

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2020
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

CONSOLIDATED ASSETS	Note	Audited			Audited		
		Current Period			Prior Period		
		TRY	FC	TOTAL	TRY	FC	TOTAL
		31 December 2020			31 December 2019		
I. FINANCIAL ASSETS (NET)		62.791.771	83.722.118	146.513.889	30.233.397	42.074.025	72.307.422
1.1 Cash and Cash Equivalents		8.916.830	58.981.674	67.898.504	3.057.952	36.497.025	39.554.977
1.1.1 Cash and Balances with Central Bank	(1)	8.396.106	56.588.336	64.984.442	2.472.611	32.841.376	35.313.987
1.1.2 Banks	(3)	287.479	2.393.667	2.681.146	508.021	3.655.952	4.163.973
1.1.3 Money Markets		252.997	-	252.997	87.138	-	87.138
1.1.4 Expected Loss Provision (-)		19.752	329	20.081	9.818	303	10.121
1.2 Financial Assets at Fair Value Through Profit or Loss	(2)	15.704.422	19.241	15.723.663	16.295.809	9.954	16.305.763
1.2.1 Government Debt Securities		15.529.875	1.349	15.531.224	16.131.520	64	16.131.584
1.2.2 Equity Instruments		145.757	17.892	163.649	145.601	9.890	155.491
1.2.3 Other Financial Assets		28.790	-	28.790	18.688	-	18.688
1.3 Financial Assets at Fair Value Through Other Comprehensive Income	(4)	38.164.766	22.379.674	60.544.440	10.875.940	4.418.750	15.294.690
1.3.1 Government Debt Securities		37.528.538	22.192.136	59.720.674	10.275.808	4.283.752	14.559.560
1.3.2 Equity Instruments		44.745	187.538	232.283	20.049	134.998	155.047
1.3.3 Other Financial Assets		591.483	-	591.483	580.083	-	580.083
1.4 Derivative Financial Assets	(2)(11)	5.753	2.341.529	2.347.282	3.696	1.148.296	1.151.992
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss		5.753	2.341.529	2.347.282	3.696	1.148.296	1.151.992
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST(Net)		401.555.604	129.174.012	530.729.616	267.318.842	112.081.816	379.400.658
2.1 Loans	(5)	353.822.723	103.387.503	457.210.226	222.430.880	90.963.797	313.394.677
2.2 Lease Receivables	(10)	1.882.644	2.339.714	4.222.358	1.021.658	2.369.156	3.390.814
2.3 Factoring Receivables		1.810.629	44.496	1.855.125	2.146.745	38.381	2.185.126
2.4 Other Financial Assets Measured at Amortised Cost	(6)	60.843.380	23.961.309	84.804.689	53.297.037	19.174.085	72.471.122
2.4.1 Government Debt Securities		60.792.861	23.961.309	84.754.170	53.246.524	19.174.085	72.420.609
2.4.2 Other Financial Assets		50.519	-	50.519	50.513	-	50.513
2.5 Expected Credit Loss (-)		16.803.772	559.010	17.362.782	11.577.478	463.603	12.041.081
III. NON CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (NET)	(16)	1.441	-	1,441	1,009,587	66,831	1,076,418
3.1 Held for Sale		1.441	-	1,441	1,009,587	66,831	1,076,418
3.2 Discontinued Operations		-	-	-	-	-	-
IV. EQUITY INVESTMENTS		83,121	681,339	764,460	116,254	476,980	593,234
4.1 Investments in Associates (Net)	(7)	83,121	681,339	764,460	32,254	476,980	509,234
4.1.1 Associates Valued Based on Equity Method		16,566	681,339	697,905	21,152	476,980	498,132
4.1.2 Unconsolidated Associates		66,555	-	66,555	11,102	-	11,102
4.2 Subsidiaries (Net)	(8)	-	-	-	84,000	-	84,000
4.2.1 Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2 Unconsolidated Non- Financial Subsidiaries		-	-	-	84,000	-	84,000
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)	(12)	9,775,477	503,411	10,278,888	9,107,424	201,549	9,308,973
VI. INTANGIBLE ASSETS (Net)	(13)	579,463	59,245	638,708	166,525	38,734	205,259
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		579,463	59,245	638,708	166,525	38,734	205,259
VII. INVESTMENT PROPERTIES (Net)	(14)	1,197,116	10,145	1,207,261	1,096,814	7,649	1,104,463
VIII. CURRENT TAX ASSET		339,626	2,897	342,523	602	7,469	8,071
IX. DEFERRED TAX ASSET	(15)	37,353	4,748	42,101	48,878	3,462	52,340
X. OTHER ASSETS (Net)	(17)	4,738,592	957,171	5,695,763	4,115,999	458,990	4,574,989
TOTAL ASSETS		481,099,564	215,115,086	696,214,650	313,214,322	155,417,505	468,631,827

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2020
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

CONSOLIDATED LIABILITIES		Note	Audited			Audited		
			Current Period			Prior Period		
			TRY	FC	TOTAL	TRY	FC	TOTAL
			31 December 2020			31 December 2019		
I.	DEPOSITS	(1)	261.818.132	206.243.696	468.061.828	163.097.510	137.590.041	300.687.551
II.	FUNDS BORROWED	(3)	706.399	12.548.123	13.254.522	1.410.975	12.756.895	14.167.870
III.	MONEY MARKETS		103.487.981	1.114.631	104.602.612	50.388.047	2.951.294	53.339.341
IV.	SECURITIES ISSUED (Net)	(4)	6.692.145	7.553.277	14.245.422	8.781.602	10.512.530	19.294.132
4.1	Bills		3.655.382	-	3.655.382	4.745.320	-	4.745.320
4.2	Assets Backed Securities		1.958.530	-	1.958.530	2.651.546	-	2.651.546
4.3	Bonds	(5)	1.078.233	7.553.277	8.631.510	1.384.736	10.512.530	11.897.266
V.	FUNDS		3.617.303	-	3.617.303	3.209.004	-	3.209.004
5.1	Borrower Funds		-	-	-	-	-	-
5.2	Other		3.617.303	-	3.617.303	3.209.004	-	3.209.004
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITIES	(2)(8)	20.113	514.112	534.225	334	353.384	353.718
7.1	Derivative Financial Liabilities at Fair Value Through Profit or Loss		20.113	514.112	534.225	334	353.384	353.718
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
VIII.	FACTORING LIABILITIES		1.002	636	1.638	1.081	426	1.507
IX.	LEASE LIABILITIES (Net)	(7)	768.088	125.686	893.774	534.189	109.870	644.059
X.	PROVISIONS	(9)	2.116.831	116.754	2.233.585	1.678.800	71.545	1.750.345
10.1	Restructuring Provisions		-	-	-	-	-	-
10.2	Reserve for Employee Benefits		1.487.055	16.345	1.503.400	1.119.640	14.108	1.133.748
10.3	Insurance for Technical Provision (Net)		-	93.638	93.638	-	53.652	53.652
10.4	Other Provisions		629.776	6.771	636.547	559.160	3.785	562.945
XI.	CURRENT TAX LIABILITY	(10)	777.424	989	778.413	1.324.515	8.772	1.333.287
XII.	DEFERRED TAX LIABILITIES	(10)	331.752	2.152	333.904	315.308	2.152	317.460
XIII.	NON CURRENT LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATIONS (NET)	(11)	-	-	-	3.098.809	85.508	3.184.317
13.1	Held for Sale		-	-	-	3.098.809	85.508	3.184.317
13.2	Discontinued Operations		-	-	-	-	-	-
XIV.	SUBORDINATED DEBT INSTRUMENTS	(12)	6.036.525	8.824.063	14.860.588	6.037.858	6.146.988	12.184.846
14.1	Loans		-	8.824.063	8.824.063	-	6.146.988	6.146.988
14.2	Other Debt Instruments		6.036.525	-	6.036.525	6.037.858	-	6.037.858
XV.	OTHER LIABILITIES	(6)	28.274.400	1.743.535	30.017.935	24.768.998	1.198.004	25.967.002
XVI.	SHAREHOLDERS' EQUITY	(13)	41.839.276	939.625	42.778.901	31.561.248	636.140	32.197.388
16.1	Paid-in Capital		2.473.776	-	2.473.776	1.250.000	-	1.250.000
16.2	Capital Reserves		6.708.624	82.326	6.790.950	1.014.978	412	1.015.390
16.2.1	Share Premium		5.815.863	-	5.815.863	39.773	-	39.773
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3	Other Capital Reserves		892.761	82.326	975.087	975.205	412	975.617
16.3	Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		2.998.743	4.280	3.003.023	2.650.400	1.500	2.651.900
16.4	Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		(220.937)	(218.119)	(439.056)	337.320	(83.834)	253.486
16.5	Profit Reserves		25.276.429	601.525	25.877.954	23.664.169	388.010	24.052.179
16.5.1	Legal Reserves		2.498.334	33.826	2.532.160	2.459.822	29.703	2.489.525
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		22.730.914	104.574	22.835.488	21.157.205	104.574	21.261.779
16.5.4	Other Profit Reserves		47.181	463.125	510.306	47.142	253.733	300.875
16.6	Income or (Loss)		4.347.012	461.862	4.808.874	2.362.968	324.212	2.687.180
16.6.1	Prior Periods' Income or (Loss)		796.482	327.750	1.124.232	179.946	239.626	419.572
16.6.2	Current Period Income or (Loss)		3.550.530	134.112	3.684.642	2.183.022	84.586	2.267.608
16.7	Minority Shares	(14)	255.629	7.751	263.380	281.413	5.840	287.253
TOTAL LIABILITIES			456.487.371	239.727.279	696.214.650	296.208.278	172.423.549	468.631.827

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AS OF 31 DECEMBER 2020
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

III. CONSOLIDATED STATEMENT OF PROFIT OR LOSS

STATEMENT OF PROFIT OR LOSS		Note	Audited	Audited
			Current Period	Prior Period
			1 January- 31 December 2020	1 January- 31 December 2019
I.	INTEREST INCOME	(1)	54.729.179	47.668.735
1.1	Interest on Loans		38.299.040	37.221.483
1.2	Interest on Reserve Requirements		1.660	96.989
1.3	Interest on Banks		278.677	344.109
1.4	Interest on Money Market Transactions		47.629	69.368
1.5	Interest on Marketable Securities Portfolio		15.337.624	9.197.377
1.5.1	Fair Value Through Profit or Loss		29.860	16.557
1.5.2	Fair Value Through Other Comprehensive Income		4.570.645	1.522.716
1.5.3	Measured at Amortized Cost		10.737.119	7.658.104
1.6	Financial Lease Interest Income		366.211	322.356
1.7	Other Interest Income		398.338	417.053
II.	INTEREST EXPENSE (-)	(2)	35.197.360	36.007.406
2.1	Interest on Deposits		22.370.782	23.011.889
2.2	Interest on Funds Borrowed		427.462	552.139
2.3	Interest Expense on Money Market Transactions		8.798.676	9.445.246
2.4	Interest on Securities Issued		2.480.878	2.637.772
2.5	Interest on Leases		77.732	96.205
2.6	Other Interest Expenses		1.041.830	264.155
III.	NET INTEREST INCOME (I - II)		19.531.819	11.661.329
IV.	NET FEES AND COMMISSIONS INCOME		2.889.949	2.716.482
4.1	Fees and Commissions Received		3.922.178	3.851.049
4.1.1	Non – cash Loans		962.059	936.746
4.1.2	Other	(13)	2.960.119	2.914.303
4.2	Fees and Commissions Paid (-)		1.032.229	1.134.567
4.2.1	Non – cash Loans		4.228	4.692
4.2.2	Other	(13)	1.028.001	1.129.875
V.	DIVIDEND INCOME	(3)	4.960	14.441
VI.	TRADING INCOME/LOSS (Net)	(4)	(5.213.013)	(3.227.754)
6.1	Trading Gains / (Losses) on Securities		100.666	294.927
6.2	Gains / (Losses) on Derivate Financial Transactions		2.731.597	(1.473.142)
6.3	Foreign Exchange Gains / (Losses)		(8.045.276)	(2.049.539)
VII.	OTHER OPERATING INCOME	(5)	1.820.064	2.620.242
VIII.	GROSS OPERATING INCOME (III+IV+V+VI+VII+VIII)		19.033.779	13.784.740
IX.	EXPECTED LOSS PROVISIONS (-)	(6)	6.980.823	4.672.517
X.	OTHER PROVISION EXPENSES (-)	(6)	18.161	147.354
XI.	PERSONNEL EXPENSE (-)		3.804.543	3.029.501
XII.	OTHER OPERATING EXPENSES (-)	(7)	4.750.152	3.562.647
XIII.	NET OPERATING INCOME/LOSS (IX-X-XI)		3.480.100	2.372.721
XIV.	INCOME AFTER MERGER		-	-
XV.	INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD		25.498	33.538
XVI.	INCOME/(LOSS) ON NET MONETARY POSITION		-	-
XVII.	PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII+...+XVI)	(8)	3.505.598	2.406.259
XVIII.	TAX PROVISIONS FOR CONTINUED OPERATIONS (±)	(9)	(752.503)	(306.921)
18.1	Current Tax Provision		602.783	477.171
18.2	Deferred Tax Income Effect (+)		865.404	1.221.643
18.3	Deferred Tax Expense Effect (-)		715.684	1.391.893
XIX.	CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)	(10)	2.753.095	2.099.338
XX.	INCOME FROM DISCONTINUED OPERATIONS		1.481.462	2.163.741
20.1	Income from non- Current Assets Held for Sale		613.933	2.163.741
20.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures		867.529	-
20.3	Income from Other Discontinued Operations		-	-
XXI.	EXPENSES FOR DISCONTINUED OPERATIONS (-)		494.089	1.798.587
21.1	Expenses for Non-current Assets Held for Sale		494.089	1.798.587
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-XX)	(8)	987.373	365.154
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)	(9)	(48.603)	(171.619)
23.1	Current Tax Provision		48.981	176.370
23.2	Deferred Tax Expense Effect (+)		-	-
23.3	Deferred Tax Income Effect (-)		378	4.751
XXIV.	PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XIX±XXII)	(10)	938.770	193.535
XXV.	NET PROFIT/(LOSS) (XVIII+XXIII)	(11)	3.691.865	2.292.873
25.1	Profit/ (Loss) of Group		3.684.642	2.267.608
25.2	Profit/ (Loss) of Minority Shares (-)	(12)	7.223	25.265
	Profit/ (Loss) Per Share (full TRY)		1,8432632	1,8140864

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AS OF 31 DECEMBER 2020
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

	Audited	Audited
	Current Period	Prior Period
	1 January - 31 December	1 January - 31 December
INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY	2020	2019
I. CURRENT PERIOD INCOME/LOSS	3.691.865	2.292.873
II. OTHER COMPREHENSIVE INCOME	(341.419)	609.117
2.1 Not Reclassified Through Profit or Loss	351.123	161.399
2.1.1 Property and Equipment Revaluation Increase/Decrease	448.027	206.466
2.1.2 Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3 Defined Benefit Pension Plan Remeasurement Gain/Loss	(98.012)	(87.021)
2.1.4 Other Comprehensive Income Items Not Reclassified Through Profit or Loss	4.802	29.011
2.1.5 Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	(3.694)	12.943
2.2 Reclassified Through Profit or Loss	(692.542)	447.718
2.2.1 Foreign Currency Translation Differences	3.776	(4.392)
2.2.2 Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	(823.049)	543.008
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 Loss	-	-
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	126.731	(90.898)
III. TOTAL COMPREHENSIVE INCOME (I+II)	3.350.446	2.901.990

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TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 31 DECEMBER 2020
(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							Total Equity Expect Minority Shares	Minority Shares	Total Equity
	Paid in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	Accumulated Revaluation/ Decrease of Fixed Asset	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	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)				
Audited (1 January– 31 December 2019)																	
I. Prior Period End Balance	1.250.000	39.740	-	1.228.055	2.459.595	8.624	18.272	(1.454)	(192.778)	-	20.820.054	3.664.491	-	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	18.272	(1.454)	(192.778)	-	20.820.054	3.664.491	-	29.294.599	246.641	29.541.240	
IV. Total Comprehensive Income	-	-	-	-	202.030	(69.642)	29.011	(4.392)	452.110	-	-	-	2.267.608	2.876.725	25.265	2.901.990	
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	-	33	-	(252.438)	4.010	-	-	-	-	-	(76.412)	65.020	-	(259.787)	13.945	(245.842)	
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+.....+XI)	1.250.000	39.773	-	975.617	2.665.635	(61.018)	47.283	(5.846)	259.332	-	24.052.179	419.572	2.267.608	31.910.135	287.253	32.197.388	
Audited (1 January– 31 December 2020)																	
I. Prior Period End Balance	1.250.000	39.773	-	975.617	2.665.635	(61.018)	47.283	(5.846)	259.332	-	24.052.179	419.572	2.267.608	31.910.135	287.253	32.197.388	
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	39.773	-	975.617	2.665.635	(61.018)	47.283	(5.846)	259.332	-	24.052.179	419.572	2.267.608	31.910.135	287.253	32.197.388	
IV. Total Comprehensive Income	-	-	-	-	424.621	(78.300)	4.802	3.776	(696.318)	-	-	-	3.684.642	3.343.223	7.223	3.350.446	
V. Capital Increase by Cash	1.223.776	5.776.224	-	-	-	-	-	-	-	-	-	-	-	7.000.000	-	7.000.000	
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	-	(134)	-	(530)	-	-	-	-	-	-	50.299	2.481.540	(2.267.608)	263.567	(32.500)	231.067	
XI. Profit Distribution	-	-	-	-	-	-	-	-	-	-	1.775.476	(1.776.880)	-	(1.404)	1.404	-	
11.1 Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	(1.404)	-	(1.404)	1.404	-	
11.2 Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	1.775.476	(1.775.476)	-	-	-	-	
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Period End Balance (III+IV+.....+XI)	2.473.776	5.815.863	-	975.087	3.090.256	(139.318)	52.085	(2.070)	(436.986)	-	25.877.954	1.124.232	3.684.642	42.515.521	263.380	42.778.901	

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF CASH FLOWS AS OF 31 DECEMBER 2020
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

VI. CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Audited	Audited
		Current Period	Prior Period
		1 January- 31 December 2020	1 January- 31 December 2019
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities		4.681.250	(1.285.633)
1.1.1 Interest received		45.845.461	42.017.429
1.1.2 Interest paid		(34.737.175)	(36.205.992)
1.1.3 Dividend received		4.960	14.580
1.1.4 Fees and commissions received		4.550.474	3.973.956
1.1.5 Other income		1.044.949	3.236.634
1.1.6 Collections from previously written off loans		1.786.986	1.858.918
1.1.7 Cash payments to personnel and service suppliers		(3.846.371)	(3.171.206)
1.1.8 Taxes paid		(1.109.206)	(351.948)
1.1.9 Other	(1)	(8.858.828)	(12.658.004)
1.2 Changes in Assets and Liabilities Subject to Banking Operations		64.448.953	14.563.051
1.2.1 Net Increase / decrease in financial assets at fair value through profit or loss		581.561	(1.768.837)
1.2.2 Net (increase) / decrease in due from banks		-	-
1.2.3 Net (increase) / decrease in loans		(145.850.059)	(52.972.613)
1.2.4 Net (increase) / decrease in other assets		(10.856.053)	1.129.813
1.2.5 Net increase / (decrease) in bank deposits		7.366.126	(3.408.437)
1.2.6 Net increase / (decrease) in other deposits		160.055.469	53.709.536
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		(1.350.472)	(1.269.042)
1.2.9 Net increase / (decrease) in matured payables		-	-
1.2.10 Net increase / (decrease) in other liabilities	(1)	54.502.381	19.142.631
I. Net cash provided from banking operations		69.130.203	13.277.418
B. CASH FLOWS FROM INVESTMENT ACTIVITIES			
II. Net cash provided from/ (used in) investing activities		(49.553.545)	(22.359.553)
2.1 Cash paid for purchase of joint ventures, associates and subsidiaries		(183.498)	(111.070)
2.2 Cash obtained from sale of entities joint ventures, associates and subsidiaries		225.190	39.375
2.3 Fixed assets purchases		(936.919)	(557.443)
2.4 Fixed assets sales		1.852.907	699.405
2.5 Cash paid for purchase of financial assets at fair value through other comprehensive income		(58.930.404)	(21.377.381)
2.6 Cash obtained from sale of financial assets at fair value through other comprehensive income		10.889.499	11.592.662
2.7 Cash paid for purchase of investment securities		(19.478.709)	(19.959.111)
2.8 Cash obtained from sale of investment securities		17.561.792	7.407.102
2.9 Other		(563.799)	(93.092)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash flow from financing activities		434.302	7.577.393
3.1 Cash obtained from loans borrowed and securities issued		13.855.727	12.282.799
3.2 Cash used for repayment of loans borrowed and securities issued		(20.198.723)	(4.478.815)
3.3 Bonds issued		7.000.000	-
3.4 Dividends paid		-	-
3.5 Payments for leases		(222.702)	(226.591)
3.6 Other		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents	(1)	(1.597.022)	2.353.847
V. Net increase / (decrease) in cash and cash equivalents		18.413.938	849.105
VI. Cash and cash equivalents at beginning of the period	(4)	24.297.690	23.448.585
VII. Cash and cash equivalents at end of the period	(5)	42.711.628	24.297.690

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

TÜRKİYE HALK BANKASI AŞ
STATEMENT OF PROFIT DISTRIBUTION AS OF 31 DECEMBER 2020
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

VII. STATEMENT OF PROFIT DISTRIBUTION

	Audited	Audited
	Current Period	Prior Period
	31 December 2020 ^(*)	31 December 2019
I. DISTRIBUTION OF CURRENT YEAR PROFIT		
1.1. Current Period Profit	3.229.900	1.968.257
1.2. Taxes and Legal Duties Payables (-)	(629.855)	(247.948)
1.2.1. Corporate Tax (Income Tax)	(491.513)	(435.511)
1.2.2. Withholding Tax	-	-
1.2.3. Other Taxes and Duties	(138.342)	187.563
A. Net Profit For The Period (1.1-1.2)	2.600.045	1.720.309
1.3. Accumulated Losses (-)	-	-
1.4. First Legal Reserves (-)	-	76.637
1.5. Other Statutory Reserves (-)	-	-
B. Net Profit Available for Distribution [(A-(1.3+1.4+1.5))*]	-	1.456.109
1.6. First Dividend to shareholders (-)	-	-
1.6.1. To Owners of Ordinary Shares	-	-
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 (-)	-	-
1.8. Dividends to Board of Directors (-)	-	-
1.9. Second Dividend to Shareholders (-)	-	-
1.9.1. To Owners of Ordinary Shares	-	-
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 (-)	-	-
1.11. Status Reserves (-)	-	1.456.109
1.12. Extraordinary Reserves ⁽²⁾	-	-
1.13. Other Reserves	-	-
II. Distribution of Reserves		
2.1. Appropriated Reserves	-	-
2.2. Second Legal Reserves (-)	-	-
2.2.1. Dividends to Shareholders (-)	-	-
2.2.2. To Owners of Ordinary Shares	-	-
2.3.3. To Owners of Privileged Shares	-	-
2.3.4. To Profit Sharing Bonds	-	-
2.3.5. To Holders of Profit and Loss Sharing Certificates	-	-
2.3. Dividends to Personnel (-)	-	-
2.4. Dividends to the Boards of Directors (-)	-	-
III. Earnings per Share		
3.1. To Owners of Ordinary Shares	-	1,3762
3.2. To Owners of Ordinary Shares (%)	-	%137,62
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	-	-
4.2. To Owners of Ordinary Shares (%)	-	-
4.3. To Owners of Privileged Shares	-	-
4.4. To Owners of Privileged Shares (%)	-	-

^(*) As of 31 December 2020, the Parent Bank's General Assembly has not been held yet.

^(**) In accordance with the Circular No. 2004/3 of the BRSA, TL 187.563 deferred tax asset income has been deducted.