

**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 JUNE 30, 2020**

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

ASSETS	Notes	Current Period June 30, 2020			Prior Period December 31, 2019		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		42,407,192	56,263,294	98,670,486	23,839,465	51,504,253	75,343,718
1.1 Cash and cash equivalents	V-I-1	7,315,469	30,603,816	37,919,285	2,399,213	40,329,046	42,728,259
1.1.1 Cash and balances at Central Bank	V-I-1	7,278,699	25,532,184	32,810,883	2,387,874	34,116,718	36,504,592
1.1.2 Banks	V-I-3	28,932	5,071,673	5,100,605	6,120	6,212,378	6,218,498
1.1.3 Receivables from Money Markets		12,162	-	12,162	14,535	-	14,535
1.1.4 Allowance for expected credit losses (-)	V-I-16	4,324	41	4,365	9,316	50	9,366
1.2 Financial assets at fair value through profit or loss	V-I-2	320,143	7,793,915	8,114,058	178,298	2,129,634	2,307,932
1.2.1 Public debt securities		109,908	7,662,775	7,772,683	198	2,017,593	2,017,791
1.2.2 Equity instruments		205,733	131,140	336,873	173,286	112,041	285,327
1.2.3 Other financial assets		4,502	-	4,502	4,814	-	4,814
1.3 Financial assets at fair value through other comprehensive income	V-I-4	29,096,719	16,232,529	45,329,248	17,673,354	8,126,945	25,800,299
1.3.1 Public debt securities		28,483,685	14,659,143	43,142,828	17,089,209	7,011,397	24,100,606
1.3.2 Equity instruments		14,130	4,521	18,651	14,131	3,924	18,055
1.3.3 Other financial assets		598,904	1,568,865	2,167,769	570,014	1,111,624	1,681,638
1.4 Derivative financial assets	V-I-2	5,674,861	1,633,034	7,307,895	3,588,600	918,628	4,507,228
1.4.1 Derivative financial assets at fair value through profit or loss		5,674,861	1,633,034	7,307,895	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		303,796,777	121,912,030	425,708,807	224,392,334	106,479,466	330,871,800
2.1 Loans	V-I-5	281,550,085	106,908,974	388,459,059	202,068,252	92,213,963	294,282,215
2.2 Receivables from leasing transactions	V-I-10	811,546	2,220,824	3,032,370	696,678	2,077,438	2,774,116
2.3 Factoring receivables		2,881,842	244,316	3,126,158	2,504,062	369,208	2,873,270
2.4 Financial assets measured at amortised cost	V-I-6	37,202,048	12,770,704	49,972,752	35,004,414	12,010,219	47,014,633
2.4.1 Public debt securities		37,143,188	12,558,027	49,701,215	34,945,546	11,700,580	46,646,126
2.4.2 Other financial assets		58,860	212,677	271,537	58,868	309,639	368,507
2.5 Allowance for expected credit losses (-)		18,648,744	232,788	18,881,532	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	2,091,947	-	2,091,947	7,240,607	456,388	7,696,995
3.1 Held for sale purpose		2,091,947	-	2,091,947	7,240,607	456,388	7,696,995
3.2 Held from discontinued operations		-	-	-	-	-	-
IV. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES		1,561,469	3	1,561,472	1,481,250	3	1,481,253
4.1 Investments in associates (Net)	V-I-7	1,216,213	3	1,216,216	1,138,780	3	1,138,783
4.1.1 Associates accounted by using equity method		478,078	-	478,078	447,762	-	447,762
4.1.2 Non-consolidated associates		738,135	3	738,138	691,018	3	691,021
4.2 Investments in subsidiaries (Net)	V-I-8	345,256	-	345,256	342,470	-	342,470
4.2.1 Non-consolidated financial subsidiaries		-	-	-	-	-	-
4.2.2 Non-consolidated non-financial subsidiaries		345,256	-	345,256	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)		4,221,723	12,908	4,234,631	3,029,550	11,417	3,040,967
VI. INTANGIBLE ASSETS AND GOODWILL (Net)		249,816	319	250,135	237,755	304	238,059
6.1 Goodwill		14,631	-	14,631	14,631	-	14,631
6.2 Other		235,185	319	235,504	223,124	304	223,428
VII. INVESTMENT PROPERTIES (Net)	V-I-12	634,588	-	634,588	608,990	-	608,990
VIII. CURRENT TAX ASSETS	V-I-13	20	-	20	-	-	-
IX. DEFERRED TAX ASSETS	V-I-13	1,401,290	-	1,401,290	801,616	-	801,616
X. OTHER ASSETS	V-I-15	7,018,358	9,311,248	16,329,606	5,328,857	7,628,874	12,957,731
TOTAL ASSETS		363,383,180	187,499,802	550,882,982	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 JUNE 30, 2020**

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

			Current Period June 30, 2020			Prior Period December 31, 2019			
LIABILITIES AND EQUITY			Notes	TL	FC	Total	TL	FC	Total
I.	DEPOSITS	V-II-1	191,218,962	148,275,168	339,494,130	142,276,343	111,854,405	254,130,748	
II.	BORROWINGS	V-II-3	2,548,151	44,550,696	47,098,847	2,286,766	42,776,918	45,063,684	
III.	MONEY MARKET FUNDS		26,908,664	10,839,593	37,748,257	19,825,274	5,598,794	25,424,068	
IV.	MARKETABLE SECURITIES (Net)	V-II-3	13,313,098	24,976,270	38,289,368	11,792,577	17,455,479	29,248,056	
4.1	Bills		7,925,898	-	7,925,898	6,494,825	-	6,494,825	
4.2	Asset backed securities		-	-	-	-	-	-	
4.3.	Bonds		5,387,200	24,976,270	30,363,470	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	2,750,442	2,337,194	5,087,636	2,226,099	1,085,898	3,311,997	
7.1	Derivative financial liabilities at fair value through profit or loss		2,750,442	2,337,194	5,087,636	2,226,099	1,085,898	3,311,997	
7.2	Derivative financial liabilities at fair value through other comprehensive income		-	-	-	-	-	-	
VIII.	FACTORING PAYABLES		859	226	1,085	1,823	549	2,372	
IX.	LEASE PAYABLES	V-II-5	1,066,114	52	1,066,166	935,839	99	935,938	
X.	PROVISIONS	V-II-7	2,348,251	44,838	2,393,089	2,219,860	39,067	2,258,927	
10.1	Provision for restructuring		-	-	-	-	-	-	
10.2	Reserves for employee benefits		1,181,512	4,656	1,186,168	1,153,968	3,997	1,157,965	
10.3	Insurance technical reserves (Net)		-	-	-	-	-	-	
10.4	Other provisions		1,166,739	40,182	1,206,921	1,065,892	35,070	1,100,962	
XI.	CURRENT TAX LIABILITIES	V-II-8	2,172,569	1,897	2,174,466	1,138,988	3,003	1,141,991	
XII.	DEFERRED TAX LIABILITIES	V-II-8	179	20,566	20,745	1,232	30,758	31,990	
XIII.	LIABILITIES RELATED TO NON-CURRENT ASSETS "HELD FOR SALE" AND "DISCONTINUED OPERATIONS" (Net)	V-II-9	-	-	-	5,018,668	353,532	5,372,200	
13.1	Held for sale		-	-	-	5,018,668	353,532	5,372,200	
13.2	Related to discontinued operations		-	-	-	-	-	-	
XIV.	SUBORDINATED DEBT	V-II-10	6,393,675	11,362,567	17,756,242	6,394,877	12,850,576	19,245,453	
14.1	Loans		-	-	-	-	-	-	
14.2	Other debt instruments		6,393,675	11,362,567	17,756,242	6,394,877	12,850,576	19,245,453	
XV.	OTHER LIABILITIES	V-II-4	11,737,900	3,011,597	14,749,497	9,705,538	3,612,824	13,318,362	
XVI.	SHAREHOLDERS` EQUITY	V-II-11	44,028,170	972,231	45,000,401	32,573,508	978,782	33,552,290	
16.1	Paid-in capital	V-II-11	3,905,622	-	3,905,622	2,500,000	-	2,500,000	
16.2	Capital reserves		6,286,570	-	6,286,570	839,941	-	839,941	
16.2.1	Equity share premiums		6,303,323	-	6,303,323	723,962	-	723,962	
16.2.2	Share cancellation profits		-	-	-	-	-	-	
16.2.3	Other capital reserves		(16,753)	-	(16,753)	115,979	-	115,979	
16.3	Other accumulated comprehensive income that will not be reclassified in profit or loss		1,729,775	-	1,729,775	1,659,676	-	1,659,676	
16.4	Other accumulated comprehensive income that will be reclassified in profit or loss		1,108,095	650,317	1,758,412	561,289	682,614	1,243,903	
16.5	Profit reserves		25,931,726	234,636	26,166,362	23,057,072	200,064	23,257,136	
16.5.1	Legal reserves		2,779,640	17,882	2,797,522	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		21,789,900	213,139	22,003,039	20,061,308	185,780	20,247,088	
16.5.4	Other profit reserves		1,355,849	3,615	1,359,464	450,645	3,615	454,260	
16.6	Profit or loss		4,374,268	82,608	4,456,876	3,134,638	45,862	3,180,500	
16.6.1	Prior years' profits or losses		253,238	11,374	264,612	(148,390)	(40,469)	(188,859)	
16.6.2	Current period net profit or loss		4,121,030	71,234	4,192,264	3,283,028	86,331	3,369,359	
16.7	Minority interests		692,114	4,670	696,784	820,892	50,242	871,134	
TOTAL LIABILITIES AND EQUITY			304,490,087	246,392,895	550,882,982	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 JUNE 30, 2020

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

		Current Period June 30, 2020			Prior Period December 31, 2019			
		Notes	TL	FC	Total	TL	FC	Total
A.	OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		159,910,893	241,160,050	401,070,943	130,858,298	206,289,254	337,147,552
I.	GUARANTEES AND SURETIES	V-III-2	37,432,190	48,607,034	86,039,224	38,069,926	40,210,391	78,280,317
1.1.	Letters of guarantee	V-III-1	36,861,950	27,886,109	64,748,059	37,379,041	21,625,025	59,004,066
1.1.1.	Guarantees subject to State Tender Law		2,459,740	8,502,857	10,962,597	2,904,236	7,080,944	9,985,180
1.1.2.	Guarantees given for foreign trade operations		1,681,275	-	1,681,275	1,322,033	-	1,322,033
1.1.3.	Other letters of guarantee		32,720,935	19,383,252	52,104,187	33,152,772	14,544,081	47,696,853
1.2.	Bank acceptances		6,957	5,501,912	5,508,869	7,842	4,574,992	4,582,834
1.2.1.	Import letter of acceptance		-	236,514	236,514	-	220,683	220,683
1.2.2.	Other bank acceptances		6,957	5,265,398	5,272,355	7,842	4,354,309	4,362,151
1.3.	Letters of credit		182,491	14,604,563	14,787,054	141,830	13,590,815	13,732,645
1.3.1.	Documentary letters of credit		182,491	14,604,563	14,787,054	141,830	13,590,815	13,732,645
1.3.2.	Other letters of credit		-	-	-	-	-	-
1.4.	Pre-financing given as guarantee		-	5,456	5,456	-	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		267,004	388,878	655,882	324,144	142,897	467,041
1.8.	Other guarantees		27,890	85,703	113,593	51,444	49,964	101,408
1.9.	Other warranties		85,898	134,413	220,311	165,625	221,962	387,587
II.	COMMITMENTS		61,023,361	31,987,354	93,010,715	50,408,925	32,589,509	82,998,434
2.1.	Irrevocable commitments	V-III-1	53,160,688	2,770,007	55,930,695	43,325,448	5,794,937	49,120,385
2.1.1.	Asset purchase and sales commitments	V-III-1	911,526	2,458,532	3,370,058	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		3,150	-	3,150	7,500	-	7,500
2.1.4.	Loan granting commitments		23,632,737	2,493	23,635,230	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	V-III-1	4,900,652	-	4,900,652	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	V-III-1	20,727,949	-	20,727,949	17,293,741	-	17,293,741
2.1.10.	Commitments for credit cards and banking services promotions		613,052	-	613,052	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		2,371,622	308,982	2,680,604	1,527,608	230,803	1,758,411
2.2.	Revocable commitments		7,862,673	29,217,347	37,080,020	7,083,477	26,794,572	33,878,049
2.2.1.	Revocable loan granting commitments		7,862,673	29,217,347	37,080,020	7,083,477	26,794,572	33,878,049
2.2.2.	Other revocable commitments		-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS		61,455,342	160,565,662	222,021,004	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		61,455,342	160,565,662	222,021,004	42,379,447	133,489,354	175,868,801
3.2.1.	Forward foreign currency purchase and sale transactions		2,060,349	3,098,360	5,158,709	2,320,043	2,217,584	4,537,627
3.2.1.1.	Forward foreign currency purchase transactions		1,032,315	1,549,291	2,581,606	1,163,458	1,109,150	2,272,608
3.2.2.	Forward foreign currency sales		1,028,034	1,549,069	2,577,103	1,156,585	1,108,434	2,265,019
3.2.2.	Currency and interest rate swaps		50,975,090	138,097,068	189,072,158	30,978,513	115,422,998	146,401,511
3.2.2.1.	Currency swap purchase transactions		1,642,788	55,045,416	56,688,204	1,781,342	38,137,242	39,918,584
3.2.2.2.	Currency swap sale transactions		46,062,302	10,726,414	56,788,716	25,527,171	14,629,740	40,156,911
3.2.2.3.	Interest rate swap purchase transactions		1,635,000	36,162,619	37,797,619	1,835,000	31,328,008	33,163,008
3.2.2.4.	Interest rate swap sale transactions		1,635,000	36,162,619	37,797,619	1,835,000	31,328,008	33,163,008
3.2.3.	Currency, interest rate and security options		9,499	418,812	428,311	576,987	759,416	1,336,403
3.2.3.1.	Currency purchase options		8,869	202,762	211,631	367,787	294,076	661,863
3.2.3.2.	Currency sale options		630	216,050	216,680	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		8,410,404	18,951,422	27,361,826	8,503,904	15,089,356	23,593,260
B.	CUSTODY AND PLEDGED ITEMS (IV+V+VI)		2,991,963,347	2,474,092,485	5,466,055,832	2,297,605,505	1,578,274,516	3,875,880,021
IV.	ITEMS HELD IN CUSTODY		93,283,097	21,755,558	115,038,655	76,566,563	15,168,557	91,735,120
4.1.	Assets under management		4,110,331	-	4,110,331	2,113,691	-	2,113,691
4.2.	Securities held in custody		71,381,966	7,260,700	78,642,666	57,617,522	5,230,911	62,848,433
4.3.	Checks received for collection		8,764,917	1,480,081	10,244,998	8,743,308	1,190,464	9,933,772
4.4.	Commercial notes received for collection		7,267,017	1,271,320	8,538,337	6,704,176	1,084,425	7,788,601
4.5.	Other assets received for collection		2,152	274	2,426	2,152	238	2,390
4.6.	Securities received for public offering		-	-	-	-	-	-
4.7.	Other items under custody		419,190	7,513,762	7,932,952	204,705	4,909,862	5,114,567
4.8.	Custodians		1,337,524	4,229,421	5,566,945	1,181,009	2,752,657	3,933,666
V.	PLEDGED ITEMS		859,681,950	295,449,774	1,155,131,724	775,988,471	242,582,316	1,018,570,787
5.1.	Marketable securities		698,478	132,504	830,982	299,466	44,344	343,900
5.2.	Guarantee notes		934,460	2,374,895	3,309,355	877,716	1,783,494	2,621,210
5.3.	Commodity		107,811,471	3,161,350	110,972,821	106,248,275	2,762,344	109,010,619
5.4.	Warrant		-	-	-	-	-	-
5.5.	Immovables		585,871,096	243,194,852	829,065,948	552,289,678	193,747,833	746,037,511
5.6.	Other pledged items		163,785,566	46,484,299	210,269,865	115,697,559	44,107,197	159,804,756
5.7.	Depositories receiving pledged items		580,879	101,874	682,753	615,777	137,014	752,791
VI.	ACCEPTED GUARANTEES AND WARRANTIES		2,038,998,300	2,156,887,153	4,195,885,453	1,445,050,471	1,320,523,643	2,765,574,114
TOTAL OFF BALANCE SHEET COMMITMENTS (A+B)			3,151,874,240	2,715,252,535	5,867,126,775	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 JUNE 30, 2020**

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

	Notes	Reviewed Current Period January 1, 2020- June 30, 2020	Reviewed Current Period April 1, 2020- June 30, 2020	Reviewed Prior Period January 1, 2019- June 30, 2019	Reviewed Prior Period April 1, 2019- June 30, 2019
I. INTEREST INCOME	V-IV-1	21,523,890	11,069,144	21,028,965	11,087,988
1.1 Interest on loans	V-IV-1	17,244,675	8,863,470	17,074,308	8,968,489
1.2 Interest received from reserve deposits		34,251	16,995	204,433	105,323
1.3 Interest received from banks	V-IV-1	65,793	14,882	178,359	85,454
1.4 Interest received from money market transactions		750	271	1,962	1,241
1.5 Interest received from marketable securities portfolio	V-IV-1	4,042,983	2,115,509	3,429,257	1,865,812
1.5.1 Financial assets at fair value through profit or loss		55,012	20,669	41,577	30,193
1.5.2 Financial assets at fair value through other comprehensive income		1,702,839	953,657	990,855	577,162
1.5.3 Financial assets measured at amortised cost		2,285,132	1,141,183	2,396,825	1,258,457
1.6 Finance lease interest income		123,424	61,655	115,883	59,542
1.7 Other interest income		12,014	(3,638)	24,763	2,127
II. INTEREST EXPENSES	V-IV-2	10,900,196	5,526,588	15,536,474	8,123,718
2.1 Interest on deposits	V-IV-2	6,104,374	3,121,734	9,175,258	4,764,636
2.2 Interest on funds borrowed	V-IV-2	799,995	381,045	934,836	475,569
2.3 Interest on money market transactions		1,574,239	857,999	3,358,946	1,764,774
2.4 Interest on securities issued	V-IV-2	2,219,868	1,080,207	1,957,610	1,071,108
2.5 Leasing interest income		76,818	37,460	76,475	40,193
2.6 Other interest expenses		124,902	48,143	33,349	7,438
III. NET INTEREST INCOME/EXPENSE (I - II)		10,623,694	5,542,556	5,492,491	2,964,270
IV. NET FEES AND COMMISSIONS INCOME/EXPENSES		1,604,913	804,518	1,825,074	851,956
4.1 Fees and commissions received		2,008,991	983,265	2,367,528	1,165,547
4.1.1 Non-cash loans		362,436	182,110	348,869	183,026
4.1.2 Other		1,646,555	801,155	2,018,659	982,521
4.2 Fees and commissions paid		404,078	178,747	542,454	313,591
4.2.1 Non-cash loans		4,317	2,771	2,746	1,076
4.2.2 Other		399,761	175,976	539,708	312,515
V. DIVIDEND INCOME		17,287	16,898	8,432	7,095
VI. TRADING PROFIT/LOSS (Net)	V-IV-3	(766,656)	(186,821)	(1,063,874)	(1,234,803)
6.1 Profit/losses from capital market transactions	V-IV-3	733,698	580,993	121,141	69,004
6.2 Profit/losses from derivative financial transactions	V-IV-3	(1,035,944)	(774,960)	(1,492,899)	(1,501,823)
6.3 Foreign exchange profit/losses	V-IV-3	(464,410)	7,146	307,884	198,016
VII. OTHER OPERATING INCOME	V-IV-4	5,295,242	1,891,339	3,479,032	1,553,811
VIII. GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII)		16,774,480	8,068,490	9,741,155	4,142,329
IX. ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)	V-IV-5	6,368,294	3,218,864	3,970,574	1,423,023
X. OTHER PROVISION EXPENSES (-)	V-IV-5	78,167	3,232	54,243	20,315
XI. PERSONNEL EXPENSES (-)		1,749,805	887,346	1,483,825	731,678
XII. OTHER OPERATING EXPENSES (-)	V-IV-6	3,342,620	973,996	2,675,446	1,355,722
XIII. NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		5,235,594	2,985,052	1,557,067	611,591
XIV. SURPLUS WRITTEN AS GAIN AFTER MERGER		-	-	-	-
XV. PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES		27,957	14,571	32,422	18,118
XVI. NET MONETARY POSITION GAIN/LOSS		-	-	-	-
XVII. PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XII+...+XV)	V-IV-7	5,263,551	2,999,623	1,589,489	629,709
XVIII. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	V-IV-10	(1,040,084)	(579,592)	(258,487)	(94,822)
18.1 Current tax provision	V-IV-10	(1,773,065)	(1,624,293)	(448,717)	(396,714)
18.2 Expense effect of deferred tax (+)	V-IV-10	(626,768)	(172,217)	(720,419)	(81,678)
18.3 Income effect of deferred tax (-)	V-IV-10	1,359,749	1,216,918	910,649	383,570
XIX. NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)	V-IV-9	4,223,467	2,420,031	1,331,002	534,887
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	4,223,467	2,420,031	1,331,002	534,887
25.1 Group's profit/(loss)		4,192,264	2,425,909	1,266,185	485,730
25.2 Minority shares (-)		31,203	(5,878)	64,817	49,157
Profit/Loss per 100 shares (full TL)	I-XXIV	1.3575	0.6361	0.5065	0.1943

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 JUNE 30, 2020

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

		Current Period January 1, 2020- June 30, 2020	Prior Period January 1, 2019- June 30, 2019
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
I.	PROFIT (LOSS)	4,223,467	1,331,002
II.	OTHER COMPREHENSIVE INCOME	583,588	266,113
2.1.	Other comprehensive income that will not be reclassified to profit or loss	69,079	7,717
2.1.1.	Gains (Losses) on Revaluation of Property, Plant and Equipment	81,836	14,187
2.1.2.	Gains (losses) on revaluation of Intangible Assets	-	-
2.1.3.	Gains (losses) on remeasurements of defined benefit plans	(1,450)	(719)
2.1.4.	Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	(3,475)	(3,067)
2.1.5.	Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	(7,832)	(2,684)
2.2.	Other Comprehensive Income That Will Be Reclassified to Profit or Loss	514,509	258,396
2.2.1.	Exchange Differences on Translation	61,279	94,772
2.2.2.	Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income	611,869	120,104
2.2.3.	Income (Loss) Related with Cash Flow Hedges	-	-
2.2.4.	Income (Loss) Related with Hedges of Net Investments in Foreign Operations	(31,049)	67,188
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	(127,590)	(23,668)
III.	TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)	4,807,055	1,597,115

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 June 30, 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								
	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
Current Period June 30, 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	3,180,500	-	32,681,156	871,134	33,552,290
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	723,962	-	115,979	1,068,152	(105,972)	697,496	407,474	879,787	(43,358)	23,257,136	3,180,500	-	32,681,156	871,134	33,552,290
IV.	Total Comprehensive Income	-	-	-	-	71,926	(738)	(1,089)	61,279	484,279	(31,049)	-	-	4,192,264	4,776,872	30,183	4,807,055
V.	Capital Increase by Cash	1,405,622	5,579,361	-	-	-	-	-	-	-	-	-	-	-	6,984,983	-	6,984,983
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	-	-	-	(132,732)	-	-	-	-	-	-	(17,430)	10,768	-	(139,394)	(204,533)	(343,927)
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	-	2,926,656	(2,926,656)	-	-	-	-
11.1.	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2.	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	2,926,656	(2,926,656)	-	-	-	-
11.3.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance (I+II+...X+XI)		3,905,622	6,303,323	-	(16,753)	1,140,078	(106,710)	696,407	468,753	1,364,066	(74,407)	26,166,362	264,612	4,192,264	44,303,617	696,784	45,000,401

- 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 June 30, 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 June 30, 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																
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	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	-	-	-	-	10,662	(599)	(13,092)	94,772	160,268	67,188	-	-	1,266,185	1,585,384	11,731	1,597,115
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	-	(70,731)	-	-	-	-	-	-	(2,297)	(47,999)	-	(121,026)	7,928	(113,098)
XI.	Profit Distribution																
11.1.	Dividends paid	-	-	-	-	-	-	-	-	-	-	5,238,455	(5,238,455)	-	-	-	-
11.2.	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	5,238,455	(5,238,455)	-	-	-	-
11.3.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Ending Balance (I+II+...X+XI)	2,500,000	724,277	-	20,702	1,228,794	(41,956)	428,637	402,114	42,499	(35,104)	23,482,039	(189,750)	1,266,185	29,828,437	761,333	30,589,770

- 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

CONSOLIDATED INTERIM ACTIVITY REPORT AS OF JUNE 30, 2020

	Notes	Current Period June 30, 2020	Prior Period June 30, 2019
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities (+)		5,470,111	450,716
1.1.1 Interest received (+)		17,163,089	18,742,402
1.1.2 Interest paid (-)		(11,081,200)	(15,188,258)
1.1.3 Dividends received (+)		17,287	7,810
1.1.4 Fees and commissions received (+)		2,527,842	2,367,528
1.1.5 Other income (+)		341,928	674,093
1.1.6 Collections from previously written off loans and other receivables (+)		2,210,432	1,108,399
1.1.7 Cash payments to personnel and service suppliers (-)		(1,806,330)	(1,699,808)
1.1.8 Taxes paid (-)		(802,190)	(1,305,108)
1.1.9 Other (+/-)		(3,100,747)	(4,256,342)
1.2 Changes in operating assets and liabilities subject to banking operations		497,563	7,048,650
1.2.1 Net (Increase) Decrease in Financial Assets at Fair Value through Profit or Loss (+/-)		(5,783,989)	(293,200)
1.2.2 Net decrease (increase) in due from banks (+/-)		(236,264)	(132,900)
1.2.3 Net decrease (increase) in loans		(90,711,477)	(27,085,502)
1.2.4 Net decrease (increase) in other assets (+/-)		(767,330)	(1,539,940)
1.2.5 Net increase (decrease) in bank deposits (+/-)		963,697	3,301,544
1.2.6 Net increase (decrease) in other deposits (+/-)		83,251,876	31,824,813
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 (+/-)		2,374,052	(2,056,048)
1.2.9 Net increase (decrease) in matured payables (+/-)		-	-
1.2.10 Net increase (decrease) in other liabilities (+/-)		11,406,998	3,029,883
I. Net cash provided from banking operations(+/-)		5,967,674	7,499,366
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided from investing activities(+/-)		(18,806,678)	(13,733,266)
2.1 Cash paid for the purchase of associates, subsidiaries and joint ventures		(254,380)	-
2.2 Cash obtained from the sale of associates, subsidiaries and joint ventures		700	-
2.3 Cash paid for the purchase of tangible and intangible asset (-)		(1,260,342)	(1,090,718)
2.4 Cash obtained from the sale of tangible and intangible asset (+)		63,626	230,612
2.5 Cash paid for the purchase of financial assets at fair value through other comprehensive income (-)		(29,521,793)	(9,642,064)
2.6 Cash obtained from the sale of financial assets at fair value through other comprehensive income (+)		12,839,699	2,548,376
2.7 Cash paid for the purchase of financial assets at amortised cost (-)		(7,230,533)	(6,001,964)
2.8 Cash obtained from sale of financial assets at amortised cost (+)		6,578,646	447,853
2.9 Other (+/-)		(22,301)	(225,361)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash flows from financing activities (+/-)		14,405,375	9,165,102
3.1 Cash obtained from funds borrowed and securities issued (+)		20,001,435	18,680,754
3.2 Cash outflow from funds borrowed and securities issued (-)		(12,399,725)	(9,344,414)
3.3 Equity instruments issued (+)		7,000,000	-
3.4 Dividends paid (-)		-	-
3.5 Payments for finance lease liabilities (-)		(196,335)	(171,238)
3.6 Other (+/-)		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents		974	76,080
V. Net increase/decrease in cash and cash equivalents (I+II+III+IV)		1,567,345	3,007,282
VI. Cash and cash equivalents at beginning of the period (+)		29,986,852	21,379,500
VII. Cash and cash equivalents at end of the period (V+VI)		31,554,197	24,386,782

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