

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT DECEMBER 31, 2019**

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

ASSETS	Notes	Audited Current Period December 31, 2019			Audited Prior Period December 31, 2018		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		23,795,849	49,054,453	72,850,302	16,994,539	33,757,346	50,751,885
1.1 Cash and cash equivalents	V-I-1	2,378,543	39,968,746	42,347,289	5,234,656	32,032,981	37,267,637
1.1.1 Cash and balances at Central Bank	V-I-1	2,387,760	34,107,460	36,495,220	5,235,557	27,018,932	32,254,489
1.1.2 Banks	V-I-3	57	5,861,286	5,861,343	4,544	5,014,049	5,018,593
1.1.3 Receivables from Money Markets		-	-	-	-	-	-
1.1.4 Allowance for expected credit losses (-)	V-I-18	9,274	-	9,274	5,445	-	5,445
1.2 Financial assets at fair value through profit or loss	V-I-2	169,483	2,129,634	2,299,117	1,395	69,766	71,161
1.2.1 Public debt securities		-	2,017,593	2,017,593	-	-	-
1.2.2 Equity instruments		169,483	112,041	281,524	-	69,766	69,766
1.2.3 Other financial assets		-	-	-	1,395	-	1,395
1.3 Financial assets at fair value through other comprehensive income	V-I-4	17,659,223	6,043,312	23,702,535	7,727,407	1,274,971	9,002,378
1.3.1 Public debt securities		17,089,209	6,039,388	23,128,597	7,662,348	1,271,520	8,933,868
1.3.2 Equity instruments		-	3,924	3,924	-	3,451	3,451
1.3.3 Other financial assets		570,014	-	570,014	65,059	-	65,059
1.4 Derivative financial assets	V-I-2	3,588,600	912,761	4,501,361	4,031,081	379,628	4,410,709
1.4.1 Derivative financial assets at fair value through profit or loss		3,588,600	912,761	4,501,361	4,031,081	379,628	4,410,709
1.4.2 Derivative financial assets at fair value through other comprehensive income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST		222,157,099	101,300,068	323,457,167	172,474,615	89,047,965	261,522,580
2.1 Loans	V-I-5	202,764,067	89,326,983	292,091,050	150,932,385	81,474,522	232,406,907
2.2 Receivables from leasing transactions	V-I-10	-	-	-	-	-	-
2.3 Factoring receivables	V-I-10	-	-	-	-	-	-
2.4 Financial assets measured at amortised cost	V-I-6	35,004,414	12,010,219	47,014,633	32,377,288	7,603,222	39,980,510
2.4.1 Public debt securities		34,945,546	11,700,580	46,646,126	32,326,808	7,413,026	39,739,834
2.4.2 Other financial assets		58,868	309,639	368,507	50,480	190,196	240,676
2.5 Allowance for expected credit losses (-)	V-I-16	15,611,382	37,134	15,648,516	10,835,058	29,779	10,864,837
III. NON-CURRENTS ASSETS OR DISPOSAL GROUPS "HELD FOR SALE" AND "FROM DISCONTINUED OPERATIONS (Net)	V-I-16	4,659,610	-	4,659,610	1,618,562	-	1,618,562
3.1 Held for sale purpose		4,659,610	-	4,659,610	1,618,562	-	1,618,562
3.2 Held from discontinued operations		-	-	-	-	-	-
IV. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES		2,314,536	486,740	2,801,276	2,647,659	403,558	3,051,217
4.1 Investments in associates (Net)	V-I-7	1,001,717	-	1,001,717	619,582	-	619,582
4.1.1 Associates accounted by using equity method		-	-	-	-	-	-
4.1.2 Non-consolidated associates		1,001,717	-	1,001,717	619,582	-	619,582
4.2 Investments in subsidiaries (Net)	V-I-8	1,312,819	486,740	1,799,559	2,028,077	403,558	2,431,635
4.2.1 Non-consolidated financial subsidiaries		990,508	486,740	1,477,248	1,726,174	403,558	2,129,732
4.2.2 Non-consolidated non-financial subsidiaries		322,311	-	322,311	301,903	-	301,903
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. PROPERTY AND EQUIPMENT (Net)	V-I-12	3,008,550	10,110	3,018,660	2,557,495	10,130	2,567,625
VI. INTANGIBLE ASSETS AND GOODWILL (Net)	V-I-13	221,103	-	221,103	218,152	-	218,152
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		221,103	-	221,103	218,152	-	218,152
VII. INVESTMENT PROPERTIES (Net)	V-I-14	-	-	-	-	-	-
VIII. CURRENT TAX ASSETS		-	-	-	-	-	-
IX. DEFERRED TAX ASSETS	V-I-15	747,323	-	747,323	29,776	-	29,776
X. OTHER ASSETS	V-I-17	4,277,313	7,392,799	11,670,112	3,279,602	8,316,242	11,595,844
TOTAL ASSETS		261,181,383	158,244,170	419,425,553	199,820,400	131,535,241	331,355,641

The accompanying explanations and notes form an integral part of these financial statements.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT DECEMBER 31, 2019**

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

LIABILITIES AND EQUITY	Notes	Audited Current Period December 31, 2019			Audited Prior Period December 31, 2018		
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	V-II-1	143,564,555	107,966,344	251,530,899	109,592,026	69,815,881	179,407,907
II. BORROWINGS	V-II-3	897,290	40,181,260	41,078,550	747,607	40,602,229	41,349,836
III. MONEY MARKET FUNDS		19,777,260	5,169,115	24,946,375	26,614,533	2,109,204	28,723,737
IV. MARKETABLE SECURITIES (Net)	V-II-3	11,587,544	17,588,825	29,176,369	7,375,071	14,971,993	22,347,064
4.1 Bills		6,289,792	-	6,289,792	3,645,695	-	3,645,695
4.2 Asset backed securities		-	-	-	-	-	-
4.3 Bonds		5,297,752	17,588,825	22,886,577	3,729,376	14,971,993	18,701,369
V. FUNDS		3,053	-	3,053	3,054	-	3,054
5.1 Borrower funds		-	-	-	-	-	-
5.2 Other		3,053	-	3,053	3,054	-	3,054
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL LIABILITIES	V-II-2	2,226,099	1,085,850	3,311,949	2,123,319	425,858	2,549,177
7.1 Derivative financial liabilities at fair value through profit or loss		2,226,099	1,085,850	3,311,949	2,123,319	425,858	2,549,177
7.2 Derivative financial liabilities at fair value through other comprehensive income		-	-	-	-	-	-
VIII. FACTORING PAYABLES		-	-	-	-	-	-
IX. LEASE PAYABLES	V-II-5	928,854	-	928,854	-	-	-
X. PROVISIONS	V-II-7	2,203,931	5,873	2,209,804	2,266,153	5,206	2,271,359
10.1 Provision for restructuring		-	-	-	-	-	-
10.2 Reserves for employee benefits		1,142,042	-	1,142,042	1,035,025	-	1,035,025
10.3 Insurance technical reserves (Net)		-	-	-	-	-	-
10.4 Other provisions		1,061,889	5,873	1,067,762	1,231,128	5,206	1,236,334
XI. CURRENT TAX LIABILITIES	V-II-8	1,113,379	3,003	1,116,382	774,563	1,301	775,864
XII. DEFERRED TAX LIABILITIES	V-II-8	-	-	-	-	-	-
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 discontinued operations		-	-	-	-	-	-
XIV. SUBORDINATED DEBT	V-II-10	6,394,877	12,850,576	19,245,453	5,668,121	7,353,902	13,022,023
14.1 Loans		-	-	-	-	-	-
14.2 Other debt instruments		6,394,877	12,850,576	19,245,453	5,668,121	7,353,902	13,022,023
XV. OTHER LIABILITIES	V-II-4	9,362,274	3,489,318	12,851,592	7,381,601	5,173,829	12,555,430
XVI. SHAREHOLDERS' EQUITY	V-II-11	32,748,020	278,253	33,026,273	28,333,549	16,641	28,350,190
16.1 Paid-in capital	V-II-11	2,500,000	-	2,500,000	2,500,000	-	2,500,000
16.2 Capital reserves		933,222	180,391	1,113,613	814,670	-	814,670
16.2.1 Equity share premiums		723,918	-	723,918	723,918	-	723,918
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Other capital reserves		209,304	180,391	389,695	90,752	-	90,752
16.3 Other accumulated comprehensive income that will not be reclassified in profit or loss		3,306,170	(144,550)	3,161,620	2,469,172	(3,983)	2,465,189
16.4 Other accumulated comprehensive income that will be reclassified in profit or loss		627,615	242,412	870,027	(40,194)	20,624	(19,570)
16.5 Profit reserves		22,578,722	-	22,578,722	17,864,763	-	17,864,763
16.5.1 Legal reserves		2,480,184	-	2,480,184	2,007,670	-	2,007,670
16.5.2 Statutory reserves		-	-	-	-	-	-
16.5.3 Extraordinary reserves		19,648,138	-	19,648,138	15,406,693	-	15,406,693
16.5.4 Other profit reserves		450,400	-	450,400	450,400	-	450,400
16.6 Profit or loss		2,802,291	-	2,802,291	4,725,138	-	4,725,138
16.6.1 Prior years' profits or losses		-	-	-	570,816	-	570,816
16.6.2 Current period net profit or loss		2,802,291	-	2,802,291	4,154,322	-	4,154,322
16.7 Minority interests		-	-	-	-	-	-
TOTAL LIABILITIES AND EQUITY		230,807,136	188,618,417	419,425,553	190,879,597	140,476,044	331,355,641

The accompanying explanations and notes form an integral part of these financial statements.

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**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED OFF-BALANCE SHEET ITEMS
AS AT DECEMBER 31, 2019**

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

	Notes	Audited Current Period December 31, 2019			Audited Prior Period December 31, 2018		
		TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		129,917,675	204,655,091	334,572,766	94,630,911	144,091,940	238,722,851
I. GUARANTEES AND SURETIES	V-III-2	37,521,713	39,814,329	77,336,042	36,971,920	28,193,356	65,165,276
1.1. Letters of guarantee	V-III-1	37,372,041	21,552,240	58,924,281	36,896,905	15,053,372	51,950,277
1.1.1. Guarantees subject to State Tender Law		2,904,236	7,080,944	9,985,180	3,807,039	5,902,336	9,709,375
1.1.2. Guarantees given for foreign trade operations		1,322,033	-	1,322,033	1,314,771	-	1,314,771
1.1.3. Other letters of guarantee		33,145,772	14,471,296	47,617,068	31,775,095	9,151,036	40,926,131
1.2. Bank acceptances		7,842	4,574,992	4,582,834	24,005	2,948,104	2,972,109
1.2.1. Import letter of acceptance		-	220,683	220,683	-	586,987	586,987
1.2.2. Other bank acceptances		7,842	4,354,309	4,362,151	24,005	2,361,117	2,385,122
1.3. Letters of credit	V-III-4	141,830	13,590,815	13,732,645	51,010	10,148,777	10,199,787
1.3.1. Documentary letters of credit		141,830	13,590,815	13,732,645	51,010	10,148,777	10,199,787
1.3.2. Other letters of credit		-	-	-	-	-	-
1.4. Pre-financing given as guarantee		-	4,736	4,736	-	4,199	4,199
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		-	-	-	-	-	-
1.8. Other guarantees		-	49,964	49,964	-	38,904	38,904
1.9. Other warranties		-	41,582	41,582	-	-	-
II. COMMITMENTS		50,016,515	32,356,366	82,372,881	36,959,594	26,856,010	63,815,604
2.1. Irrevocable commitments	V-III-1	42,933,038	5,561,794	48,494,832	32,609,583	2,252,627	34,862,210
2.1.1. Asset purchase and sales commitments	V-III-1	2,407,191	5,561,794	7,968,985	1,501,627	2,252,627	3,754,254
2.1.2. Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3. Share capital commitments to associates and subsidiaries		7,500	-	7,500	2,250	-	2,250
2.1.4. Loan granting commitments	V-III-1	18,076,739	-	18,076,739	14,103,024	-	14,103,024
2.1.5. Securities issuance brokerage commitments		-	-	-	-	-	-
2.1.6. Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7. Commitments for checks payments	V-III-1	3,528,150	-	3,528,150	1,979,217	-	1,979,217
2.1.8. Tax and fund liabilities from export commitments		-	-	-	-	-	-
2.1.9. Commitments for credit card expenditure limits	V-III-1	17,293,741	-	17,293,741	13,549,649	-	13,549,649
2.1.10. Commitments for credit cards and banking services promotions		484,519	-	484,519	571,282	-	571,282
2.1.11. Receivables from short sale commitments of marketable securities		-	-	-	-	-	-
2.1.12. Payables for short sale commitments of marketable securities		-	-	-	-	-	-
2.1.12. Other irrevocable commitments		1,135,198	-	1,135,198	902,534	-	902,534
2.2. Revocable commitments		7,083,477	26,794,572	33,878,049	4,350,011	24,603,383	28,953,394
2.2.1. Revocable loan granting commitments		7,083,477	26,794,572	33,878,049	4,350,011	24,603,383	28,953,394
2.2.2. Other revocable commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS	V-III-5	42,379,447	132,484,396	174,863,843	20,699,397	89,042,574	109,741,971
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		42,379,447	132,484,396	174,863,843	20,699,397	89,042,574	109,741,971
3.2.1. Forward foreign currency purchase and sale transactions		2,320,043	2,217,584	4,537,627	1,201,285	1,543,434	2,744,719
3.2.1.1. Forward foreign currency purchase transactions		1,163,458	1,109,150	2,272,608	602,318	771,805	1,374,123
3.2.2.2. Forward foreign currency sales		1,156,585	1,108,434	2,265,019	598,967	771,629	1,370,596
3.2.2. Currency and interest rate swaps		30,978,513	114,418,040	145,396,553	13,638,148	73,193,459	86,831,607
3.2.2.1. Currency swap purchase transactions		1,781,342	37,631,854	39,413,196	2,532,776	19,685,170	22,217,946
3.2.2.2. Currency swap sale transactions		25,527,171	14,130,170	39,657,341	7,805,372	9,975,981	17,781,353
3.2.2.3. Interest rate swap purchase transactions		1,835,000	31,328,008	33,163,008	1,650,000	21,766,154	23,416,154
3.2.2.4. Interest rate swap sale transactions		1,835,000	31,328,008	33,163,008	1,650,000	21,766,154	23,416,154
3.2.3. Currency, interest rate and security options		576,987	759,416	1,336,403	697,904	1,784,623	2,482,527
3.2.3.1. Currency purchase options		367,787	294,076	661,863	349,778	865,498	1,215,276
3.2.3.2. Currency sale options		209,200	465,340	674,540	348,126	919,125	1,267,251
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		-	-	-	-	-	-
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		8,503,904	15,089,356	23,593,260	5,162,060	12,521,058	17,683,118
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		2,288,614,670	1,572,574,150	3,861,188,820	1,553,971,819	1,217,345,200	2,771,317,019
IV. ITEMS HELD IN CUSTODY		67,575,728	9,468,191	77,043,919	48,337,336	3,671,333	52,008,669
4.1. Assets under management		-	-	-	-	-	-
4.2. Securities held in custody		56,872,721	5,230,911	62,103,632	36,285,318	395,353	36,680,671
4.3. Checks received for collection		8,150,422	1,086,651	9,237,073	9,189,448	1,154,341	10,343,789
4.4. Commercial notes received for collection		1,380,244	300,226	1,680,470	1,522,229	445,168	1,967,397
4.5. Other assets received for collection		2,152	238	2,390	2,152	211	2,363
4.6. Securities received for public offering		-	-	-	-	-	-
4.7. Other items under custody		309	97,508	97,817	309	100,301	100,610
4.8. Custodians		1,169,880	2,752,657	3,922,537	1,337,880	1,575,959	2,913,839
V. PLEDGED ITEMS		775,988,471	242,582,316	1,018,570,787	428,045,010	204,235,157	632,280,167
5.1. Marketable securities		299,466	44,434	343,900	354,739	9,824	364,563
5.2. Guarantee notes		837,716	1,783,494	2,621,210	681,820	1,135,681	1,817,501
5.3. Commodity		106,248,275	2,762,344	109,010,619	32,405,583	1,711,768	34,117,351
5.4. Warrant		-	-	-	-	-	-
5.5. Immovables		552,289,678	193,747,833	746,037,511	340,951,847	163,744,146	504,695,993
5.6. Other pledged items		115,697,559	44,107,197	159,804,756	52,805,682	37,364,638	90,170,320
5.7. Depositories receiving pledged items		615,777	137,014	752,791	845,339	269,100	1,114,439
VI. ACCEPTED GUARANTEES AND WARRANTS		1,445,050,471	1,320,523,643	2,765,574,114	1,077,589,473	1,009,438,710	2,087,028,183
TOTAL OFF BALANCE SHEET COMMITMENTS (A+B)		2,418,532,345	1,777,229,241	4,195,761,586	1,648,602,730	1,361,437,140	3,010,039,870

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**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2019**

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

	Notes	Audited Current Period January 1, 2019- December 31, 2019	Audited Prior Period January 1, 2018- December 31, 2018
I. INTEREST INCOME	V-IV-1	42,074,839	33,953,817
1.1 Interest on loans	V-IV-1	34,700,820	27,331,620
1.2 Interest received from reserve deposits		295,226	389,604
1.3 Interest received from banks	V-IV-1	187,630	177,189
1.4 Interest received from money market transactions		300	18,657
1.5 Interest received from marketable securities portfolio	V-IV-1	6,883,468	6,032,692
1.5.1 Financial assets at fair value through profit or loss		6,025	-
1.5.2 Financial assets at fair value through other comprehensive income		2,154,955	1,008,530
1.5.3 Financial assets measured at amortised cost		4,722,488	5,024,162
1.6 Finance lease interest income		-	-
1.7 Other interest income		7,395	4,055
II. INTEREST EXPENSES	V-IV-2	29,060,127	23,113,130
2.1 Interest on deposits	V-IV-2	18,132,430	15,662,291
2.2 Interest on funds borrowed	V-IV-2	1,515,799	1,218,563
2.3 Interest on money market transactions		5,137,653	3,525,739
2.4 Interest on securities issued	V-IV-2	4,108,916	2,704,252
2.5 Leasing interest income		154,905	-
2.6 Other interest expenses		10,424	2,285
III. NET INTEREST INCOME/EXPENSE (I - II)		13,014,712	10,840,687
IV. NET FEES AND COMMISSIONS INCOME/EXPENSES		3,978,688	2,293,210
4.1 Fees and commissions received		5,071,035	3,262,601
4.1.1 Non-cash loans		718,014	481,635
4.1.2 Other		4,353,021	2,780,966
4.2 Fees and commissions paid		1,092,347	969,391
4.2.1 Non-cash loans		632	415
4.2.2 Other		1,091,715	968,976
V. DIVIDEND INCOME	V-IV-3	50,939	129,624
VI. TRADING PROFIT/LOSS (Net)	V-IV-4	(2,583,694)	643,635
6.1 Profit/losses from capital market transactions	V-IV-4	479,903	155,578
6.2 Profit/losses from derivative financial transactions	V-IV-4	(3,663,040)	262,077
6.3 Foreign exchange profit/losses	V-IV-4	599,443	225,980
VII. OTHER OPERATING INCOME	V-IV-5	4,035,254	2,003,613
VIII. GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII)		18,495,899	15,910,769
IX. ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)	V-IV-6	8,212,337	4,350,468
X. OTHER PROVISION EXPENSES (-)	V-IV-6	52,362	533,037
XI. PERSONNEL EXPENSES (-)		2,837,255	2,191,782
XII. OTHER OPERATING EXPENSES (-)	V-IV-7	3,781,362	3,681,555
XIII. NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		3,612,583	5,153,927
XIV. SURPLUS WRITTEN AS GAIN		-	-
AFTER MERGER		-	-
XV. PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES		-	-
XVI. NET MONETARY POSITION GAIN/LOSS		-	-
XVII. PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XII+...+XV)	V-IV-8	3,612,583	5,153,927
XVIII. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	V-IV-9	(810,292)	(999,605)
18.1 Current tax provision		(1,715,496)	(745,141)
18.2 Expense effect of deferred tax (+)		(1,061,183)	(1,425,344)
18.3 Income effect of deferred tax (-)		1,966,387	1,170,880
XIX. NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)	V-IV-10	2,802,291	4,154,322
XX. INCOME FROM DISCONTINUED OPERATIONS		-	-
20.1 Income from assets held for sale		-	-
20.2 Profit from sale of associates, subsidiaries and joint ventures		-	-
20.3 Other income from discontinued operations		-	-
XXI. EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-
21.1 Expenses on assets held for sale		-	-
21.2 Losses from sale of associates, subsidiaries and joint ventures		-	-
21.3 Other expenses from discontinued operations		-	-
XXII. PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (XX-XXI)		-	-
XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
23.1 Current tax provision		-	-
23.2 Expense effect of deferred tax (+)		-	-
23.3 Income effect of deferred tax (-)		-	-
XXIV. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		-	-
XXV. NET PROFIT/LOSSES (XIX+XXIV)	V-IV-12	2,802,291	4,154,322
25.1 Equity holders of the Bank		-	-
25.2 Non-controlling interest (-)		-	-
Profit/Loss per 100 shares (full TL)	III-XXIV	1.1209	1.6617

The accompanying explanations and notes form an integral part of these financial statements.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2019**

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

	Audited Current Period January 1, 2019- December 31, 2019	Audited Prior Period January 1, 2018- December 31, 2018
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
I. PROFIT (LOSS)	2,802,291	4,154,322
II. OTHER COMPREHENSIVE INCOME	1,586,028	361,334
2.1. Other comprehensive income that will not be reclassified to profit or loss	696,431	465,694
2.1.1. Gains (Losses) on Revaluation of Property, Plant and Equipment	8,430	189,679
2.1.2. Gains (losses) on revaluation of Intangible Assets	-	-
2.1.3. Gains (losses) on remeasurements of defined benefit plans	(94,260)	(13,236)
2.1.4. Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	735,027	356,838
2.1.5. Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	47,234	(67,587)
2.2. Other Comprehensive Income That Will Be Reclassified to Profit or Loss	889,597	(104,360)
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	1,113,111	(131,303)
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	(223,514)	26,943
III. TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)	4,388,319	4,515,656

The accompanying explanations and notes form an integral part of these financial statements.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR YEAR ENDED DECEMBER 31, 2019**

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

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			Profit Reserves	Prior Period Net Income (Loss)	Current Period Net Income (Loss)	Total Shareholders' Equity	
Audited	Notes	Paid in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6					
Prior Period December 31, 2018																
I.	Prior Period End Balance	2,500,000	723,918	-	91,823	873,080	(23,265)	1,149,680	80,727	(157,573)	-	14,296,045	3,723,383	-	23,257,818	
II.	Corrections and Accounting Policy Changes Made According to TAS 8	-	-	-	-	-	-	-	-	161,636	-	-	570,122	-	731,758	
2.1.	Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2.	Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	161,636	-	-	570,122	-	731,758	
III.	Adjusted Beginning Balance (I+II)	2,500,000	723,918	-	91,823	873,080	(23,265)	1,149,680	80,727	4,063	-	14,296,045	4,293,505	-	23,989,576	
IV.	Total Comprehensive Income	-	-	-	-	145,246	(10,589)	331,037	-	(104,360)	-	-	-	4,154,322	4,515,656	
V.	Capital Increase by Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VI.	Capital Increase by Internal Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VII.	Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VIII.	Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IV.	Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
X.	Increase/Decrease by Other Changes	-	-	-	(1,071)	-	-	-	-	-	-	-	(28,971)	-	(30,042)	
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	-	3,568,718	(3,693,718)	-	(125,000)	
11.1.	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	(125,000)	-	(125,000)	
11.2.	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	3,568,718	(3,568,718)	-	-	
11.3.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ending Balance (I+II+...X+XI)		2,500,000	723,918	-	90,752	1,018,326	(33,854)	1,480,717	80,727	(100,297)	-	17,864,763	570,816	4,154,322	28,350,190	

1. Property & Equipment Revaluation Increase/Decrease
2. Defined Benefit Pension Plan Remeasurement Gain/Loss
3. Other (Accumulated Amount of the Shares Stated as Other Comprehensive Income Not Reclassified Through Profit or Loss and Components Not Reclassified as Other Profit or Loss of the Investments Valued by Equity Method)
4. Translation Differences from Foreign Currency Transactions
5. Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income
6. Other (Cash Flow Hedge Income/Loss, Accumulated Amount of the Shares Stated as Other Comprehensive Income Reclassified Through Profit or Loss and Components Reclassified as Other Profit or Loss of the Investments Valued by Equity Method).

The accompanying explanations and notes form an integral part of these financial statements.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2019**

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

	Notes	Audited Current Period December 31, 2019	Audited Prior Period December 31, 2018
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities		3,722,694	5,889,154
1.1.1 Interests received		37,597,067	28,510,420
1.1.2 Interests paid		(29,099,926)	(22,157,979)
1.1.3 Dividends received		50,939	61,419
1.1.4 Fee and commissions received		5,453,801	3,320,133
1.1.5 Other income		137,761	78,954
1.1.6 Collections from previously written-off loans and other receivables		2,577,980	3,372,562
1.1.7 Cash payments to personnel and service suppliers		(3,113,819)	(2,515,514)
1.1.8 Taxes paid		(2,493,672)	(1,135,686)
1.1.9 Other		(7,387,437)	(3,645,155)
1.2 Changes in operating assets and liabilities		10,256,005	213,473
1.2.1 Net (Increase) Decrease in Financial Assets at Fair Value through Profit or Loss		(2,016,198)	(70,898)
1.2.2 Net increase (decrease) in due from banks		5,204,139	(3,412,616)
1.2.3 Net increase (decrease) in loans		(58,282,085)	(38,614,794)
1.2.4 Net increase (decrease) in other assets		(3,097,875)	(966,221)
1.2.5 Net increase (decrease) in bank deposits		3,467,355	(2,727,333)
1.2.6 Net increase (decrease) in other deposits		69,090,068	25,619,294
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		(221,344)	12,883,988
1.2.9 Net increase (decrease) in matured payables		-	-
1.2.10 Net increase (decrease) in other liabilities		(3,888,055)	7,502,053
I. Net cash flow provided from banking operations		13,978,699	6,102,627
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided from investing activities		(16,134,516)	(15,591,207)
2.1 Cash paid for the purchase of associates, subsidiaries and joint ventures		(181,576)	(20,443)
2.2 Cash obtained from the sale of associates, subsidiaries and joint ventures		1,342	886
2.3 Cash paid for the purchase of tangible and intangible asset		(325,805)	(2,853,607)
2.4 Cash obtained from the sale of tangible and intangible asset		617,246	1,781,202
2.5 Cash paid for the purchase of financial assets at fair value through other comprehensive income		(22,714,132)	(8,652,622)
2.6 Cash obtained from the sale of financial assets at fair value through other comprehensive income		11,348,566	4,457,266
2.7 Cash paid for the purchase of financial assets at amortized cost		(6,514,751)	(11,162,210)
2.8 Cash obtained from sale of financial assets at amortized cost		1,664,238	841,350
2.9 Other		(29,644)	16,971
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash flow from financing activities		12,252,309	9,652,395
3.1 Cash obtained from funds borrowed and securities issued		30,548,498	21,450,192
3.2 Cash outflow from funds borrowed and securities issued		(17,940,337)	(11,672,797)
3.3 Equity instruments issued		-	-
3.4 Dividends paid		-	(125,000)
3.5 Payments for finance lease liabilities		(355,852)	-
3.6 Other		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents		196,541	13,365
V. Net increase/decrease in cash and cash equivalents		10,293,033	177,180
VI. Cash and cash equivalents at beginning of the period	V- VI-4	19,472,141	19,294,961
VII. Cash and cash equivalents at end of the period	V- VI-4	29,765,174	19,472,141

The accompanying explanations and notes form an integral part of these financial statements.