.1.2	Forward deposit purchase and sale commitments	-	-	-	-	-	-
2.1.3	Capital commitments to subsidiaries and associates	-	-	-	-	-	-
2.1.4	Loan granting commitments	1.767.028	278.710	2.045.738	1.280.418	291.840	1.572.258
2.1.5	Securities underwriting commitments	-	-	-	-	-	-
2.1.6	Payment commitments for reserve deposits	-	-	-	-	-	-
2.1.7	Payment commitments for cheques	5.073.145	-	5.073.145	4.670.295	-	4.670.295
2.1.8	Tax and fund liabilities from export commitments	17.037	-	17.037	13.413	-	13.413
2.1.9	Commitments for credit card expenditure limits	10.312.329	17.089	10.329.418	9.883.048	13.672	9.896.720
2.1.10	Commitments for credit cards and banking services promotions	41.774	-	41.774	37.663	-	37.663
2.1.11	Receivables from short sale commitments	-	-	-	-	-	-
2.1.12	Payables for short sale commitments	-	-	-	-	-	-
2.1.13	Other irrevocable commitments	1.600.356	28.690	1.629.046	1.683.536	27.970	1.711.506
2.2	Revocable commitments	-	208.658	208.658	-	165.094	165.094
2.2.1	Revocable loan granting commitments	-	208.658	208.658	-	165.094	165.094
2.2.2	Other revocable commitments	-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS	2.643.734	27.269.516	29.913.250	5.151.884	15.898.870	21.050.754
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	2.643.734	27.269.516	29.913.250	5.151.884	15.898.870	21.050.754
3.2.1	Forward foreign currency buy/sell transactions	1.617.866	3.779.936	5.397.802	787.780	1.115.702	1.903.482
3.2.1.1	Forward foreign currency transactions-buy	955.488	2.180.906	3.136.394	405.623	621.465	1.027.088
3.2.1.2	Forward foreign currency transactions-sell	662.378	1.599.030	2.261.408	382.157	494.237	876.394
3.2.2	Currency and interest rate swaps	894.813	22.499.038	23.393.851	4.251.671	14.489.241	18.740.912
3.2.2.1	Currency swap-buy	232.970	10.482.142	10.715.112	-	8.732.436	8.732.436
3.2.2.2	Currency swap-sell	661.843	10.150.610	10.812.453	4.251.671	4.400.005	8.651.676
3.2.2.3	Interest rate swap-buy	-	933.143	933.143	-	678.400	678.400
3.2.2.4	Interest Rate swap-sell	-	933.143	933.143	-	678.400	678.400
3.2.3	Currency, interest rate and marketable securities options	131.055	182.383	313.438	112.433	138.604	251.037
3.2.3.1	Currency call options	65.484	91.236	156.720	56.220	69.298	125.518
3.2.3.2	Currency put options	65.571	91.147	156.718	56.213	69.306	125.519
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	-	808.159	808.159	-	155.323	155.323
B.	CUSTODY AND PLEDGED ASSETS (IV+V+VI)	391.435.141	80.671.037	472.106.178	322.143.546	72.531.854	394.675.400
IV.	CUSTODIES	177.357.087	12.708.106	190.065.193	135.991.685	10.912.202	146.903.887
4.1	Assets under management	-	-	-	-	-	-
4.2	Custody marketable securities	68.622.317	352.794	68.975.111	44.041.971	355.831	44.397.802
4.3	Cheques in collection process	10.264.686	9.561.090	19.825.776	9.638.204	8.067.551	17.705.755
4.4	Commercial notes in collection process	78.926.097	277.564	79.203.661	59.338.391	309.893	59.648.284
4.5	Other assets in collection process	-	-	-	-	-	-
4.6	Underwritten securities	-	-	-	15	-	15
4.7	Other custodies	10.378	1.826	12.204	11.509	1.691	13.200
4.8	Custodians	19.533.609	2.514.832	22.048.441	22.961.595	2.177.236	25.138.831
V.	PLEDGED ASSETS	214.078.054	67.962.931	282.040.985	186.151.861	61.619.652	247.771.513
5.1	Marketable securities	1.941.278	10.941	1.952.219	2.612.367	112.204	2.724.571
5.2	Collateral notes	6.926.851	699.726	7.626.577	5.646.399	533.530	6.179.929
5.3	Commodity	25.830	-	25.830	25.830	-	25.830
5.4	Warranty	-	-	-	-	-	-
5.5	Land and buildings	164.981.593	51.687.039	216.668.632	142.679.459	47.405.559	190.085.018
5.6	Other pledged assets	37.008.298	14.361.636	51.369.934	32.207.115	12.594.731	44.801.846
5.7	Pledges	3.194.204	1.203.589	4.397.793	2.980.691	973.628	3.954.319
VI.	ACCEPTED BILL GUARANTEES AND SURETIES	-	-	-	-	-	-
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		428.076.996	126.707.736	554.784.732	358.295.686	104.079.699	462.375.385

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014

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

III. CONSOLIDATED STATEMENT OF INCOME

			Audited	Audited
			Current period	Prior period
INCOME AND EXPENSES		Note	1 January-31 December 2014	1 January-31 December 2013
I.	INTEREST INCOME	(1)	11.718.970	9.391.175
1.1	Interest on loans		8.800.720	7.147.995
1.2	Interest received from reserve deposits		412	720
1.3	Interest received from banks		30.948	20.213
1.4	Interest received from money market placements		111	1.425
1.5	Interest income on marketable securities		2.694.188	2.089.823
1.5.1	Financial assets held for trading		5.522	5.397
1.5.2	Financial assets at fair value through profit and loss		-	-
1.5.3	Financial assets available-for-sale		851.913	794.618
1.5.4	Investments held-to-maturity		1.836.753	1.289.808
1.6	Finance lease income		120.336	104.299
1.7	Other interest income		72.255	26.700
II.	INTEREST EXPENSE	(2)	6.385.518	4.397.625
2.1	Interest on deposits		5.147.030	3.800.927
2.2	Interest on borrowings		322.722	259.963
2.3	Interest on money market borrowings		542.820	103.819
2.4	Interest on bonds issued		278.922	180.911
2.5	Other interest expense		94.024	52.005
III.	NET INTEREST INCOME [I – II]		5.333.452	4.993.550
IV.	NET FEES AND COMMISSIONS INCOME		949.165	852.825
4.1	Fees and commissions income		1.414.162	1.159.547
4.1.1	Non-cash loans		186.032	159.371
4.1.2	Other		1.228.130	1.000.176
4.2	Fees and commissions expenses		464.997	306.722
4.2.1	Non-cash loans		3.242	3.678
4.2.2	Other		461.755	303.044
V.	DIVIDEND INCOME	(3)	23.141	11.780
VI.	NET TRADING PROFIT (NET)	(4)	77.240	246.791
6.1	Profit/loss from capital market operations		300.329	323.093
6.2	Profit/loss from financial derivative transactions		(1.416.795)	462.114
6.3	Foreign exchange gains/losses		1.193.706	(538.416)
VII.	OTHER OPERATING INCOME	(5)	1.095.182	1.362.299
VIII.	TOTAL OPERATING INCOME (III+IV+V+VI+VII)		7.478.180	7.467.245
IX.	LOANS AND OTHER RECEIVABLES IMPAIRMENT LOSS PROVISIONS (-)	(6)	1.229.151	887.616
X.	OTHER OPERATING EXPENSES(-)	(7)	3.413.481	3.085.162
XI.	NET OPERATING INCOME/(LOSS) (VIII-IX-X)		2.835.548	3.494.467
XII.	AMOUNT RECORDED IN EXCESS AS GAIN AFTER MERGER		-	-
XIII.	PROFIT/LOSSES FROM EQUITY METHOD APPLIED SUBSIDIARIES		10.343	11.915
XIV.	GAIN / (LOSS) ON NET MONETARY POSITION		-	-
XV.	INCOME/(LOSS) BEFORE TAXES (XI+XII+XIII+XIV)	(8)	2.845.891	3.506.382
XVI.	TAX INCOME PROVISION (±)	(9)	(558.588)	(653.657)
16.1	Current tax provision		(955.292)	(301.317)
16.2	Deferred tax provision		396.704	(352.340)
XVII.	NET OPERATING INCOME AFTER TAX (XV±XVI)	(10)	2.287.303	2.852.725
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)	(8)	-	-
XXI.	PROVISION FOR TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)	(9)	-	-
21.1	Current tax provision		-	-
21.2	Deferred tax provision		-	-
XXII.	NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX+XXI)	(10)	-	-
XXIII.	NET PROFIT/(LOSS) (XVII+XXII)	(11)	2.287.303	2.852.725
	Group's profit/loss		2.270.398	2.842.698
	Minority shares profit/loss		16.905	10.027
	Earnings/losses per share (Full TRY)		1,81632	2,27416

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 YEAR ENDED 31 DECEMBER 2014

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

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

	Audited	Audited
	Current period	Prior period
	1 January-31	1 January-31
	December 2014	December 2013
STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY		
I. ADDITIONS TO MARKETABLE SECURITIES REVALUATION DIFFERENCES FOR AVAILABLE FOR SALE FINANCIAL ASSETS	584.354	(827.475)
II. TANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	(16.970)	75.778
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 UNDER EQUITY DUE TO TAS	(34.657)	20.357
IX. DEFERRED TAX OF VALUATION DIFFERENCES	(97.645)	124.508
X. TOTAL NET PROFIT/LOSS ACCOUNTED UNDER EQUITY (I+II+...+IX)	435.082	(606.832)
XI. PROFIT/LOSS	2.287.303	2.852.725
11.1 Change in fair value of marketable securities (Transfer to profit/loss)	304.259	306.427
11.2 Reclassification and transfer of derivatives accounted for cash flow hedge purposes to income statement	-	-
11.3 Transfer of hedge of net investments in foreign operations to income statement	-	-
11.4 Other	1.983.044	2.546.298
XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE PERIOD (X+XI)	2.722.385	2.245.893

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 YEAR ENDED 31 DECEMBER 2014
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Note	Paid in capital	Effect of inflation adjustments on paid in capital	Share premium	Share cancellation on profit	Legal reserves	Statutory reserves	Extra-ordinary reserves	Other reserves	Current period net income/(loss)	Prior period net income/(loss)	Valuation changes in marketable sec.	Revaluation changes in prop. and equip. and int. assets	Bonus shares from shareholders	Hedging funds	Value change in pro. and equip. held for sale purp./term. op.	Total equity excluding minority shares	Minority shares	Total equity
1 January 2013– 31 December 2013																			
I.		1.250.000	1.220.451	-	-	914.952	-	4.957.790	66.880	2.642.347	35.980	406.863	-	231	-	-	11.495.494	4.762	11.500.256
II.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.		1.250.000	1.220.451	-	-	914.952	-	4.957.790	66.880	2.642.347	35.980	406.863	-	231	-	-	11.495.494	4.762	11.500.256
IV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.		-	-	-	-	-	-	-	-	-	-	(699.201)	-	-	-	-	(699.201)	(85)	(699.286)
VI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.		-	-	-	-	-	-	-	-	-	-	-	-	1.952	-	-	1.952	-	1.952
X.		-	-	-	-	-	-	-	67.763	-	-	7.669	-	-	-	-	75.432	346	75.778
XI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.		-	-	39.009	-	(594)	-	(8.689)	-	-	-	-	-	-	-	-	29.726	147.933	177.659
XIV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII.		-	-	-	-	-	-	-	14.760	-	-	-	-	-	-	-	14.760	(36)	14.724
XIX.		-	-	-	-	-	-	-	-	2.842.698	-	-	-	-	-	-	2.842.698	10.027	2.852.725
XX.		-	-	-	-	161.588	-	1.889.397	-	(2.642.347)	38.569	-	-	-	-	-	(552.793)	-	(552.793)
20.1		-	-	-	-	-	-	-	-	-	(552.793)	-	-	-	-	-	(552.793)	-	(552.793)
20.2		-	-	-	-	172.349	-	1.889.397	-	-	(2.061.746)	-	-	-	-	-	-	-	-
20.3		-	-	-	-	(10.761)	-	-	-	(2.642.347)	2.653.108	-	-	-	-	-	-	-	-
Closing balance		1.250.000	1.220.451	39.009	-	1.075.946	-	6.838.498	149.403	2.842.698	74.549	(284.669)	-	2.183	-	-	13.208.068	162.947	13.371.015
1 January 2014 – 31 December 2014																			
I.		1.250.000	1.220.451	39.009	-	1.075.946	-	6.838.498	149.403	2.842.698	74.549	(284.669)	-	2.183	-	-	13.208.068	162.947	13.371.015
II.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV.		-	-	-	-	-	-	-	-	-	-	479.454	-	-	-	-	479.454	87	479.541
4.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.		-	-	-	-	-	-	-	-	-	-	-	-	1.848	-	-	1.848	-	1.848
VIII.		-	-	-	-	-	-	-	(16.879)	-	-	-	-	-	-	-	(16.879)	(91)	(16.970)
IX.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.		-	-	-	-	57	-	10	(28.681)	-	365	-	-	-	-	-	(28.249)	(1.088)	(29.337)
XVII.		-	-	-	-	-	-	-	-	2.270.398	-	-	-	-	-	-	2.270.398	16.905	2.287.303
XVIII.		-	-	-	-	177.070	-	2.324.782	-	(2.842.698)	64.854	-	-	-	-	-	(275.992)	-	(275.992)
18.1		-	-	-	-	-	-	-	-	-	(275.992)	-	-	-	-	-	(275.992)	-	(275.992)
18.2		-	-	-	-	177.070	-	2.324.782	-	-	(2.501.852)	-	-	-	-	-	-	-	-
18.3		-	-	-	-	-	-	-	-	(2.842.698)	2.842.698	-	-	-	-	-	-	-	-
Closing balance		1.250.000	1.220.451	39.009	-	1.253.073	-	9.163.290	103.843	2.270.398	139.768	194.785	-	4.031	-	-	15.638.648	178.760	15.817.408

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 DECEMBER 2014

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

VI. CONSOLIDATED STATEMENT OF CASH FLOWS

		Audited	Audited
		Current period	Prior period
	Note	31 December 2014	31 December 2013
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities		2.206.511	2.683.132
1.1.1 Interest received		11.570.543	8.847.321
1.1.2 Interest paid		(6.335.886)	(3.596.875)
1.1.3 Dividend received		11.993	9.718
1.1.4 Fees and commissions received		1.414.162	1.159.547
1.1.5 Other income		821.288	1.113.951
1.1.6 Collections from previously written off loans		603.708	553.401
1.1.7 Cash payments to personnel and service suppliers		(1.355.011)	(1.187.848)
1.1.8 Taxes paid		(723.349)	(711.373)
1.1.9 Other	(1)	(3.800.937)	(3.504.710)
1.2 Assets and Liabilities Subject to Banking Operations		(6.008.751)	2.688.704
1.2.1 Net decrease in financial assets held for sale		(56.473)	20.562
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		(12.000)	(6.000)
1.2.4 Net (increase) decrease in loans		(17.215.914)	(18.988.536)
1.2.5 Net (increase) decrease in other assets		788.478	(7.106.341)
1.2.6 Net increase (decrease) in bank deposits		7.084.142	2.614.830
1.2.7 Net increase (decrease) in other deposits		(3.850.890)	17.913.033
1.2.8 Net increase (decrease) in loans borrowed		(898.547)	7.021.741
1.2.9 Net increase (decrease) in matured payables		-	-
1.2.10 Net increase (decrease) in other liabilities	(1)	8.152.453	1.219.415
I. Net cash provided from banking operations		(3.802.240)	5.371.836
B. CASH FLOWS FROM INVESTMENT ACTIVITIES			
II. Net cash provided from/ (used in) investing activities		2.666.750	(5.574.683)
2.1 Cash paid for purchase of joint ventures, associates and subsidiaries		-	(13.540)
2.2 Cash obtained from sale of entities joint ventures, associates and subsidiaries		-	-
2.3 Fixed assets purchases		(475.483)	(330.565)
2.4 Fixed assets sales		129.524	259.362
2.5 Cash paid for purchase of financial assets available for sale		(5.387.343)	(12.045.773)
2.6 Cash obtained from sale of financial assets available for sale		7.066.089	7.781.686
2.7 Cash paid for purchase of investment securities		(3.826.270)	(5.077.884)
2.8 Cash obtained from sale of investment securities		5.433.161	3.865.533
2.9 Other		(13.880)	(13.502)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash used in financing activities		1.643.809	829.628
3.1 Cash obtained from loans borrowed and securities issued		3.019.801	3.601.467
3.2 Cash used for repayment of loans borrowed and securities issued		(1.100.000)	(2.250.000)
3.3 Bonds issued		-	-
3.4 Dividends paid		(275.992)	(552.793)
3.5 Payments for finance leases		-	-
3.6 Other		-	30.954
IV. Effect of change in foreign exchange rate on cash and cash equivalents	(1)	263.031	638.106
V. Net increase / (decrease) in cash and cash equivalents		771.350	1.264.887
VI. Cash and cash equivalents at beginning of the period	(4)	6.519.581	5.254.694
VII. Cash and cash equivalents at end of the period	(5)	7.290.931	6.519.581

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

TÜRKİYE HALK BANKASI AŞ
STATEMENT OF PROFIT DISTRIBUTION FOR THE YEAR ENDED 31 DECEMBER 2014
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

VII. STATEMENT OF PROFIT DISTRIBUTION TABLE⁽¹⁾

	Audited	Audited
	Current period	Prior period
	31 December 2014	31 December 2013
I. DISTRIBUTION OF CURRENT YEAR PROFIT		
1.1. Current Period Profit	2.727.255	3.364.892
1.2. Taxes and Legal Duties Payables (-)	521.487	614.049
1.2.1. Corporate Tax (Income Tax)	905.543	262.808
1.2.2. Withholding Tax	-	-
1.2.3. Other Taxes and Duties	(384.056)	351.241
A. Net Profit For The Period (1.1-1.2)	2.205.768	2.750.843
1.3. Accumulated Losses (-)	-	-
1.4. First Legal Reserves (-)	-	137.542
1.5. Other Statutory Reserves (-)	-	-
B. Net Profit Available for Distribution [(A-(1.3+1.4+1.5))]	-	2.613.301
1.6. First Dividend to shareholders (-)	-	62.500
1.6.1. To Owners of Ordinary Shares	-	62.500
1.6.2. To Owners of Privileged Shares	-	-
1.6.3. To Owners of Redeemed Shares	-	-
1.6.4. To Profit Sharing Bonds	-	-
1.6.5. To Holders of Profit and Loss Sharing Certificates	-	-
1.7. Dividends to personnel (-)	-	100.000 ⁽²⁾
1.8. Dividends to Board of Directors (-)	-	-
1.9. Second Dividend to Shareholders (-)	-	212.584
1.9.1. To Owners of Ordinary Shares	-	212.584
1.9.2. To Owners of Privileged Shares	-	-
1.9.3. To Owners of Redeemed Shares	-	-
1.9.4. To Profit Sharing Bonds	-	-
1.9.5. To Holders Of Profit And Loss Sharing Certificates	-	-
1.10. Second Legal Reserves (-)	-	31.259
1.11. Status Reserves (-)	-	-
1.12. Extraordinary Reserves	-	2.306.958
1.13. Other Reserves	-	-
1.14. Special Funds	-	-
II. Distribution of Reserves		
2.1. Appropriated Reserves	-	-
2.2. Second Legal Reserves (-)	-	-
2.3. Dividends to Shareholders (-)	-	-
2.3.1. To Owners of Ordinary Shares	-	-
2.3.2. To Owners of Privileged Shares	-	-
2.3.3. To Owners of Redeemed Shares	-	-
2.3.4. To Profit Sharing Bonds	-	-
2.3.5. To Holders of Profit and Loss Sharing Certificates	-	-
2.4. Dividends to Personnel (-)	-	-
2.5. Dividends to Board of Directors (-)	-	-
III. Earnings per Share		
3.1. To Owners of Ordinary Shares	1,7646	2,2007
3.2. To Owners of Ordinary Shares (%)	176,5%	220,1%
3.3. To Owners of Privileged Shares	-	-
3.4. To Owners of Privileged Shares (%)	-	-
IV. Dividend per Share		
4.1. To Owners of Ordinary Shares	-	0,2201
4.2. To Owners of Ordinary Shares (%)	-	22,01%
4.3. To Owners of Privileged Shares	-	-
4.4. To Owners of Privileged Shares (%)	-	-

⁽¹⁾ Due to regulations in Turkey, profit is not distributed over consolidated figures. Therefore, above table only includes the profit distribution of the Parent Bank. Profit distribution decisions are only made by Parent Bank's general assembly. General assembly has not been held yet as of the date when the Parent Bank's financial statements are formed.

⁽²⁾ Dividends to personnel which is added to 2013 net profit as a provision not sentenced in profit distribution, only shown in the table for information.

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