

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED INTERIM FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE
TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT JUNE 30, 2018**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

		Reviewed Current Period June 30, 2018		
ASSETS	Notes	TL	FC	Total
I. FINANCIAL ASSETS (Net)		38,902,279	46,135,020	85,037,299
1.1 Cash and cash equivalents	V-I-1	8,081,172	37,196,645	45,277,817
1.1.1 Cash and balances at Central Bank	V-I-1	6,773,815	28,768,750	35,542,565
1.1.2 Banks	V-I-3	1,298,129	8,427,895	9,726,024
1.1.3 Receivables from Money Markets		9,228	-	9,228
1.2. Financial assets at fair value through profit or loss	V-I-2	108,985	66,901	175,886
1.2.1 Public debt securities		196	6,200	6,396
1.2.2 Equity instruments		2,525	60,701	63,226
1.2.3 Other financial assets		106,264	-	106,264
1.3 Financial assets at fair value through other comprehensive income	V-I-4	6,091,259	2,034,612	8,125,871
1.3.1 Public debt securities		6,091,259	1,425,772	7,517,031
1.3.2 Equity instruments		-	-	-
1.3.3 Other financial assets		-	608,840	608,840
1.4 Financial assets measured at amortized cost	V-I-6	21,573,787	6,486,635	28,060,422
1.4.1 Public debt securities		21,573,787	6,248,633	27,822,420
1.4.2 Other financial assets		-	238,002	238,002
1.5 Derivative Financial Assets		3,170,223	352,725	3,522,948
1.5.1 Derivative financial assets at fair value through profit or loss		3,170,223	352,725	3,522,948
1.5.2 Derivative financial assets at fair value through other comprehensive income		-	-	-
1.6 Non-performing financial assets		-	-	-
1.7 Allowance for expected credit losses (-)		123,147	2,498	125,645
II. LOANS (Net)	V-I-5	145,807,039	71,033,884	216,840,923
2.1 Loans		143,234,727	68,822,254	212,056,981
2.1.1 Loans measured at amortized cost		143,234,727	68,822,254	212,056,981
2.1.2 Loans at fair value through profit or loss		-	-	-
2.1.3 Loans at fair value through other comprehensive income		-	-	-
2.2 Receivables from leasing transactions	V-I-10	570,777	1,892,775	2,463,552
2.2.1 Finance lease receivables		758,825	2,091,939	2,850,764
2.2.2 Operational lease receivables		-	-	-
2.2.3 Unearned income (-)		188,048	199,164	387,212
2.3 Factoring receivables		2,366,319	249,082	2,615,401
2.3.1 Factoring receivables measured at amortized cost		2,366,319	249,082	2,615,401
2.3.2 Factoring receivables at fair value through profit or loss		-	-	-
2.3.3 Factoring receivables at fair value through other comprehensive income		-	-	-
2.4 Non-performing loans		8,652,558	149,005	8,801,563
2.5 Allowance for expected credit losses (-)		9,017,342	79,232	9,096,574
2.5.1 12-Month expected credit losses (Stage 1)		1,770,757	19,892	1,790,649
2.5.2 Significant increase in credit risk (Stage 2)		534,167	1,026	535,193
2.5.3 Credit-Impaired (Stage 3)		6,712,418	58,314	6,770,732
III. NON-CURRENT'S ASSETS OR DISPOSAL GROUPS "HELD FOR SALE" AND "FROM DISCONTINUED OPERATIONS (Net)	V-I-14	1,457,402	-	1,457,402
3.1 Held for sale		1,457,402	-	1,457,402
3.2 Held from discontinued operations		-	-	-
IV. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES		1,048,356	3	1,048,359
4.1 Investments in associates (Net)	V-I-7	768,696	3	768,699
4.1.1 Associates accounted by using equity method		329,369	-	329,369
4.1.2 Non-consolidated associates		439,327	3	439,330
4.2 Investments in subsidiaries (Net)	V-I-8	279,660	-	279,660
4.2.1 Non-consolidated financial subsidiaries		-	-	-
4.2.2 Non-consolidated non-financial subsidiaries		279,660	-	279,660
4.3 Jointly Controlled Partnerships (Joint Ventures) (Net)	V-I-9	-	-	-
4.3.1 Jointly controlled partnerships accounted by using equity method		-	-	-
4.3.2 Non-consolidated jointly controlled partnerships		-	-	-
V. TANGIBLE ASSETS (Net)		1,797,839	10,751	1,808,590
VI. INTANGIBLE ASSETS (Net)		267,839	326	268,165
6.1 Goodwill		14,631	-	14,631
6.2 Other		253,208	326	253,534
VII. INVESTMENT PROPERTIES (Net)	V-I-12	486,707	-	486,707
VIII. CURRENT TAX ASSETS		217	-	217
IX. DEFERRED TAX ASSETS	V-I-13	440,334	-	440,334
X. OTHER ASSETS	V-I-15	5,938,936	5,042,712	10,981,648
TOTAL ASSETS		196,146,948	122,222,696	318,369,644

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TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT DECEMBER 31, 2017**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

			Audited Prior Period December 31, 2017		
ASSETS	Notes	TL	FC	Total	
I.	CASH AND BALANCES WITH THE CENTRAL BANK	V-I-1	4,021,442	24,634,804	28,656,246
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)	V-I-2	1,926,000	150,223	2,076,223
2.1	Financial assets held for trading purpose		1,926,000	150,223	2,076,223
2.1.1	Debt securities issued by the governments		203	5,855	6,058
2.1.2	Equity securities		939	-	939
2.1.3	Derivative financial assets held for trading purpose		1,801,883	144,368	1,946,251
2.1.4	Other securities		122,975	-	122,975
2.2	Financial assets designated at fair value through profit or loss		-	-	-
2.2.1	Debt securities issued by the governments		-	-	-
2.2.2	Equity securities		-	-	-
2.2.3	Loans		-	-	-
2.2.4	Other securities		-	-	-
III.	BANKS	V-I-3	1,176,896	12,146,903	13,323,799
IV.	RECEIVABLES FROM INTERBANK MONEY MARKETS		1,659,062	-	1,659,062
4.1	Interbank money market placements		1,652,102	-	1,652,102
4.2	Istanbul Stock Exchange money market placements		3,474	-	3,474
4.3	Receivables from reverse repurchase agreements		3,486	-	3,486
V.	AVAILABLE-FOR-SALE FINANCIAL ASSETS (Net)		12,412,036	2,158,348	14,570,384
5.1	Equity securities		15	43,355	43,370
5.2	Debt securities issued by the governments		12,412,021	1,709,676	14,121,697
5.3	Other securities		-	405,317	405,317
VI.	LOANS AND RECEIVABLES	V-I-5	131,255,058	55,293,726	186,548,784
6.1	Performing loans and receivables	V-I-5	130,177,791	55,264,739	185,442,530
6.1.1	Loans provided to risk group		17,077	1,051	18,128
6.1.2	Debt securities issued by the governments		-	-	-
6.1.3	Other		130,160,714	55,263,688	185,424,402
6.2	Loans under follow-up		7,819,393	123,793	7,943,186
6.3	Specific provisions (-)		6,742,126	94,806	6,836,932
VII.	FACTORING RECEIVABLES		1,922,548	269,754	2,192,302
VIII.	HELD-TO-MATURITY INVESTMENT SECURITIES (Net)	V-I-6	12,235,406	4,530,665	16,766,071
8.1	Debt securities issued by the governments		12,235,406	4,286,627	16,522,033
8.2	Other securities		-	244,038	244,038
IX.	INVESTMENTS IN ASSOCIATES (Net)	V-I-7	384,451	3	384,454
9.1	Associates, consolidated per equity method		323,654	-	323,654
9.2	Unconsolidated associates		60,797	3	60,800
9.2.1	Financial associates		48,444	-	48,444
9.2.2	Non-Financial associates		12,353	3	12,356
X.	INVESTMENTS IN SUBSIDIARIES (Net)	V-I-8	279,647	-	279,647
10.1	Unconsolidated financial subsidiaries		-	-	-
10.2	Unconsolidated non-financial subsidiaries		279,647	-	279,647
XI.	INVESTMENTS IN JOINT-VENTURES (Net)	V-I-9	-	-	-
11.1	Joint-ventures, consolidated per equity method		-	-	-
11.2	Unconsolidated joint-ventures		-	-	-
11.2.1	Financial joint-ventures		-	-	-
11.2.2	Non-Financial joint-ventures		-	-	-
XII.	LEASE RECEIVABLES	V-I-10	474,045	1,406,155	1,880,200
12.1	Finance lease receivables		611,982	1,565,781	2,177,763
12.2	Operational lease receivables		-	-	-
12.3	Other		-	-	-
12.4	Unearned income (-)		137,937	159,626	297,563
XIII.	DERIVATIVE FINANCIAL ASSETS HELD FOR RISK MANAGEMENT PURPOSE		-	-	-
13.1	Fair value hedges		-	-	-
13.2	Cash flow hedges		-	-	-
13.3	Hedges of net investment in foreign operations		-	-	-
XIV.	TANGIBLE ASSETS (Net)		1,722,037	9,372	1,731,409
XV.	INTANGIBLE ASSETS (Net)		255,160	302	255,462
15.1	Goodwill		-	-	-
15.2	Other intangibles		255,160	302	255,462
XVI.	INVESTMENT PROPERTIES (Net)	V-I-12	423,498	-	423,498
XVII.	TAX ASSETS		63,612	-	63,612
17.1	Current tax assets		1,016	-	1,016
17.2	Deferred tax assets	V-I-13	62,596	-	62,596
XVIII.	ASSETS HELD FOR SALE AND ASSETS RELATED TO THE DISCONTINUED OPERATIONS (Net)	V-I-14	1,312,728	-	1,312,728
18.1	Assets held for sale		1,312,728	-	1,312,728
18.2	Assets related to the discontinued operations		-	-	-
XIX.	OTHER ASSETS	V-I-15	4,891,487	3,843,638	8,735,125
TOTAL ASSETS			176,415,113	104,443,893	280,859,006

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CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT JUNE 30, 2018**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

			Reviewed Current Period June 30, 2018		
LIABILITIES AND EQUITY		Notes	TL	FC	Total
I.	DEPOSITS	V-II-1	112,106,253	61,967,842	174,074,095
II.	LOANS RECEIVED	V-II-3	2,588,770	39,311,003	41,899,773
III.	MONEY MARKET FUNDS		22,539,628	3,274,140	25,813,768
IV.	MARKETABLE SECURITIES (Net)	V-II-3	9,307,672	15,220,616	24,528,288
4.1	Bills		5,256,649	-	5,256,649
4.2	Asset backed securities		66,060	-	66,060
4.3	Bonds		3,984,963	15,220,616	19,205,579
V.	FUNDS		3,108	-	3,108
5.1	Borrower funds		-	-	-
5.2	Other		3,108	-	3,108
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITIES	V-II-2	1,959,948	221,313	2,181,261
7.1	Derivative financial liabilities at fair value through profit or loss		1,959,948	221,313	2,181,261
7.2	Derivative financial liabilities at fair value through other comprehensive income		-	-	-
VIII.	FACTORING PAYABLES		-	-	-
IX.	LEASE PAYABLES	V-II-5	-	-	-
9.1	Finance lease payables		-	-	-
9.2	Operating lease payables		-	-	-
9.3	Other		-	-	-
9.4	Deferred finance lease expenses (-)		-	-	-
X.	PROVISIONS	V-II-7	5,101,667	43,104	5,144,771
10.1	Provision for restructuring		-	-	-
10.2	Reserves for employee benefits		1,057,358	3,487	1,060,845
10.3	Insurance technical reserves (Net)		2,911,942	14,738	2,926,680
10.4	Other provisions		1,132,367	24,879	1,157,246
XI.	CURRENT TAX LIABILITIES	V-II-8	655,117	1,146	656,263
XII.	DEFERRED TAX LIABILITIES		8,084	15,996	24,080
XIII.	LIABILITIES RELATED TO NON-CURRENT ASSETS "HELD FOR SALE" AND "DISCONTINUED OPERATIONS" (Net)	V-II-9	-	-	-
13.1	Held for sale		-	-	-
13.2	Related to the discontinued operations		-	-	-
XIV.	SUBORDINATED DEBT	V-II-10	528,568	6,541,527	7,070,095
14.1	Loans		-	-	-
14.2	Other debt instruments		528,568	6,541,527	7,070,095
XV.	OTHER LIABILITIES	V-II-4	7,203,459	3,066,194	10,269,653
XVI.	SHAREHOLDERS' EQUITY	V-II-11	26,101,861	602,628	26,704,489
16.1	Paid-in capital	V-II-11	2,500,000	-	2,500,000
16.2	Capital reserves		804,673	-	804,673
16.2.1	Equity share premiums		724,269	-	724,269
16.2.2	Share cancellation profits		-	-	-
16.2.3	Other capital reserves		80,404	-	80,404
16.3	Other accumulated comprehensive income that will not be reclassified in profit or loss		1,451,279	421	1,451,700
16.4	Other accumulated comprehensive income that will be reclassified in profit or loss		(154,256)	(13,158)	(167,414)
16.5	Profit reserves		14,576,305	353,837	14,930,142
16.5.1	Legal reserves		1,708,235	10,669	1,718,904
16.5.2	Statutory reserves		6,337	-	6,337
16.5.3	Extraordinary reserves		12,505,326	5,389	12,510,715
16.5.4	Other profit reserves		356,407	337,779	694,186
16.6	Profit or loss		6,315,380	177,339	6,492,719
16.6.1	Prior years' profits or losses		4,131,518	131,739	4,263,257
16.6.2	Current period net profit or loss		2,183,862	45,600	2,229,462
16.7	Minority interests		608,480	84,189	692,669
TOTAL LIABILITIES AND EQUITY			188,104,135	130,265,509	318,369,644

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CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT DECEMBER 31, 2017**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

		Audited Prior Period December 31, 2017			
LIABILITIES AND EQUITY		Notes	TL	FC	Total
I.	DEPOSITS	V-II-1	102,796,242	55,191,624	157,987,866
1.1	Deposits of risk group		2,079,489	146,601	2,226,090
1.2	Other deposits		100,716,753	55,045,023	155,761,776
II.	DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING PURPOSE	V-II-2	1,011,508	169,034	1,180,542
III.	FUNDS BORROWED	V-II-3	2,257,541	29,130,247	31,387,788
IV.	INTERBANK MONEY MARKET		18,936,344	3,752,731	22,689,075
4.1	Interbank money market takings		11,662,376	1,631,693	13,294,069
4.2	Istanbul Stock Exchange money market takings		237,318	-	237,318
4.3	Obligations under repurchase agreements		7,036,650	2,121,038	9,157,688
V.	SECURITIES ISSUED (Net)	V-II-3	6,967,544	12,903,215	19,870,759
5.1	Bills		3,996,077	-	3,996,077
5.2	Asset backed securities		-	-	-
5.3	Bonds		2,971,467	12,903,215	15,874,682
VI.	FUNDS		3,206	-	3,206
6.1	Funds against borrower’s note		-	-	-
6.2	Other		3,206	-	3,206
VII.	MISCELLANEOUS PAYABLES		6,343,340	989,690	7,333,030
VIII.	OTHER EXTERNAL RESOURCES PAYABLE	V-II-4	947,498	3,029,795	3,977,293
IX.	FACTORING PAYABLES		221	216	437
X.	LEASE PAYABLES (Net)	V-II-5	-	-	-
10.1	Finance lease payables		-	-	-
10.2	Operational lease payables		-	-	-
10.3	Other		-	-	-
10.4	Deferred finance leasing expenses (-)		-	-	-
XI.	DERIVATIVE FINANCIAL LIABILITIES HELD FOR RISK MANAGEMENT PURPOSE		-	-	-
11.1	Fair value hedges		-	-	-
11.2	Cash flow hedges		-	-	-
11.3	Hedges of net investment in foreign operations		-	-	-
XII.	PROVISIONS	V-II-7	6,084,250	42,791	6,127,041
12.1	General provisions		1,872,826	12,667	1,885,493
12.2	Restructuring reserves		-	-	-
12.3	Reserve for employee benefits		852,775	2,763	855,538
12.4	Insurance technical provisions (Net)		2,631,507	14,011	2,645,518
12.5	Other provisions		727,142	13,350	740,492
XIII.	TAX LIABILITIES		703,795	58,072	761,867
13.1	Current tax liabilities	V-II-8	686,133	670	686,803
13.2	Deferred tax liabilities		17,662	57,402	75,064
XIV.	PAYABLES FOR ASSETS HELD FOR SALE AND ASSETS RELATED TO DISCONTINUED OPERATIONS (Net)	V-II-9	-	-	-
14.1	Payables related to the assets held for sale		-	-	-
14.2	Payables related to the discontinued operations		-	-	-
XV.	SUBORDINATED LOANS	V-II-10	528,188	5,388,949	5,917,137
XVI.	EQUITY	V-II-11	22,991,149	631,816	23,622,965
16.1	Paid-in capital	V-II-11	2,500,000	-	2,500,000
16.2	Capital reserves		1,582,247	177,252	1,759,499
16.2.1	Share premium		724,269	-	724,269
16.2.2	Share cancellation profits		-	-	-
16.2.3	Valuation differences of the marketable securities	V-II-11	(240,378)	177,252	(63,126)
16.2.4	Revaluation surplus on tangible assets		1,046,956	-	1,046,956
16.2.5	Revaluation surplus on intangible assets		-	-	-
16.2.6	Revaluation surplus on investment properties		-	-	-
16.2.7	Bonus shares of associates, subsidiaries and joint-ventures		3,913	-	3,913
16.2.8	Hedging reserves (effective portion)		-	-	-
16.2.9	Revaluation surplus on assets held for sale and assets related to the discontinued operations		-	-	-
16.2.10	Other capital reserves		47,487	-	47,487
16.3	Profit reserves		14,550,334	254,763	14,805,097
16.3.1	Legal reserves		1,700,302	9,553	1,709,855
16.3.2	Status reserves		6,337	-	6,337
16.3.3	Extraordinary reserves		12,432,750	5,389	12,438,139
16.3.4	Other profit reserves		410,945	239,821	650,766
16.4	Profit or loss		3,753,445	127,821	3,881,266
16.4.1	Prior years’ profit/loss		(154,298)	103,132	(51,166)
16.4.2	Current period’s profit/loss		3,907,743	24,689	3,932,432
16.5	Non-controlling interest		605,123	71,980	677,103
TOTAL LIABILITIES AND EQUITY			169,570,826	111,288,180	280,859,006

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CONSOLIDATED OFF-BALANCE SHEET
AS AT JUNE 30, 2018**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Notes	Reviewed Current Period June 30, 2018		Total
		TL	FC	
A. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I-II+III)		95,284,831	120,568,219	215,853,050
I. GUARANTEES AND SURETIES	V-III-2-4	37,219,441	23,959,079	61,178,520
1.1 Letters of guarantee		36,253,956	11,272,510	47,526,466
1.1.1 Guarantees subject to State Tender Law		4,006,151	5,244,739	9,250,890
1.1.2 Guarantees given for foreign trade operations		1,295,817	-	1,295,817
1.1.3 Other letters of guarantee		30,951,988	6,027,771	36,979,759
1.2 Bank acceptances		98,356	1,960,348	2,058,704
1.2.1 Import letter of acceptance		-	628,450	628,450
1.2.2 Other bank acceptances		98,356	1,331,898	1,430,254
1.3 Letters of credit		26,370	10,518,722	10,545,092
1.3.1 Documentary letters of credit		26,370	10,518,722	10,545,092
1.3.2 Other letters of credit		-	-	-
1.4 Pre-financing given as guarantee		-	3,639	3,639
1.5 Endorsements		-	-	-
1.5.1 Endorsements to the Central Bank of Republic of Turkey		-	-	-
1.5.2 Other endorsements		-	-	-
1.6 Purchase guarantees for Securities issued		-	-	-
1.7 Factoring guarantees		420,637	24,087	444,724
1.8 Other guarantees		70,264	54,641	124,905
1.9 Other warranties		349,858	125,132	474,990
II. COMMITMENTS		37,305,731	25,263,611	62,569,342
2.1 Irrevocable commitments		33,242,855	2,519,921	35,762,776
2.1.1 Asset purchase and sales commitments	V-III-1	1,494,229	1,707,540	3,201,769
2.1.2 Deposit purchase and sales commitments		-	-	-
2.1.3 Share capital commitments to associates and subsidiaries	V-III-1	2,250	-	2,250
2.1.4 Loan granting commitments	V-III-1	13,225,596	110,294	13,335,890
2.1.5 Securities issuance brokerage commitments		-	124,477	124,477
2.1.6 Commitments for reserve deposit requirements		-	-	-
2.1.7 Commitments for checks payments	V-III-1	2,921,701	-	2,921,701
2.1.8 Tax and fund liabilities from export commitments		-	-	-
2.1.9 Commitments for credit card expenditure limits	V-III-1	12,609,798	-	12,609,798
2.1.10 Commitments for credit cards and banking services promotions		777,078	-	777,078
2.1.11 Receivables from short sale commitments of marketable securities		-	-	-
2.1.12 Payables for short sale commitments of marketable securities		-	-	-
2.1.13 Other irrevocable commitments		2,212,203	577,610	2,789,813
2.2 Revocable commitments		4,062,876	22,743,690	26,806,566
2.2.1 Revocable loan granting commitments		4,062,876	22,743,690	26,806,566
2.2.2 Other revocable commitments		-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		20,759,659	71,345,529	92,105,188
3.1 Derivative financial instruments held for hedging		-	-	-
3.1.1 Fair value hedges		-	-	-
3.1.2 Cash flow hedges		-	-	-
3.1.3 Hedges for investments made in foreign countries		-	-	-
3.2 Trading transactions		20,759,659	71,345,529	92,105,188
3.2.1 Forward foreign currency purchase and sale transactions		569,332	1,164,496	1,733,828
3.2.1.1 Forward foreign currency purchase transactions		285,266	582,317	867,583
3.2.1.2 Forward foreign currency sales		284,066	582,179	866,245
3.2.2 Currency and interest rate swaps		12,095,524	56,100,116	68,195,640
3.2.2.1 Currency swap purchase transactions		2,961,660	19,029,434	21,991,094
3.2.2.2 Currency swap sale transactions		6,593,864	9,956,026	16,549,890
3.2.2.3 Interest rate swap purchase transactions		1,270,000	13,557,328	14,827,328
3.2.2.4 Interest rate swap sale transactions		1,270,000	13,557,328	14,827,328
3.2.3 Currency, interest rate and security options		1,162,841	2,163,673	3,326,514
3.2.3.1 Currency purchase options		977,009	517,010	1,494,019
3.2.3.2 Currency sale options		185,832	1,372,127	1,557,959
3.2.3.3 Interest rate purchase options		-	-	-
3.2.3.4 Interest rate sale options		-	-	-
3.2.3.5 Security purchase options		-	-	-
3.2.3.6 Security sale options		-	274,536	274,536
3.2.4 Currency futures		-	-	-
3.2.4.1 Currency purchases futures		-	-	-
3.2.4.2 Currency sales futures		-	-	-
3.2.5 Interest rate futures		-	-	-
3.2.5.1 Interest rate purchases futures		-	-	-
3.2.5.2 Interest rate sales futures		-	-	-
3.2.6 Other		6,931,962	11,917,244	18,849,206
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		1,498,070,871	1,031,509,814	2,529,580,685
IV. ITEMS HELD IN CUSTODY		63,060,199	5,588,453	68,648,652
4.1 Assets under management		1,736,990	-	1,736,990
4.2 Securities held in custody		44,342,693	186,183	44,528,876
4.3 Checks received for collection		11,225,720	1,177,639	12,403,359
4.4 Commercial notes received for collection		4,237,296	1,394,643	5,631,939
4.5 Other assets received for collection		2,152	183	2,335
4.6 Securities received for public offering		-	-	-
4.7 Other items under custody		127,336	1,855,796	1,983,132
4.8 Custodians		1,388,012	974,009	2,362,021
V. PLEDGED ITEMS		417,280,501	171,081,040	588,361,541
5.1 Marketable securities		495,667	6,367	502,034
5.2 Guarantee notes		694,523	420,516	1,115,039
5.3 Commodity		33,478,207	974,596	34,452,803
5.4 Warrant		-	-	-
5.5 Immovables		332,230,625	138,245,195	470,475,820
5.6 Other pledged items		49,417,521	31,105,067	80,522,588
5.7 Depositories receiving pledged items		963,958	329,299	1,293,257
VI. ACCEPTED GUARANTEES AND WARRANTS		1,017,730,171	854,840,321	1,872,570,492
TOTAL OFF BALANCE SHEET COMMITMENTS (A+B)		1,593,355,702	1,152,078,033	2,745,433,735

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**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE
TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED OFF-BALANCE SHEET
AS AT DECEMBER 31, 2017**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

		Audited Prior Period December 31, 2017			
		Notes	TL	FC	Total
A.	OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		80,999,013	81,421,461	162,420,474
I.	GUARANTEES AND SURETIES	V-III-2-4	32,656,344	18,667,358	51,323,702
1.1	Letters of guarantee		32,035,061	8,135,927	40,170,988
1.1.1	Guarantees subject to State Tender Law		3,163,898	4,099,756	7,263,654
1.1.2	Guarantees given for foreign trade operations		1,053,872	-	1,053,872
1.1.3	Other letters of guarantee		27,817,291	4,036,171	31,853,462
1.2	Bank acceptances		44,700	1,510,854	1,555,554
1.2.1	Import letter of acceptance		671	519,399	520,070
1.2.2	Other bank acceptances		44,029	991,455	1,035,484
1.3	Letters of credit		30,161	8,963,991	8,994,152
1.3.1	Documentary letters of credit		30,161	8,963,991	8,994,152
1.3.2	Other letters of credit		-	-	-
1.4	Guaranteed pre-financings		-	3,006	3,006
1.5	Endorsements		-	-	-
1.5.1	Endorsements to the Central Bank of Republic of Turkey		-	-	-
1.5.2	Other endorsements		-	-	-
1.6	Marketable securities underwriting commitments		-	-	-
1.7	Factoring related guarantees		225,380	7,528	232,908
1.8	Other guarantees		81,074	43,996	125,070
1.9	Other sureties		239,968	2,056	242,024
II.	COMMITMENTS		31,872,658	17,873,251	49,745,909
2.1	Irrevocable commitments		28,813,083	1,547,642	30,360,725
2.1.1	Asset purchase commitments	V-III-1	793,979	961,190	1,755,169
2.1.2	Deposit purchase and sales commitments		-	-	-
2.1.3	Share capital commitments to associates and subsidiaries	V-III-1	-	-	-
2.1.4	Loan granting commitments	V-III-1	11,843,577	74,556	11,918,133
2.1.5	Securities issuance brokerage commitments		-	-	-
2.1.6	Commitments for reserve deposit requirements		-	-	-
2.1.7	Commitments for cheque payments	V-III-1	2,542,741	-	2,542,741
2.1.8	Tax and fund obligations on export commitments		-	-	-
2.1.9	Commitments for credit card limits	V-III-1	10,534,862	-	10,534,862
2.1.10	Commitments for credit card and banking operations promotions		761,674	-	761,674
2.1.11	Receivables from "short" sale commitments on securities		-	-	-
2.1.12	Payables from "short" sale commitments on securities		-	-	-
2.1.13	Other irrevocable commitments		2,336,250	511,896	2,848,146
2.2	Revocable commitments		3,059,575	16,325,609	19,385,184
2.2.1	Revocable loan granting commitments		3,059,575	16,325,609	19,385,184
2.2.2	Other revocable commitments		-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS		16,470,011	44,880,852	61,350,863
3.1	Derivative financial instruments held for risk management		-	-	-
3.1.1	Fair value hedges		-	-	-
3.1.2	Cash flow hedges		-	-	-
3.1.3	Net foreign investment hedges		-	-	-
3.2	Trading derivatives		16,470,011	44,880,852	61,350,863
3.2.1	Forward foreign currency purchases/sales		1,152,837	1,617,661	2,770,498
3.2.1.1	Forward foreign currency purchases		576,772	808,889	1,385,661
3.2.2	Forward foreign currency sales		576,065	808,772	1,384,837
3.2.2.1	Currency and interest rate swaps		9,715,102	31,666,680	41,381,782
3.2.2.1	Currency swaps-purchases		3,085,946	11,883,240	14,969,186
3.2.2.2	Currency swaps-sales		4,289,156	5,162,344	9,451,500
3.2.2.3	Interest rate swaps-purchases		1,170,000	7,310,548	8,480,548
3.2.2.4	Interest rate swaps-sales		1,170,000	7,310,548	8,480,548
3.2.3	Currency, interest rate and security options		426,094	431,542	857,636
3.2.3.1	Currency call options		412,706	13,400	426,106
3.2.3.2	Currency put options		13,388	418,142	431,530
3.2.3.3	Interest rate call options		-	-	-
3.2.3.4	Interest rate put options		-	-	-
3.2.3.5	Security call options		-	-	-
3.2.3.6	Security put options		-	-	-
3.2.4	Currency futures		-	-	-
3.2.4.1	Currency futures-purchases		-	-	-
3.2.4.2	Currency futures-sales		-	-	-
3.2.5	Interest rate futures		-	-	-
3.2.5.1	Interest rate futures-purchases		-	-	-
3.2.5.2	Interest rate futures-sales		-	-	-
3.2.6	Other		5,175,978	11,164,969	16,340,947
B.	CUSTODY AND PLEDGED ITEMS (IV+V+VI)		1,287,928,890	807,052,180	2,094,981,070
IV.	ITEMS HELD IN CUSTODY		59,316,964	5,617,699	64,934,663
4.1	Customers' securities held		923,511	-	923,511
4.2	Investment securities held in custody		43,471,833	135,880	43,607,713
4.3	Checks received for collection		10,617,821	2,607,299	13,225,120
4.4	Commercial notes received for collection		2,959,313	993,297	3,952,610
4.5	Other assets received for collection		2,152	151	2,303
4.6	Assets received through public offering		-	-	-
4.7	Other items under custody		140,536	743,875	884,411
4.8	Custodians		1,201,798	1,137,197	2,338,995
V.	PLEDGED ITEMS		315,488,892	132,707,352	448,196,244
5.1	Securities		740,033	5,090	745,123
5.2	Guarantee notes		708,473	524,748	1,233,221
5.3	Commodities		33,014,517	759,683	33,774,200
5.4	Warranties		-	-	-
5.5	Real estates		240,571,560	108,037,406	348,608,966
5.6	Other pledged items		39,693,039	23,254,495	62,947,534
5.7	Pledged items-depository		761,270	125,930	887,200
VI.	CONFIRMED BILLS OF EXCHANGE AND SURETIES		913,123,034	668,727,129	1,581,850,163
TOTAL OFF-BALANCE SHEET ITEMS (A+B)			1,368,927,903	888,473,641	2,257,401,544

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**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

	Notes	Reviewed Current Period January 1, 2018- June 30, 2018	Reviewed Current Period April 1, 2018- June 30, 2018
I. INTEREST INCOME		14,033,899	7,464,887
1.1 Interest on loans	V-IV-1	12,010,624	6,410,664
1.2 Interest received from reserve deposits		169,393	93,369
1.3 Interest received from banks	V-IV-1	129,687	64,908
1.4 Interest received from money market transactions		18,961	14,948
1.5 Interest received from marketable securities portfolio	V-IV-1	1,609,326	839,774
1.5.1 Financial assets at fair value through profit or loss		5,984	2,812
1.5.2 Financial assets at fair value through other comprehensive income		327,322	164,135
1.5.3 Financial assets measured at amortised cost		1,276,020	672,827
1.6 Finance lease income		81,812	40,432
1.7 Other interest income		14,096	792
II. INTEREST EXPENSES		8,949,950	4,789,434
2.1 Interest on deposits	V-IV-2	5,917,211	3,140,949
2.2 Interest on funds borrowed	V-IV-2	630,533	356,826
2.3 Interest on money market transactions		1,197,457	652,371
2.4 Interest on securities issued	V-IV-2	945,107	519,067
2.5 Other interest expenses		259,642	120,221
III. NET INTEREST INCOME/EXPENSE (I - II)		5,083,949	2,675,453
IV. NET FEES AND COMMISSIONS INCOME/EXPENSES		883,125	467,341
4.1 Fees and commissions received		1,278,101	689,672
4.1.1 Non-cash loans		194,834	102,372
4.1.2 Other		1,083,267	587,300
4.2 Fees and commissions paid		394,976	222,331
4.2.1 Non-cash loans		2,774	1,657
4.2.2 Other		392,202	220,674
V. PERSONNEL EXPENSES (-)		1,173,759	571,956
VI. DIVIDEND INCOME		48,480	4,047
VII. TRADING PROFIT/LOSS (Net)		352,941	217,546
7.1 Profit/losses from capital market transactions	V-IV-3	58,272	30,423
7.2 Profit/losses from derivative financial transactions	V-IV-3	238,895	158,380
7.3 Foreign exchange profit/losses	V-IV-3	55,774	28,743
VIII. OTHER OPERATING INCOME		1,730,706	386,782
IX. GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII+VIII)		6,925,442	3,179,213
X. ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)		1,832,908	521,646
XI. OTHER OPERATING EXPENSES (-)		2,289,761	1,231,840
XII. NET OPERATING PROFIT/LOSS (IX-X-XI)		2,802,773	1,425,727
XIII. SURPLUS WRITTEN AS GAIN AFTER MERGER		-	-
XIV. PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES		28,997	15,052
XV. NET MONETARY POSITION GAIN/LOSS		-	-
XVI. PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XII+...+XV)		2,831,770	1,440,779
XVII. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)		(574,890)	(307,588)
17.1 Current tax provision	V-IV-10	(563,007)	(250,947)
17.2 Expense effect of deferred tax (+)		(247,152)	(155,766)
17.3 Income effect of deferred tax (-)		235,269	99,125
XIII. NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVI±XVII)		2,256,880	1,133,191
XIX. INCOME FROM DISCONTINUED OPERATIONS		-	-
19.1 Income from assets held for sale		-	-
19.2 Profit from sale of associates, subsidiaries and joint ventures		-	-
19.3 Other income from discontinued operations		-	-
XX. EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-
20.1 Expenses on assets held for sale		-	-
20.2 Losses from sale of associates, subsidiaries and joint ventures		-	-
20.3 Other expenses from discontinued operations		-	-
XXI. PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (±) (XIX-XX)		-	-
XXII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
22.1 Current tax provision		-	-
22.2 Expense effect of deferred tax (+)		-	-
22.3 Income effect of deferred tax (-)		-	-
XXIII. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXI±XXII)		-	-
XXIV. NET PROFIT/LOSSES (XVIII+XXIII)		2,256,880	1,133,191
24.1 Profit/Loss per share		2,229,462	1,111,784
24.2 Non-controlling interest(-)		27,418	21,407
Earnings per 100 Share (full TL)	III-XXIV	0.8918	0.4447

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CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE
TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2017**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

			Reviewed Prior Period January 1, 2017- June 30, 2017	Reviewed Current Period April 1, 2017- June 30, 2017
	Notes			
I.	INTEREST INCOME	V-IV-1	10,267,024	5,297,237
1.1	Interest income from loans	V-IV-1	8,309,572	4,369,110
1.2	Interest income from reserve deposits		94,097	50,695
1.3	Interest income from banks	V-IV-1	86,708	49,746
1.4	Interest income from money market transactions		22,455	8,443
1.5	Interest income from securities portfolio	V-IV-1	1,599,148	742,683
1.5.1	Trading financial assets		8,435	4,218
1.5.2	Financial assets designated at fair value through profit or loss		-	-
1.5.3	Available-for-sale financial assets		964,553	456,939
1.5.4	Held-to-maturity investments		626,160	281,526
1.6	Finance lease income		64,712	32,875
1.7	Other interest income		90,332	43,685
II.	INTEREST EXPENSE	V-IV-2	5,607,399	3,090,515
2.1	Interest expense on deposits	V-IV-2	3,952,000	2,215,757
2.2	Interest expense on funds borrowed		379,222	200,470
2.3	Interest expense on money market transactions	V-IV-2	633,909	358,447
2.4	Interest expense on securities issued		445,715	228,705
2.5	Other interest expenses		196,553	87,136
III.	NET INTEREST INCOME (I – II)		4,659,625	2,206,722
IV.	NET FEES AND COMMISSIONS INCOME		557,754	290,266
4.1	Fees and commissions received		862,078	452,175
4.1.1	Non-cash loans		140,113	72,205
4.1.2	Others		721,965	379,970
4.2	Fees and commissions paid		304,324	161,909
4.2.1	Non-cash loans		2,120	1,172
4.2.2	Others		302,204	160,737
V.	DIVIDEND INCOME		46,631	3,577
VI.	TRADING INCOME/LOSSES (Net)	V-IV-3	128,263	(876)
6.1	Trading account income/losses	V-IV-3	43,835	20,359
6.2	Income/losses from derivative financial instruments	V-IV-3	(28,257)	(69,462)
6.3	Foreign exchange gains/losses	V-IV-3	112,685	48,227
VII.	OTHER OPERATING INCOME	V-IV-4	1,424,719	685,894
VIII.	TOTAL OPERATING PROFIT (III+IV+V+VI+VII)		6,816,992	3,185,583
IX.	PROVISION FOR LOSSES ON LOANS AND OTHER RECEIVABLES (-)	V-IV-5	1,384,408	624,766
X.	OTHER OPERATING EXPENSES (-)	V-IV-6	2,691,803	1,373,917
XI.	NET OPERATING PROFIT/LOSS (VIII-IX-X)		2,740,781	1,186,900
XII.	INCOME RESULTED FROM MERGERS		-	-
XIII.	INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING		25,648	13,539
XIV.	GAIN/LOSS ON NET MONETARY POSITION		-	-
XV.	INCOME/LOSS FROM CONTINUING OPERATIONS BEFORE TAXES (XI+...+XIV)	V-IV-7	2,766,429	1,200,439
XVI.	CONTINUING OPERATIONS PROVISION FOR TAXES	V-IV-10	(554,668)	(255,821)
16.1	Current tax charges	V-IV-10	(467,339)	(249,530)
16.2	Deferred tax credits		(87,329)	(6,291)
XVII.	NET INCOME/LOSS AFTER TAXES FROM CONTINUING OPERATIONS (XV±XVI)	V-IV-9	2,211,761	944,618
XVIII.	INCOME FROM DISCONTINUED OPERATIONS		-	-
18.1	Income from investment properties		-	-
18.2	Income from sales of subsidiaries, affiliates and joint-ventures		-	-
18.3	Other income from discontinued activities		-	-
XIX.	EXPENSES FROM DISCONTINUED OPERATIONS(-)		-	-
19.1	Investment property expenses		-	-
19.2	Losses from sales of subsidiaries, affiliates and joint ventures		-	-
19.3	Other expenses from discontinued activities		-	-
XX.	INCOME/LOSS FROM DISCONTINUED OPERATIONS BEFORE TAXES(XVIII-XIX)		-	-
XXI.	DISCONTINUED OPERATIONS PROVISION FOR TAXES(±)		-	-
21.1	Current tax charge		-	-
21.2	Deferred tax charge		-	-
XXII.	NET INCOME/LOSS AFTER TAXES FROM DISCONTINUED OPERATIONS(XX±XXI)		-	-
XXIII.	NET PROFIT/LOSS (XVI+XXII)	V-IV-11	2,211,761	944,618
23.1.	Equity holders of the Bank		2,193,955	938,881
23.2.	Non-controlling interest(-)		17,806	5,737
	Earnings per 100 Share (full TL)	III-XXIV	0.8776	0.3756

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**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED INTERIM FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE
TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018**
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		Reviewed Current Period January 1, 2018-June 30, 2018
I.	PROFIT (LOSS)	2,256,880
II.	OTHER COMPREHENSIVE INCOME	173,111
2.1	Other comprehensive income that will not be reclassified to profit or loss	376,749
2.1.1	Gains (Losses) on Revaluation of Property, Plant and Equipment	51,412
2.1.2	Gains (losses) on revaluation of Intangible Assets	-
2.1.3	Gains (losses) on remeasurements of defined benefit plans	(1,321)
2.1.4	Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	378,177
2.1.5	Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	(51,519)
2.2	Other Comprehensive Income That Will Be Reclassified to Profit or Loss	(203,638)
2.2.1	Exchange Differences on Translation	-
2.2.2	Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income	(248,302)
2.2.3	Income (Loss) Related with Cash Flow Hedges	-
2.2.4	Income (Loss) Related with Hedges of Net Investments in Foreign Operations	-
2.2.5	Other Components of Other Comprehensive Income that will be Reclassified to Other Profit or Loss	-
2.2.6	Taxes Relating To Components Of Other Comprehensive Income That Will Be Reclassified To Profit Or Loss	44,664
III.	TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)	2,429,991

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**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED INTERIM FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF PROFIT AND LOSS ITEMS ACCOUNTED UNDER SHAREHOLDERS
EQUITY FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2017**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

		Review Prior Period January 1, 2017- June 30, 2017
GAINS AND LOSSES RECOGNIZED IN EQUITY		
I.	VALUATION DIFFERENCES OF AVAILABLE FOR SALE FINANCIAL ASSETS RECOGNIZED IN VALUATION DIFFERENCES OF MARKETABLE SECURITIES	233,766
II.	REVALUATION SURPLUS ON TANGIBLE ASSETS	(1,927)
III.	REVALUATION SURPLUS ON INTANGIBLE ASSETS	-
IV.	CURRENCY TRANSLATION DIFFERENCES	28,578
V.	GAINS/(LOSSES) FROM CASH FLOW HEDGES (Effective Portion of Fair Value Changes)	-
VI.	GAINS/(LOSSES) FROM NET FOREIGN INVESTMENT HEDGES (Effective portion)	-
VII.	EFFECTS OF CHANGES IN ACCOUNTING POLICIES AND ERRORS	-
VIII.	OTHER GAINS AND LOSSES RECOGNIZED IN EQUITY IN ACCORDANCE WITH TAS	(87,592)
IX.	DEFERRED TAXES DUE TO VALUATION DIFFERENCES	(45,742)
X.	NET GAINS/LOSSES RECOGNIZED DIRECTLY IN EQUITY (I+II+...+IX)	127,083
XI.	CURRENT PERIOD'S PROFIT/(LOSS)	2,211,761
11.1	Change in fair value of securities (transfers to the statement of income)	3,467
11.2	Gains/Losses recognized in the statement of income due to reclassification of cash flow hedges	-
11.3	Gains/Losses recognized in the statement of income due to reclassification of net foreign investment hedges	-
11.4	Others	2,208,294
XII.	TOTAL GAINS AND LOSSES RECOGNIZED DURING THE PERIOD (X+XI)	2,338,844

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TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

STATEMENT OF CHANGES IN SHAREHOLDERS		Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss							Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss									Total
Reviewed	Notes	Paid in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	Property & Equipment Revaluation Increase/Decrease	Accumulated Remeasurement Gain/Loss of Defined Benefit Pension Plan	Other (Shares of Investments Valued by Equity Method in Other Comprehensive Income Not Reclassified Through Other Profit or Loss	Foreign Currency Translation Differences	Accumulated 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)	Total SE without minority share	Minority interest	Total	
Current Period End June 30, 2018																		
I.	Prior Period End Balance	2,500,000	724,269	-	80,404	1,046,956	(29,004)	56,141	-	(121,160)	-	14,805,097	3,881,265	-	22,943,968	677,103	23,621,071	
II.	Corrections and Accounting Policy Changes Made According to TAS 8	-	-	-	-	-	-	-	-	161,636	-	-	506,602	-	668,238	-	668,238	
2.1.	Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2.	Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	161,636	-	-	506,602	-	668,238	-	668,238	
III.	Adjusted Beginning Balance (I+II)	2,500,000	724,269	-	80,404	1,046,956	(29,004)	56,141	-	40,476	-	14,805,097	4,387,867	-	23,612,206	677,103	24,289,309	
3.1.	Total Comprehensive Income	-	-	-	-	14,737	(845)	363,715	-	(207,890)	-	-	-	2,229,418	2,399,135	30,856	2,429,991	
3.2.	Capital Increase by Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3.3.	Capital Increase by Internal Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3.4.	Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3.5.	Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3.6.	Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3.7.	Increase/Decrease by Other Changes	-	-	-	-	-	-	-	-	-	-	-	435	-	435	(15,246)	(14,811)	
IV.	Profit Distribution	-	-	-	-	-	-	-	-	-	-	125,045	(125,045)	-	-	-	-	
4.1.	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4.2.	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	125,045	(125,045)	-	-	-	-	
4.3.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ending Balance		2,500,000	724,269	-	80,404	1,061,693	(29,849)	419,856	-	(167,414)	-	14,930,142	4,263,257	2,229,418	26,011,776	692,713	26,704,489	

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TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2017**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

Reviewed	Notes	Paid-in Capital	Capital Reserves from Inflation Adjustments to Paid-in Capital	Share Premium	Share Cancellation Profits	Legal Reserves	Status Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Profit/ (Loss)	Prior Period Net Profit/ (Loss)	Valuation Differences of the Marketable Securities	Revaluation Surplus on Tangible, Intangible Assets and Investment Property	Bonus Shares of Associates, Subsidiaries and Joint Ventures	Hedging Reserves	Revaluation Surp. On Assets Held for Sale and Discount. Op.s	Shareholders' Equity before Minority Interest	Minority Interest	Total Shareholders' Equity	
I.	Prior Period June 30, 2017																			
	Balances at the beginning of the period	2,500,000	-	727,780	-	1,436,787	6,337	10,156,575	606,809	-	2,775,944	(131,169)	997,197	3,683	-	-	19,079,943	527,529	19,607,472	
	Changes during the period																			
II.	Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III.	Associates, Subsidiaries and "Available-for-sale" securities	-	-	-	-	-	-	-	-	-	-	184,844	-	-	-	-	184,844	-	184,844	
IV.	Hedges for risk management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4.1	Net cash flow hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4.2	Net foreign investment hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
V.	Revaluation surplus on tangible assets	-	-	-	-	-	-	-	-	(31,350)	-	(1,031)	-	-	-	-	(32,381)	30,710	(1,671)	
VI.	Revaluation surplus on intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VII.	Bonus shares of associates, subsidiaries and joint- ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VIII.	Translation differences	-	-	-	-	-	-	-	28,578	-	-	-	-	-	-	-	28,578	-	28,578	
IX.	Changes resulted from disposal of the assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
X.	Changes resulted from reclassifications of the assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XI.	Effect of change in equities of associates on the Bank's equity	-	-	-	-	-	-	-	-	(37,096)	4,396	-	-	-	-	-	(32,700)	-	(32,700)	
XII.	Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12.1	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12.2	Internal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XIII.	Share issuance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XIV.	Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XV.	Capital reserves from inflation adjustments to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XVI.	Other	-	-	-	-	-	-	-	145	-	(1,907)	-	164	-	-	-	(1,598)	(762)	(2,360)	
XVII.	Current period's net profit/loss	-	-	-	-	-	-	-	-	2,193,955	-	-	-	-	-	-	2,193,955	17,806	2,211,761	
XVIII.	Profit distribution	-	-	-	-	272,873	-	2,246,161	20,048	-	(2,731,018)	-	49,444	-	-	-	(142,492)	20,386	(122,106)	
18.1	Dividends	-	-	-	-	-	-	-	-	-	(120,000)	-	-	-	-	-	(120,000)	(2,106)	(122,106)	
18.2	Transferred to reserves	-	-	-	-	272,873	-	2,246,161	20,048	-	(2,611,018)	-	49,444	-	-	-	(22,492)	22,492	-	
18.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Ending Balance	2,500,000	-	727,780	-	1,709,660	6,337	12,402,736	655,580	2,193,955	(25,427)	58,071	1,045,774	3,683	-	-	21,278,149	595,669	21,873,818	

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**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

		Reviewed Current Period June 30, 2018
A.	CASH FLOWS FROM BANKING OPERATIONS	
1.1	Operating profit before changes in operating assets and liabilities	3,314,014
1.1.1	Interests received	12,669,740
1.1.2	Interests paid	(8,382,215)
1.1.3	Dividends received	-
1.1.4	Fee and commissions received	1,328,199
1.1.5	Other income	617,546
1.1.6	Collections from previously written-off loans and other receivables	993,403
1.1.7	Payments to personnel and service suppliers	(1,319,133)
1.1.8	Taxes paid	(943,251)
1.1.9	Other	(1,650,275)
1.2	Changes in operating assets and liabilities	(3,324,238)
1.2.1	Net (increase) decrease in financial assets held for trading purpose	19,973
1.2.2	Net (increase) decrease in financial assets valued at fair value through profit or loss	(2,621,272)
1.2.3	Net (increase) decrease in due from banks and other financial institutions	(28,572,774)
1.2.4	Net (increase) decrease in loans	593,697
1.2.5	Net (increase) decrease in other assets	34,908
1.2.6	Net increase (decrease) in bank deposits	15,458,985
1.2.7	Net increase (decrease) in other deposits	-
1.2.8	Net increase (decrease) in funds borrowed	10,938,168
1.2.9	Net increase (decrease) in matured payables	-
1.2.10	Net increase (decrease) in other liabilities	824,077
I.	Net cash flow from banking operations	(10,224)
B.	CASH FLOWS FROM INVESTING ACTIVITIES	
II.	Net cash flow from investing activities	(4,874,062)
2.1	Cash paid for purchase of associates, subsidiaries and joint-ventures	(750)
2.2	Proceeds from disposal of associates, subsidiaries and joint-ventures	-
2.3	Cash paid for purchase of tangible assets	(229,248)
2.4	Proceeds from disposal of tangible assets	334,779
2.5	Cash paid for purchase of available-for-sale financial assets	(3,488,312)
2.6	Proceeds from disposal of available-for-sale financial assets	642,042
2.7	Cash paid for purchase of held-to-maturity investments	(2,871,107)
2.8	Proceeds from disposal of held-to-maturity investments	745,754
2.9	Other	(7,220)
C.	CASH FLOWS FROM FINANCING ACTIVITIES	
III.	Net cash flow from financing activities	5,650,382
3.1	Cash obtained from funds borrowed and securities issued	10,764,825
3.2	Cash used for repayment of funds borrowed and securities issued	(5,114,443)
3.3	Equity instruments issued	-
3.4	Dividends paid	-
3.5	Repayments for finance leases	-
3.6	Other	-
IV.	Effect of change in foreign exchange rates on cash and cash equivalents	(92,230)
V.	Net (decrease) / increase in cash and cash equivalents	673,866
VI.	Cash and cash equivalents at the beginning of the period	20,110,705
VII.	Cash and cash equivalents at the end of the period	20,784,571

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**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2017**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

	Notes	Reviewed Prior Period June 30, 2017
A. CASH FLOWS FROM BANKING OPERATIONS		
1.1 Operating profit before changes in operating assets and liabilities		3,711,889
1.1.1 Interests received		9,368,438
1.1.2 Interests paid		(5,307,573)
1.1.3 Dividends received		10,188
1.1.4 Fee and commissions received		862,078
1.1.5 Other income		648,098
1.1.6 Collections from previously written-off loans and other receivables		647,002
1.1.7 Payments to personnel and service suppliers		(1,014,146)
1.1.8 Taxes paid		(456,355)
1.1.9 Other		(1,045,841)
1.2 Changes in operating assets and liabilities		(3,891,170)
1.2.1 Net (increase) decrease in financial assets held for trading purpose		59,259
1.2.2 Net (increase) decrease in financial assets valued at fair value through profit or loss		-
1.2.3 Net (increase) decrease in due from banks and other financial institutions		(1,513,307)
1.2.4 Net (increase) decrease in loans		(21,278,076)
1.2.5 Net (increase) decrease in other assets		(414,113)
1.2.6 Net increase (decrease) in bank deposits		(117,702)
1.2.7 Net increase (decrease) in other deposits		17,190,646
1.2.8 Net increase (decrease) in funds borrowed		1,930,812
1.2.9 Net increase (decrease) in matured payables		-
1.2.10 Net increase (decrease) in other liabilities		251,311
I. Net cash flow from banking operations		(179,281)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
II. Net cash flow from investing activities		(634,290)
2.1 Cash paid for purchase of associates, subsidiaries and joint-ventures		-
2.2 Proceeds from disposal of associates, subsidiaries and joint-ventures		-
2.3 Purchases of tangible assets		(166,350)
2.4 Proceeds from disposal of tangible assets		259,620
2.5 Cash paid for purchase of available-for-sale financial assets		(3,099,684)
2.6 Proceeds from disposal of available-for-sale financial assets		2,780,355
2.7 Cash paid for purchase of held-to-maturity investments		(1,499,542)
2.8 Proceeds from disposal of held-to-maturity investments		1,123,419
2.9 Other		(32,108)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
III. Net cash flow from financing activities		983,659
3.1 Cash obtained from funds borrowed and securities issued		5,554,002
3.2 Cash used for repayment of funds borrowed and securities issued		(4,448,237)
3.3 Equity instruments issued		-
3.4 Dividends paid		(122,106)
3.5 Repayments for finance leases		-
3.6 Other		-
IV. Effect of change in foreign exchange rates on cash and cash equivalents		(59,808)
V. Net increase in cash and cash equivalents		110,280
VI. Cash and cash equivalents at the beginning of the period		12,421,404
VII. Cash and cash equivalents at the end of the period		12,531,684

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