

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT MARCH 31, 2020**

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

		Current Period March 31, 2020			Prior Period December 31, 2019		
ASSETS	Notes	TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		35,050,243	45,422,068	80,472,311	23,839,465	51,504,253	75,343,718
1.1 Cash and cash equivalents	V-I-1	3,041,599	25,365,219	28,406,818	2,399,213	40,329,046	42,728,259
1.1.1 Cash and balances at Central Bank	V-I-1	3,031,540	19,657,831	22,689,371	2,387,874	34,116,718	36,504,592
1.1.2 Banks	V-I-3	1,792	5,707,430	5,709,222	6,120	6,212,378	6,218,498
1.1.3 Receivables from Money Markets		14,416	-	14,416	14,535	-	14,535
1.1.4 Allowance for expected credit losses (-)	V-I-16	6,149	42	6,191	9,316	50	9,366
1.2 Financial assets at fair value through profit or loss	V-I-2	176,153	6,353,319	6,529,472	178,298	2,129,634	2,307,932
1.2.1 Public debt securities		196	6,247,001	6,247,197	198	2,017,593	2,017,791
1.2.2 Equity instruments		171,307	106,318	277,625	173,286	112,041	285,327
1.2.3 Other financial assets		4,650	-	4,650	4,814	-	4,814
1.3 Financial assets at fair value through other comprehensive income	V-I-4	26,338,668	12,151,901	38,490,569	17,673,354	8,126,945	25,800,299
1.3.1 Public debt securities		25,721,091	10,827,842	36,548,933	17,089,209	7,011,397	24,100,606
1.3.2 Equity instruments		14,131	4,343	18,474	14,131	3,924	18,055
1.3.3 Other financial assets		603,446	1,319,716	1,923,162	570,014	1,111,624	1,681,638
1.4 Derivative financial assets	V-I-2	5,493,823	1,551,629	7,045,452	3,588,600	918,628	4,507,228
1.4.1 Derivative financial assets at fair value through profit or loss		5,493,823	1,551,629	7,045,452	3,588,600	918,628	4,507,228
1.4.2 Derivative financial assets at fair value through other comprehensive income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST		249,536,661	116,928,226	366,464,887	224,392,334	106,479,466	330,871,800
2.1 Loans	V-I-5	230,080,248	101,435,884	331,516,132	202,068,252	92,213,963	294,282,215
2.2 Receivables from leasing transactions	V-I-10	772,759	2,174,229	2,946,988	696,678	2,077,438	2,774,116
2.3 Factoring receivables		2,188,094	363,830	2,551,924	2,504,062	369,208	2,873,270
2.4 Financial assets measured at amortised cost	V-I-6	33,083,489	13,163,946	46,247,435	35,004,414	12,010,219	47,014,633
2.4.1 Public debt securities		33,024,625	12,821,326	45,845,951	34,945,546	11,700,580	46,646,126
2.4.2 Other financial assets		58,864	342,620	401,484	58,868	309,639	368,507
2.5 Allowance for expected credit losses (-)		16,587,929	209,663	16,797,592	15,881,072	191,362	16,072,434
III. NON-CURRENTS ASSETS OR DISPOSAL GROUPS "HELD FOR SALE" AND "FROM DISCONTINUED OPERATIONS (Net)"	V-I-14	6,809,420	416,278	7,225,698	7,240,607	456,388	7,696,995
3.1 Held for sale purpose		6,809,420	416,278	7,225,698	7,240,607	456,388	7,696,995
3.2 Held from discontinued operations		-	-	-	-	-	-
IV. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES		1,526,941	3	1,526,944	1,481,250	3	1,481,253
4.1 Investments in associates (Net)	V-I-7	1,168,929	3	1,168,932	1,138,780	3	1,138,783
4.1.1 Associates accounted by using equity method		446,686	-	446,686	447,762	-	447,762
4.1.2 Non-consolidated associates		722,243	3	722,246	691,018	3	691,021
4.2 Investments in subsidiaries (Net)	V-I-8	358,012	-	358,012	342,470	-	342,470
4.2.1 Non-consolidated financial subsidiaries		-	-	-	-	-	-
4.2.2 Non-consolidated non-financial subsidiaries		358,012	-	358,012	342,470	-	342,470
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)		4,149,533	12,883	4,162,416	3,029,550	11,417	3,040,967
VI. INTANGIBLE ASSETS AND GOODWILL (Net)		237,598	312	237,910	237,755	304	238,059
6.1 Goodwill		14,631	-	14,631	14,631	-	14,631
6.2 Other		222,967	312	223,279	223,124	304	223,428
VII. INVESTMENT PROPERTIES (Net)	V-I-12	624,328	-	624,328	608,990	-	608,990
VIII. CURRENT TAX ASSETS		46	-	46	-	-	-
IX. DEFERRED TAX ASSETS	V-I-13	576,435	75,068	651,503	801,616	-	801,616
X. OTHER ASSETS	V-I-15	5,974,844	10,665,054	16,639,898	5,328,857	7,628,874	12,957,731
TOTAL ASSETS		304,486,049	173,519,892	478,005,941	266,960,424	166,080,705	433,041,129

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT MARCH 31, 2020**

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

		Current Period March 31, 2020			Prior Period December 31, 2019			
LIABILITIES AND EQUITY		Notes	TL	FC	Total	TL	FC	Total
I.	DEPOSITS	V-II-1	149,455,272	121,966,994	271,422,266	142,276,343	111,854,405	254,130,748
II.	BORROWINGS	V-II-3	2,075,684	44,516,187	46,591,871	2,286,766	42,776,918	45,063,684
III.	MONEY MARKET FUNDS		39,204,529	5,735,823	44,940,352	19,825,274	5,598,794	25,424,068
IV.	MARKETABLE SECURITIES (Net)	V-II-3	12,906,243	23,846,497	36,752,740	11,792,577	17,455,479	29,248,056
4.1	Bills		7,564,325	-	7,564,325	6,494,825	-	6,494,825
4.2	Asset backed securities		-	-	-	-	-	-
4.3.	Bonds		5,341,918	23,846,497	29,188,415	5,297,752	17,455,479	22,753,231
V.	FUNDS		3,053	-	3,053	3,053	-	3,053
5.1	Borrower funds		-	-	-	-	-	-
5.2	Other		3,053	-	3,053	3,053	-	3,053
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITIES	V-II-2	2,144,740	2,189,527	4,334,267	2,226,099	1,085,898	3,311,997
7.1	Derivative financial liabilities at fair value through profit or loss		2,144,740	2,189,527	4,334,267	2,226,099	1,085,898	3,311,997
7.2	Derivative financial liabilities at fair value through other comprehensive income		-	-	-	-	-	-
VIII.	FACTORING PAYABLES		1,295	-	1,295	1,823	549	2,372
IX.	LEASE PAYABLES	V-II-5	1,000,929	78	1,001,007	935,839	99	935,938
X.	PROVISIONS		2,301,395	41,394	2,342,789	2,219,860	39,067	2,258,927
10.1	Provision for restructuring		-	-	-	-	-	-
10.2	Reserves for employee benefits		1,192,549	5,149	1,197,698	1,153,968	3,997	1,157,965
10.3	Insurance technical reserves (Net)		-	-	-	-	-	-
10.4	Other provisions	V-II-7	1,108,846	36,245	1,145,091	1,065,892	35,070	1,100,962
XI.	CURRENT TAX LIABILITIES	V-II-8	546,269	3,004	549,273	1,138,988	3,003	1,141,991
XII.	DEFERRED TAX LIABILITIES		3,829	-	3,829	1,232	30,758	31,990
XIII.	LIABILITIES RELATED TO NON-CURRENT ASSETS "HELD FOR SALE" AND "DISCONTINUED OPERATIONS" (Net)	V-II-9	5,330,293	300,070	5,630,363	5,018,668	353,532	5,372,200
13.1	Held for sale		5,330,293	300,070	5,630,363	5,018,668	353,532	5,372,200
13.2	Related to discontinued operations		-	-	-	-	-	-
XIV.	SUBORDINATED DEBT	V-II-10	6,248,203	11,074,572	17,322,775	6,394,877	12,850,576	19,245,453
14.1	Loans		-	-	-	-	-	-
14.2	Other debt instruments		6,248,203	11,074,572	17,322,775	6,394,877	12,850,576	19,245,453
XV.	OTHER LIABILITIES	V-II-4	9,615,642	3,009,211	12,624,853	9,705,538	3,612,824	13,318,362
XVI.	SHAREHOLDERS' EQUITY	V-II-11	34,235,227	249,981	34,485,208	32,573,508	978,782	33,552,290
16.1	Paid-in capital	V-II-11	2,500,000	-	2,500,000	2,500,000	-	2,500,000
16.2	Capital reserves		796,918	-	796,918	839,941	-	839,941
16.2.1	Equity share premiums		723,962	-	723,962	723,962	-	723,962
16.2.2	Share cancellation profits	V-II-11	-	-	-	-	-	-
16.2.3	Other capital reserves	V-II-11	72,956	-	72,956	115,979	-	115,979
16.3	Other accumulated comprehensive income that will not be reclassified in profit or loss		1,659,029	-	1,659,029	1,659,676	-	1,659,676
16.4	Other accumulated comprehensive income that will be reclassified in profit or loss		488,669	(18,566)	470,103	561,289	682,614	1,243,903
16.5	Profit reserves		23,115,710	221,606	23,337,316	23,057,072	200,064	23,257,136
16.5.1	Legal reserves		2,585,276	17,882	2,603,158	2,538,782	10,669	2,549,451
16.5.2	Statutory reserves		6,337	-	6,337	6,337	-	6,337
16.5.3	Extraordinary reserves		20,073,452	200,109	20,273,561	20,061,308	185,780	20,247,088
16.5.4	Other profit reserves		450,645	3,615	454,260	450,645	3,615	454,260
16.6	Profit or loss		4,757,988	42,271	4,800,259	3,134,638	45,862	3,180,500
16.6.1	Prior years' profits or losses		3,022,530	11,374	3,033,904	(148,390)	(40,469)	(188,859)
16.6.2	Current period net profit or loss		1,735,458	30,897	1,766,355	3,283,028	86,331	3,369,359
16.7	Minority interests		916,913	4,670	921,583	820,892	50,242	871,134
TOTAL LIABILITIES AND EQUITY			265,072,603	212,933,338	478,005,941	236,400,445	196,640,684	433,041,129

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

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ORIGINALLY ISSUED IN TURKISH, SEE IN NOTE I. OF SECTION THREE**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES NOTES
TO THE CONSOLIDATED OFF-BALANCE SHEET ITEMS
AS AT MARCH 31, 2020**

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

		Current Period March 31, 2020			Prior Period December 31, 2019		
	Notes	TL	FC	Total	TL	FC	Total
A.	OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)	143,056,672	225,602,276	368,658,948	130,858,298	206,289,254	337,147,552
I.	GUARANTEES AND SURETIES	38,500,991	44,522,755	83,023,746	38,069,926	40,210,391	78,280,317
1.1.	Letters of guarantee	37,896,523	25,387,409	63,283,932	37,379,041	21,625,025	59,004,066
1.1.1.	Guarantees subject to State Tender Law	2,941,095	8,072,138	11,013,233	2,904,236	7,080,944	9,985,180
1.1.2.	Guarantees given for foreign trade operations	1,374,326	-	1,374,326	1,322,033	-	1,322,033
1.1.3.	Other letters of guarantee	33,581,102	17,315,271	50,896,373	33,152,772	14,544,081	47,696,853
1.2.	Bank acceptances	6,957	5,099,330	5,106,287	7,842	4,574,992	4,582,834
1.2.1.	Import letter of acceptance	-	234,712	234,712	-	220,683	220,683
1.2.2.	Other bank acceptances	6,957	4,864,618	4,871,575	7,842	4,354,309	4,362,151
1.3.	Letters of credit	123,319	13,557,866	13,681,185	141,830	13,590,815	13,732,645
1.3.1.	Documentary letters of credit	123,319	13,557,866	13,681,185	141,830	13,590,815	13,732,645
1.3.2.	Other letters of credit	-	-	-	-	-	-
1.4.	Pre-financing given as guarantee	-	5,241	5,241	-	4,736	4,736
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	357,962	158,224	516,186	324,144	142,897	467,041
1.8.	Other guarantees	30,332	81,765	112,097	51,444	49,964	101,408
1.9.	Other warranties	85,898	232,920	318,818	165,625	221,962	387,587
II.	COMMITMENTS	55,842,899	32,480,978	88,323,877	50,408,925	32,589,509	82,998,434
2.1.	Irrevocable commitments	48,109,591	4,032,127	52,141,718	43,325,448	5,794,937	49,120,385
2.1.1.	Asset purchase and sales commitments	502,582	3,806,491	4,309,073	2,407,191	5,561,794	7,968,985
2.1.2.	Deposit purchase and sales commitments	-	-	-	-	-	-
2.1.3.	Share capital commitments to associates and subsidiaries	7,139	-	7,139	7,500	-	7,500
2.1.4.	Loan granting commitments	21,411,128	1,371	21,412,499	18,076,739	2,340	18,079,079
2.1.5.	Securities issuance brokerage commitments	-	-	-	-	-	-
2.1.6.	Commitments for reserve deposit requirements	-	-	-	-	-	-
2.1.7.	Commitments for checks payments	4,530,152	-	4,530,152	3,528,150	-	3,528,150
2.1.8.	Tax and fund liabilities from export commitments	-	-	-	-	-	-
2.1.9.	Commitments for credit card expenditure limits	19,263,739	-	19,263,739	17,293,741	-	17,293,741
2.1.10.	Commitments for credit cards and banking services promotions	620,557	-	620,557	484,519	-	484,519
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	1,774,294	224,265	1,998,559	1,527,608	230,803	1,758,411
2.2.	Revocable commitments	7,733,308	28,448,851	36,182,159	7,083,477	26,794,572	33,878,049
2.2.1.	Revocable loan granting commitments	7,733,308	28,448,851	36,182,159	7,083,477	26,794,572	33,878,049
2.2.2.	Other revocable commitments	-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS	48,712,782	148,598,543	197,311,325	42,379,447	133,489,354	175,868,801
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	48,712,782	148,598,543	197,311,325	42,379,447	133,489,354	175,868,801
3.2.1.	Forward foreign currency purchase and sale transactions	3,287,391	3,788,785	7,076,176	2,320,043	2,217,584	4,537,627
3.2.1.1.	Forward foreign currency purchase transactions	1,647,573	1,894,817	3,542,390	1,163,458	1,109,150	2,272,608
3.2.2.	Forward foreign currency sales	1,639,818	1,893,968	3,533,786	1,156,585	1,108,434	2,265,019
3.2.2.	Currency and interest rate swaps	36,929,448	129,338,484	166,267,932	30,978,513	115,422,998	146,401,511
3.2.2.1.	Currency swap purchase transactions	1,642,788	46,360,795	48,003,583	1,781,342	38,137,242	39,918,584
3.2.2.2.	Currency swap sale transactions	31,906,660	14,254,317	46,160,977	25,527,171	14,629,740	40,156,911
3.2.2.3.	Interest rate swap purchase transactions	1,690,000	34,361,686	36,051,686	1,835,000	31,328,008	33,163,008
3.2.2.4.	Interest rate swap sale transactions	1,690,000	34,361,686	36,051,686	1,835,000	31,328,008	33,163,008
3.2.3.	Currency, interest rate and security options	165,039	470,444	635,483	576,987	759,416	1,336,403
3.2.3.1.	Currency purchase options	164,409	142,724	307,133	367,787	294,076	661,863
3.2.3.2.	Currency sale options	630	327,720	328,350	209,200	465,340	674,540
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	8,330,904	15,000,830	23,331,734	8,503,904	15,089,356	23,593,260
B.	CUSTODY AND PLEDGED ITEMS (IV+V+VI)	2,730,321,029	2,214,721,188	4,945,042,217	2,297,605,505	1,578,274,516	3,875,880,021
IV.	ITEMS HELD IN CUSTODY	77,776,088	19,142,436	96,918,524	76,566,563	15,168,557	91,735,120
4.1.	Assets under management	2,531,287	-	2,531,287	2,113,691	-	2,113,691
4.2.	Securities held in custody	57,067,818	6,199,229	63,267,047	57,617,522	5,230,911	62,848,433
4.3.	Checks received for collection	9,597,267	1,699,322	11,296,589	8,743,308	1,190,464	9,933,772
4.4.	Commercial notes received for collection	7,080,317	1,209,600	8,289,917	6,704,176	1,084,425	7,788,601
4.5.	Other assets received for collection	2,152	264	2,416	2,152	238	2,390
4.6.	Securities received for public offering	-	-	-	-	-	-
4.7.	Other items under custody	309,558	6,431,187	6,740,745	204,705	4,909,862	5,114,567
4.8.	Custodians	1,187,689	3,602,834	4,790,523	1,181,009	2,752,657	3,933,666
V.	PLEDGED ITEMS	800,684,852	285,471,740	1,086,156,592	775,988,471	242,582,316	1,018,570,787
5.1.	Marketable securities	880,001	101,276	981,277	299,466	44,434	343,900
5.2.	Guarantee notes	916,838	2,050,252	2,967,090	837,716	1,783,494	2,621,210
5.3.	Commodity	108,124,073	3,010,128	111,134,201	106,248,275	2,762,344	109,010,619
5.4.	Warrant	-	-	-	-	-	-
5.5.	Immovables	573,440,131	234,413,004	807,853,135	552,289,678	193,747,833	746,037,511
5.6.	Other pledged items	116,706,837	45,777,647	162,484,484	115,697,559	44,107,197	159,804,756
5.7.	Depositories receiving pledged items	616,972	119,433	736,405	615,777	137,014	752,791
VI.	ACCEPTED GUARANTEES AND WARRANTS	1,851,860,089	1,910,107,012	3,761,967,101	1,445,050,471	1,320,523,643	2,765,574,114
TOTAL OFF BALANCE SHEET COMMITMENTS (A+B)		2,873,377,701	2,440,323,464	5,313,701,165	2,428,463,803	1,784,563,770	4,213,027,573

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS
FINANCIAL SUBSIDIARIES NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020**

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

			Current Period January 1, 2020- March 31, 2020	Prior Period January 1, 2019- March 31, 2019
	Notes			
I. INTEREST INCOME	V-IV-1		10,454,746	9,940,977
1.1 Interest on loans	V-IV-1		8,381,205	8,105,819
1.2 Interest received from reserve deposits			17,256	99,110
1.3 Interest received from banks	V-IV-1		50,911	92,905
1.4 Interest received from money market transactions			479	721
1.5 Interest received from marketable securities portfolio	V-IV-1		1,927,474	1,563,445
1.5.1 Financial assets at fair value through profit or loss			34,343	11,384
1.5.2 Financial assets at fair value through other comprehensive income			749,182	413,693
1.5.3 Financial assets measured at amortised cost			1,143,949	1,138,368
1.6 Finance lease interest income			61,769	56,341
1.7 Other interest income			15,652	22,636
II. INTEREST EXPENSES			5,373,608	7,412,756
2.1 Interest on deposits	V-IV-2		2,982,640	4,410,622
2.2 Interest on funds borrowed	V-IV-2		418,950	459,267
2.3 Interest on money market transactions			716,240	1,594,172
2.4 Interest on securities issued	V-IV-2		1,139,661	886,502
2.5 Leasing interest income			39,358	36,282
2.6 Other interest expenses			76,759	25,911
III. NET INTEREST INCOME/EXPENSE (I - II)			5,081,138	2,528,221
IV. NET FEES AND COMMISSIONS INCOME/EXPENSES			800,395	973,118
4.1 Fees and commissions received			1,025,726	1,201,981
4.1.1 Non-cash loans			180,326	165,843
4.1.2 Other			845,400	1,036,138
4.2 Fees and commissions paid (-)			225,331	228,863
4.2.1 Non-cash loans			1,546	1,670
4.2.2 Other			223,785	227,193
V. DIVIDEND INCOME			389	1,337
VI. TRADING PROFIT/LOSS (Net)	V-IV-3		(579,835)	170,929
6.1 Profit/losses from capital market transactions	V-IV-3		152,705	52,137
6.2 Profit/losses from derivative financial transactions	V-IV-3		(260,984)	8,924
6.3 Foreign exchange profit/losses	V-IV-3		(471,556)	109,868
VII. OTHER OPERATING INCOME	V-IV-4		3,403,903	1,925,221
VIII. GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII)			8,705,990	5,598,826
IX. ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)	V-IV-5		3,149,430	2,547,551
X. OTHER PROVISION EXPENSES (-)	V-IV-5		74,935	33,928
XI. PERSONNEL EXPENSES (-)			862,459	752,147
XII. OTHER OPERATING EXPENSES (-)	V-IV-6		2,368,624	1,319,724
XIII. NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)			2,250,542	945,476
XIV. SURPLUS WRITTEN AS GAIN AFTER MERGER			-	-
XV. PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES			13,386	14,304
XVI. NET MONETARY POSITION GAIN/LOSS			-	-
XVII. PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XII+...+XV)	V-IV-7		2,263,928	959,780
XVIII. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	V-IV-10		(460,492)	(163,665)
18.1 Current tax provision	V-IV-10		(148,772)	(52,003)
18.2 Expense effect of deferred tax (+)	V-IV-10		(454,551)	(638,741)
18.3 Income effect of deferred tax (-)	V-IV-10		142,831	527,079
XIX. NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)	V-IV-9		1,803,436	796,115
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-11		1,803,436	796,115
25.1 Group's profit/(loss)			1,766,355	780,455
25.2 Minority shares (-)			37,081	15,660
Profit/Loss per 100 shares (full TL)	I-XXIV		0.7065	0.3122

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

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE
THREE-MONTH PERIOD ENDED MARCH 31, 2020

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

		Current Period January 1, 2020- March 31, 2020	Prior Period January 1, 2019- March 31, 2019
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
I.	PROFIT (LOSS)	1,803,436	796,115
II.	OTHER COMPREHENSIVE INCOME	(774,864)	(95,367)
2.1.	Other comprehensive income that will not be reclassified to profit or loss	(1,064)	451
2.1.1.	Gains (Losses) on Revaluation of Property, Plant and Equipment	334	288
2.1.2.	Gains (losses) on revaluation of Intangible Assets	-	-
2.1.3.	Gains (losses) on remeasurements of defined benefit plans	(1,436)	218
2.1.4.	Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	(181)	-
2.1.5.	Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	219	(55)
2.2.	Other Comprehensive Income That Will Be Reclassified to Profit or Loss	(773,800)	(95,818)
2.2.1.	Exchange Differences on Translation	6,781	93,660
2.2.2.	Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income	(959,983)	(306,953)
2.2.3.	Income (Loss) Related with Cash Flow Hedges	-	-
2.2.4.	Income (Loss) Related with Hedges of Net Investments in Foreign Operations	5,479	81,722
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	173,923	35,753
III.	TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)	1,028,572	700,748

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE THREE-MONTH PERIOD ENDED March 31, 2020**
(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 Profit or (Loss)	Current Period Profit or (Loss)	Total SE Except minority share	Minority interest	Total Shareholders' Equity	
Notes	Paid in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6								
Current Period March 31, 2020																		
I.	Prior Period End Balance	2,500,000	723,962	-	115,979	1,068,152	(105,972)	697,496	407,474	879,787	(43,358)	23,257,136	3,180,499	-	32,681,155	871,134	33,552,289	
II.	Corrections and Accounting Policy Changes Made																	
2.1.	According to TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2.	Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III.	Adjusted Beginning Balance (I+II)	2,500,000	723,962	-	115,979	1,068,152	(105,972)	697,496	407,474	879,787	(43,358)	23,257,136	3,180,499	-	32,681,155	871,134	33,552,289	
IV.	Total Comprehensive Income	-	-	-	-	266	(768)	(145)	6,781	(786,060)	5,479	-	-	1,766,355	991,908	36,664	1,028,572	
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	-	-	-	(43,023)	-	-	-	-	-	-	21,314	(87,729)	-	(109,438)	13,785	(95,653)	
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	-	58,866	(58,866)	-	-	-	-	
11.1.	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.2.	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	58,866	(58,866)	-	-	-	-	
11.3.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ending Balance (I+II+...X+XI)		2,500,000	723,962	-	72,956	1,068,418	(106,740)	697,351	414,255	93,727	(37,879)	23,337,316	3,033,904	1,766,355	33,563,625	921,583	34,485,208	

- Property & Equipment Revaluation Increase/Decrease
- Defined Benefit Pension Plan Remeasurement Gain/Loss
- 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)
- Translation Differences from Foreign Currency Transactions
- Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income
- 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 consolidated financial statements.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE THREE-MONTH PERIOD ENDED March 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								
	Notes	Paid in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total SE Except minority share	Minority interest	Total Shareholders' Equity
	Prior Period March 31, 2019																
I.	Prior Period End Balance	2,500,000	724,276	-	91,433	1,218,132	(41,357)	441,729	307,342	(117,769)	(102,292)	18,245,881	5,096,704	-	28,364,079	741,674	29,105,753
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)	2,500,000	724,276	-	91,433	1,218,132	(41,357)	441,729	307,342	(117,769)	(102,292)	18,245,881	5,096,704	-	28,364,079	741,674	29,105,753
IV.	Total Comprehensive Income	-	-	-	-	(456)	28	(5,121)	93,660	(271,200)	81,722	-	-	780,455	679,088	21,660	700,748
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	-	2,760	-	-	-	-	-	-	60,738	(181,827)	-	(118,328)	(60,092)	(178,420)
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.1.	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2.	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.3.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Ending Balance (I+II+...X+XI)	2,500,000	724,277	-	94,193	1,217,676	(41,329)	436,608	401,002	(388,969)	(20,570)	18,306,619	4,914,877	780,455	28,924,839	703,242	29,628,081

- Property & Equipment Revaluation Increase/Decrease
- Defined Benefit Pension Plan Remeasurement Gain/Loss
- 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)
- Translation Differences from Foreign Currency Transactions
- Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income
- 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).

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

CONSOLIDATED INTERIM ACTIVITY REPORT AS OF MARCH 31, 2020

	Notes	Current Period March 31, 2020	Prior Period March 31, 2019
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities (+)		3,623,896	1,897,691
1.1.1 Interest received (+)		9,051,723	9,040,633
1.1.2 Interest paid (-)		(5,399,306)	(7,094,075)
1.1.3 Dividends received (+)		381	1,337
1.1.4 Fees and commissions received (+)		1,254,845	1,201,981
1.1.5 Other income (+)		511,196	363,831
1.1.6 Collections from previously written off loans and other receivables (+)		801,560	510,818
1.1.7 Cash payments to personnel and service suppliers (-)		(871,689)	(820,377)
1.1.8 Taxes paid (-)		(749,391)	(388,029)
1.1.9 Other (+/-)		(975,423)	(918,428)
1.2 Changes in operating assets and liabilities subject to banking operations		(4,902,363)	(4,710,909)
1.2.1 Net (Increase) Decrease in Financial Assets at Fair Value through Profit or Loss (+/-)		(4,199,469)	(322,016)
1.2.2 Net decrease (increase) in due from banks (+/-)		(183,199)	(3,605,619)
1.2.3 Net decrease (increase) in loans		(36,391,628)	(23,092,773)
1.2.4 Net decrease (increase) in other assets (+/-)		(1,546,263)	(1,164,173)
1.2.5 Net increase (decrease) in bank deposits (+/-)		1,141,977	2,527,124
1.2.6 Net increase (decrease) in other deposits (+/-)		16,183,252	16,483,259
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 (+/-)		1,626,273	(772,277)
1.2.9 Net increase (decrease) in matured payables (+/-)		-	-
1.2.10 Net increase (decrease) in other liabilities (+/-)		18,466,694	5,235,566
I. Net cash provided from banking operations(+/-)		(1,278,467)	(2,813,218)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided from investing activities(+/-)		(11,487,901)	(5,886,312)
2.1 Cash paid for the purchase of associates, subsidiaries and joint ventures		(104,200)	-
2.2 Cash obtained from the sale of associates, subsidiaries and joint ventures		350	-
2.3 Cash paid for the purchase of tangible and intangible asset (-)		(42,010)	(99,711)
2.4 Cash obtained from the sale of tangible and intangible asset (+)		15,237	102,118
2.5 Cash paid for the purchase of financial assets at fair value through other comprehensive income (-)		(15,976,339)	(6,417,451)
2.6 Cash obtained from the sale of financial assets at fair value through other comprehensive income (+)		2,664,401	1,024,261
2.7 Cash paid for the purchase of financial assets at amortised cost (-)		(161,933)	(741,660)
2.8 Cash obtained from sale of financial assets at amortised cost (+)		2,120,948	175,667
2.9 Other (+/-)		(4,355)	70,464
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash flows from financing activities (+/-)		5,806,712	5,735,977
3.1 Cash obtained from funds borrowed and securities issued (+)		15,032,687	9,704,122
3.2 Cash outflow from funds borrowed and securities issued (-)		(9,126,737)	(3,884,333)
3.3 Equity instruments issued (+)		-	-
3.4 Dividends paid (-)		-	-
3.5 Payments for finance lease liabilities (-)		(99,238)	(83,812)
3.6 Other (+/-)		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents		1,054,230	(78,893)
V. Net increase/decrease in cash and cash equivalents (I+II+III+IV)		(5,905,426)	(3,042,446)
VI. Cash and cash equivalents at beginning of the period (+)		31,092,461	20,562,142
VII. Cash and cash equivalents at end of the period (V+VI)		25,187,035	17,519,696

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