

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED INTERIM 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 31 MARCH 2017**

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

			Reviewed			Audited		
			Current Period 31 March 2017			Prior Period 31 December 2016		
ASSETS	Notes	TL	FC	Total	TL	FC	Total	
<b>I. CASH AND BALANCES WITH THE CENTRAL BANK</b>	<b>V-I-1</b>	<b>3,557,698</b>	<b>19,742,507</b>	<b>23,300,205</b>	<b>4,409,130</b>	<b>19,956,167</b>	<b>24,365,297</b>	
<b>II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)</b>	<b>V-I-2</b>	<b>1,647,370</b>	<b>124,091</b>	<b>1,771,461</b>	<b>1,478,068</b>	<b>133,112</b>	<b>1,611,180</b>	
2.1 Financial assets held for trading purpose		1,647,370	124,091	1,771,461	1,478,068	133,112	1,611,180	
2.1.1 Debt securities issued by the governments		-	-	-	-	-	-	
2.1.2 Equity securities		-	-	-	-	-	-	
2.1.3 Derivative financial assets held for trading purpose	V-I-2	1,647,166	124,091	1,771,257	1,477,867	133,112	1,610,979	
2.1.4 Other securities		204	-	204	201	-	201	
2.2 Financial assets designated at fair value through profit or loss		-	-	-	-	-	-	
2.2.1 Debt securities issued by the governments		-	-	-	-	-	-	
2.2.2 Equity securities		-	-	-	-	-	-	
2.2.3 Loans		-	-	-	-	-	-	
2.2.4 Other securities		-	-	-	-	-	-	
<b>III. BANKS</b>	<b>V-I-3</b>	<b>22,865</b>	<b>5,477,604</b>	<b>5,500,469</b>	<b>37,570</b>	<b>3,852,752</b>	<b>3,890,322</b>	
<b>IV. RECEIVABLES FROM INTERBANK MONEY MARKETS</b>		<b>360,430</b>		<b>360,430</b>				
4.1 Interbank money market placements		360,430		360,430				
4.2 Istanbul Stock Exchange money market placements		-		-				
4.3 Receivables from reverse repurchase agreements		-		-				
<b>V. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Net)</b>	<b>V-I-4</b>	<b>13,030,980</b>	<b>5,354,881</b>	<b>18,385,861</b>	<b>12,588,929</b>	<b>5,230,128</b>	<b>17,819,057</b>	
5.1 Equity securities		15	32,451	32,466	15	27,595	27,610	
5.2 Debt securities issued by the governments		13,030,965	5,322,430	18,353,395	12,588,914	5,202,533	17,791,447	
5.3 Other securities		-	-	-	-	-	-	
<b>VI. LOANS AND RECEIVABLES</b>	<b>V-I-5</b>	<b>105,687,546</b>	<b>48,539,738</b>	<b>154,227,284</b>	<b>100,121,757</b>	<b>47,590,618</b>	<b>147,712,375</b>	
6.1 Performing loans and receivables		104,628,012	48,539,738	153,167,750	99,028,374	47,590,618	146,618,992	
6.1.1 Loans provided to risk group	V-V-1	49,120	304,806	353,926	36,595	295,669	332,264	
6.1.2 Debt securities issued by the governments		-	-	-	-	-	-	
6.1.3 Others		104,578,892	48,234,932	152,813,824	98,991,779	47,294,949	146,286,728	
6.2 Loans under follow-up		6,728,333	-	6,728,333	6,413,503	-	6,413,503	
6.3 Specific provisions (-)		5,668,799	-	5,668,799	5,320,120	-	5,320,120	
<b>VII. FACTORING RECEIVABLES</b>								
<b>VIII. HELD-TO-MATURITY INVESTMENT SECURITIES (Net)</b>	<b>V-I-6</b>	<b>8,501,327</b>	<b>127,089</b>	<b>8,628,416</b>	<b>8,039,914</b>	<b>140,621</b>	<b>8,180,535</b>	
8.1 Debt securities issued by the governments		8,501,327	-	8,501,327	8,039,914	-	8,039,914	
8.2 Other securities		-	127,089	127,089	-	140,621	140,621	
<b>IX. INVESTMENTS IN ASSOCIATES (Net)</b>	<b>V-I-7</b>	<b>292,609</b>		<b>292,609</b>	<b>299,478</b>		<b>299,478</b>	
9.1 Associates, consolidated per equity method		-	-	-	-	-	-	
9.2 Unconsolidated associates		292,609	-	292,609	299,478	-	299,478	
9.2.1 Financial associates		281,209	-	281,209	288,078	-	288,078	
9.2.2 Non-Financial associates		11,400	-	11,400	11,400	-	11,400	
<b>X. INVESTMENTS IN SUBSIDIARIES (Net)</b>	<b>V-I-8</b>	<b>1,467,363</b>	<b>454,055</b>	<b>1,921,418</b>	<b>1,363,012</b>	<b>434,112</b>	<b>1,797,124</b>	
10.1 Unconsolidated financial subsidiaries		1,198,467	454,055	1,652,522	1,094,116	434,112	1,528,228	
10.2 Unconsolidated non-financial subsidiaries		268,896	-	268,896	268,896	-	268,896	
<b>XI. INVESTMENTS IN JOINT-VENTURES (Net)</b>	<b>V-I-9</b>							
11.1 Joint-ventures, consolidated per equity method		-	-	-	-	-	-	
11.2 Unconsolidated joint-ventures		-	-	-	-	-	-	
11.2.1 Financial joint-ventures		-	-	-	-	-	-	
11.2.2 Non-Financial joint-ventures		-	-	-	-	-	-	
<b>XII. LEASE RECEIVABLES</b>	<b>V-I-10</b>							
12.1 Finance lease receivables		-	-	-	-	-	-	
12.2 Operational lease receivables		-	-	-	-	-	-	
12.3 Others		-	-	-	-	-	-	
12.4 Unearned income (-)		-	-	-	-	-	-	
<b>XIII. DERIVATIVE FINANCIAL ASSETS HELD FOR RISK MANAGEMENT PURPOSE</b>	<b>V-I-11</b>							
13.1 Fair value hedges		-	-	-	-	-	-	
13.2 Cash flow hedges		-	-	-	-	-	-	
13.3 Hedges of net investment in foreign operations		-	-	-	-	-	-	
<b>XIV. TANGIBLE ASSETS (Net)</b>		<b>1,393,293</b>	<b>7,955</b>	<b>1,401,248</b>	<b>1,401,949</b>	<b>7,926</b>	<b>1,409,875</b>	
<b>XV. INTANGIBLE ASSETS (Net)</b>		<b>202,710</b>		<b>202,710</b>	<b>193,866</b>		<b>193,866</b>	
15.1 Goodwill		-	-	-	-	-	-	
15.2 Other intangibles		202,710	-	202,710	193,866	-	193,866	
<b>XVI. INVESTMENT PROPERTIES (Net)</b>	<b>V-I-12</b>							
<b>XVII. TAX ASSETS</b>					<b>83,109</b>		<b>83,109</b>	
17.1 Current tax assets		-	-	-	-	-	-	
17.2 Deferred tax assets	V-I-13	-	-	-	83,109	-	83,109	
<b>XVIII. ASSETS HELD FOR SALE AND ASSETS RELATED TO THE DISCONTINUED OPERATIONS (Net)</b>	<b>V-I-14</b>	<b>1,234,458</b>		<b>1,234,458</b>	<b>1,227,867</b>		<b>1,227,867</b>	
18.1 Assets held for sale		1,234,458	-	1,234,458	1,227,867	-	1,227,867	
18.2 Assets related to the discontinued operations		-	-	-	-	-	-	
<b>XIX. OTHER ASSETS</b>	<b>V-I-15</b>	<b>1,988,356</b>	<b>1,796,836</b>	<b>3,785,192</b>	<b>1,685,657</b>	<b>2,264,163</b>	<b>3,949,820</b>	
<b>TOTAL ASSETS</b>		<b>139,387,005</b>	<b>81,624,756</b>	<b>221,011,761</b>	<b>132,930,306</b>	<b>79,609,599</b>	<b>212,539,905</b>	

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

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UNCONSOLIDATED BALANCE SHEET  
(STATEMENT OF FINANCIAL POSITION)  
AS AT 31 MARCH 2017**

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

			Reviewed Current Period 31 March 2017			Audited Prior Period 31 December 2016		
LIABILITIES AND EQUITY		Notes	TL	FC	Total	TL	FC	Total
<b>I.</b>	<b>DEPOSITS</b>	<b>V-II-1</b>	<b>88,301,478</b>	<b>41,683,417</b>	<b>129,984,895</b>	<b>86,113,201</b>	<b>37,725,176</b>	<b>123,838,377</b>
1.1	Deposits of the risk group	V-V-1	2,133,186	558,876	2,692,062	1,984,546	212,599	2,197,145
1.2	Other deposits		86,168,292	41,124,541	127,292,833	84,128,655	37,512,577	121,641,232
<b>II.</b>	<b>DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING PURPOSE</b>	<b>V-II-2</b>	<b>512,794</b>	<b>207,684</b>	<b>720,478</b>	<b>954,633</b>	<b>189,070</b>	<b>1,143,703</b>
<b>III.</b>	<b>FUNDS BORROWED</b>	<b>V-II-3</b>	<b>679,363</b>	<b>25,982,645</b>	<b>26,662,008</b>	<b>671,898</b>	<b>23,521,872</b>	<b>24,193,770</b>
<b>IV.</b>	<b>INTERBANK MONEY MARKET</b>		<b>8,783,904</b>	<b>2,216,783</b>	<b>11,000,687</b>	<b>11,172,470</b>	<b>1,722,864</b>	<b>12,895,334</b>
4.1	Interbank money market takings		3,966,234	363,040	4,329,274	2,501,180	-	2,501,180
4.2	Istanbul Stock Exchange money market takings		-	-	-	-	-	-
4.3	Obligations under repurchase agreements		4,817,670	1,853,743	6,671,413	8,671,290	1,722,864	10,394,154
<b>V.</b>	<b>SECURITIES ISSUED (Net)</b>	<b>V-II-3</b>	<b>3,689,571</b>	<b>11,900,435</b>	<b>15,590,006</b>	<b>3,268,595</b>	<b>11,439,150</b>	<b>14,707,745</b>
5.1	Bills		3,689,571	-	3,689,571	3,268,595	-	3,268,595
5.2	Asset backed securities		-	-	-	-	-	-
5.3	Bonds		-	11,900,435	11,900,435	-	11,439,150	11,439,150
<b>VI.</b>	<b>FUNDS</b>		<b>3,351</b>	<b>-</b>	<b>3,351</b>	<b>3,319</b>	<b>-</b>	<b>3,319</b>
6.1	Funds against borrower's note		-	-	-	-	-	-
6.2	Others		3,351	-	3,351	3,319	-	3,319
<b>VII.</b>	<b>MISCELLANEOUS PAYABLES</b>		<b>4,245,091</b>	<b>1,080,865</b>	<b>5,325,956</b>	<b>4,381,317</b>	<b>781,677</b>	<b>5,162,994</b>
<b>VIII.</b>	<b>OTHER EXTERNAL RESOURCES PAYABLE</b>	<b>V-II-4</b>	<b>811,790</b>	<b>1,284,365</b>	<b>2,096,155</b>	<b>677,086</b>	<b>1,999,105</b>	<b>2,676,191</b>
<b>IX.</b>	<b>FACTORING PAYABLES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>X.</b>	<b>LEASE PAYABLES</b>	<b>V-II-5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
10.1	Finance lease payables		-	-	-	-	-	-
10.2	Operational lease payables		-	-	-	-	-	-
10.3	Others		-	-	-	-	-	-
10.4	Deferred finance leasing expenses (-)		-	-	-	-	-	-
<b>XI.</b>	<b>DERIVATIVE FINANCIAL LIABILITIES HELD FOR RISK MANAGEMENT PURPOSE</b>	<b>V-II-6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
11.1	Fair value hedges		-	-	-	-	-	-
11.2	Cash flow hedges		-	-	-	-	-	-
11.3	Hedges of net investment in foreign operations		-	-	-	-	-	-
<b>XII.</b>	<b>PROVISIONS</b>	<b>V-II-7</b>	<b>3,260,638</b>	<b>18,291</b>	<b>3,278,929</b>	<b>3,205,470</b>	<b>18,622</b>	<b>3,224,092</b>
12.1	General provisions	V-II-7	2,179,348	14,128	2,193,476	2,153,773	13,670	2,167,443
12.2	Restructuring reserves		-	-	-	-	-	-
12.3	Reserve for employee benefits		742,847	-	742,847	710,171	-	710,171
12.4	Insurance technical provisions (Net)		-	-	-	-	-	-
12.5	Other provisions	V-II-7	338,443	4,163	342,606	341,526	4,952	346,478
<b>XIII.</b>	<b>TAX LIABILITIES</b>	<b>V-II-8</b>	<b>436,033</b>	<b>37,484</b>	<b>473,517</b>	<b>422,131</b>	<b>2,325</b>	<b>424,456</b>
13.1	Current tax liabilities		436,033	2,733	438,766	422,131	2,325	424,456
13.2	Deferred tax liabilities	V-I-13	-	34,751	34,751	-	-	-
<b>XIV.</b>	<b>PAYABLES FOR ASSETS HELD FOR SALE AND ASSETS RELATED TO DISCONTINUED OPERATIONS</b>	<b>V-II-9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
14.1	Payables related to the assets held for sale		-	-	-	-	-	-
14.2	Payables related to the discontinued operations		-	-	-	-	-	-
<b>XV.</b>	<b>SUBORDINATED LOANS</b>	<b>V-II-10</b>	<b>-</b>	<b>5,199,826</b>	<b>5,199,826</b>	<b>-</b>	<b>5,031,213</b>	<b>5,031,213</b>
<b>XVI.</b>	<b>EQUITY</b>		<b>20,382,576</b>	<b>293,377</b>	<b>20,675,953</b>	<b>19,035,854</b>	<b>202,857</b>	<b>19,238,711</b>
16.1	Paid-in capital	V-II-11	2,500,000	-	2,500,000	2,500,000	-	2,500,000
16.2	Capital reserves		2,192,335	293,377	2,485,712	2,070,365	202,857	2,273,222
16.2.1	Share premium		723,918	-	723,918	723,918	-	723,918
16.2.2	Share cancellation profits		-	-	-	-	-	-
16.2.3	Valuation differences of the marketable securities	V-II-11	617,141	293,377	910,518	495,171	202,857	698,028
16.2.4	Revaluation surplus on tangible assets		829,895	-	829,895	829,895	-	829,895
16.2.5	Revaluation surplus on intangible assets		-	-	-	-	-	-
16.2.6	Revaluation surplus on investment properties		-	-	-	-	-	-
16.2.7	Bonus shares of associates, subsidiaries and joint-ventures		69,222	-	69,222	69,222	-	69,222
16.2.8	Hedging reserves (effective portion)		-	-	-	-	-	-
16.2.9	Revaluation surplus on assets held for sale and assets related to the discontinued operations		-	-	-	-	-	-
16.2.10	Other capital reserves		(47,841)	-	(47,841)	(47,841)	-	(47,841)
16.3	Profit reserves		11,762,447	-	11,762,447	11,762,447	-	11,762,447
16.3.1	Legal reserves		1,367,022	-	1,367,022	1,367,022	-	1,367,022
16.3.2	Status reserves		-	-	-	-	-	-
16.3.3	Extraordinary reserves		9,964,966	-	9,964,966	9,964,966	-	9,964,966
16.3.4	Other profit reserves		430,459	-	430,459	430,459	-	430,459
16.4	Profit or loss		3,927,794	-	3,927,794	2,703,042	-	2,703,042
16.4.1	Prior years' profit/loss		2,703,042	-	2,703,042	-	-	-
16.4.2	Current period's profit/loss		1,224,752	-	1,224,752	2,703,042	-	2,703,042
<b>TOTAL LIABILITIES AND EQUITY</b>			<b>131,106,589</b>	<b>89,905,172</b>	<b>221,011,761</b>	<b>129,905,974</b>	<b>82,633,931</b>	<b>212,539,905</b>

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 31 MARCH 2017  
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)**

	Notes	Reviewed Current Period 31 March 2017			Audited Prior Period 31 December 2016		
		TL	FC	Total	TL	FC	Total
<b>A. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES</b>							
<b>(I+II+III)</b>		<b>70,343,184</b>	<b>84,237,706</b>	<b>154,580,890</b>	<b>71,071,210</b>	<b>75,396,231</b>	<b>146,467,441</b>
<b>I. GUARANTEES AND SURETIES</b>	<b>V-III-2-4</b>	<b>27,686,187</b>	<b>14,589,226</b>	<b>42,275,413</b>	<b>26,743,456</b>	<b>13,704,968</b>	<b>40,448,424</b>
1.1 Letters of guarantee		27,652,643	5,808,045	33,460,688	26,687,992	5,626,758	32,314,750
1.1.1 Guarantees subject to State Tender Law		3,161,501	2,748,633	5,910,134	3,203,501	2,571,209	5,774,710
1.1.2 Guarantees given for foreign trade operations		1,067,248	-	1,067,248	1,059,516	-	1,059,516
1.1.3 Other letters of guarantee		23,423,894	3,059,412	26,483,306	22,424,975	3,055,549	25,480,524
1.2 Bank acceptances		33,380	1,184,539	1,217,919	53,702	1,143,484	1,197,186
1.2.1 Import letter of acceptance		-	406,957	406,957	-	395,874	395,874
1.2.2 Other bank acceptances		33,380	777,582	810,962	53,702	747,610	801,312
1.3 Letters of credit		164	7,551,144	7,551,308	1,762	6,911,368	6,913,130
1.3.1 Documentary letters of credit		164	7,551,144	7,551,308	1,762	6,911,368	6,913,130
1.3.2 Other letters of credit		-	-	-	-	-	-
1.4 Guaranteed pre-financings		-	2,887	2,887	-	2,796	2,796
1.5 Endorsements		-	-	-	-	-	-
1.5.1 Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2 Other endorsements		-	-	-	-	-	-
1.6 Marketable securities underwriting commitments		-	-	-	-	-	-
1.7 Factoring related guarantees		-	-	-	-	-	-
1.8 Other guarantees		-	39,946	39,946	-	16,890	16,890
1.9 Other sureties		-	2,665	2,665	-	3,672	3,672
<b>II. COMMITMENTS</b>		<b>27,027,431</b>	<b>20,007,314</b>	<b>47,034,745</b>	<b>26,475,216</b>	<b>12,535,618</b>	<b>39,010,834</b>
2.1 Irrevocable commitments		23,992,978	1,800,953	25,793,931	23,451,047	1,502,055	24,953,102
2.1.1 Asset purchase commitments	V-III-1	692,700	1,800,953	2,493,653	1,362,697	1,502,055	2,864,752
2.1.2 Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3 Share capital commitments to associates and subsidiaries	V-III-1	-	-	-	-	-	-
2.1.4 Loan granting commitments	V-III-1	10,141,835	-	10,141,835	9,817,555	-	9,817,555
2.1.5 Securities issuance brokerage commitments		-	-	-	-	-	-
2.1.6 Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7 Commitments for cheque payments	V-III-1	2,340,829	-	2,340,829	2,154,102	-	2,154,102
2.1.8 Tax and fund obligations on export commitments		-	-	-	-	-	-
2.1.9 Commitments for credit card limits	V-III-1	9,348,728	-	9,348,728	8,682,835	-	8,682,835
2.1.10 Commitments for credit card and banking operations promotions		375,169	-	375,169	300,108	-	300,108
2.1.11 Receivables from "short" sale commitments on securities		-	-	-	-	-	-
2.1.12 Payables from "short" sale commitments on securities		-	-	-	-	-	-
2.1.13 Other irrevocable commitments		1,093,717	-	1,093,717	1,133,750	-	1,133,750
2.2 Revocable commitments		3,034,453	18,206,361	21,240,814	3,024,169	11,033,563	14,057,732
2.2.1 Revocable loan granting commitments		3,034,453	18,206,361	21,240,814	3,024,169	11,033,563	14,057,732
2.2.2 Other revocable commitments		-	-	-	-	-	-
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>		<b>15,629,566</b>	<b>49,641,166</b>	<b>65,270,732</b>	<b>17,852,538</b>	<b>49,155,645</b>	<b>67,008,183</b>
3.1 Derivative financial instruments held for risk management		-	-	-	-	-	-
3.1.1 Fair value hedges		-	-	-	-	-	-
3.1.2 Cash flow hedges		-	-	-	-	-	-
3.1.3 Net foreign investment hedges		-	-	-	-	-	-
3.2 Trading derivatives		15,629,566	49,641,166	65,270,732	17,852,538	49,155,645	67,008,183
3.2.1 Forward foreign currency purchases/sales		817,048	1,431,236	2,248,284	489,310	1,120,684	1,609,994
3.2.2.1 Forward foreign currency purchases		408,997	715,660	1,124,657	244,982	560,368	805,350
3.2.2.2 Forward foreign currency sales		408,051	715,576	1,123,627	244,328	560,316	804,644
3.2.2 Currency and interest rate swaps		13,839,853	36,661,716	50,501,569	16,314,487	37,172,783	53,487,270
3.2.2.1 Currency swaps-purchases		4,762,713	13,780,331	18,543,044	8,539,652	11,631,406	20,171,058
3.2.2.2 Currency swaps-sales		7,627,140	5,838,575	13,465,715	6,324,835	9,924,553	16,249,388
3.2.2.3 Interest rate swaps-purchases		725,000	8,521,405	9,246,405	725,000	7,808,412	8,533,412
3.2.2.4 Interest rate swaps-sales		725,000	8,521,405	9,246,405	725,000	7,808,412	8,533,412
3.2.3 Currency, interest rate and security options		228,336	826,960	1,055,296	142,676	730,632	873,308
3.2.3.1 Currency call options		154,306	366,878	521,184	121,124	306,804	427,928
3.2.3.2 Currency put options		74,030	460,082	534,112	21,552	423,828	445,380
3.2.3.3 Interest rate call options		-	-	-	-	-	-
3.2.3.4 Interest rate put options		-	-	-	-	-	-
3.2.3.5 Security call options		-	-	-	-	-	-
3.2.3.6 Security put options		-	-	-	-	-	-
3.2.4 Currency futures		-	-	-	-	-	-
3.2.4.1 Currency futures-purchases		-	-	-	-	-	-
3.2.4.2 Currency futures-sales		-	-	-	-	-	-
3.2.5 Interest rate futures		-	-	-	-	-	-
3.2.5.1 Interest rate futures-purchases		-	-	-	-	-	-
3.2.5.2 Interest rate futures-sales		-	-	-	-	-	-
3.2.6 Others		744,329	10,721,254	11,465,583	906,065	10,131,546	11,037,611
<b>B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)</b>		<b>1,102,437,479</b>	<b>668,994,543</b>	<b>1,771,432,022</b>	<b>1,043,040,320</b>	<b>580,201,858</b>	<b>1,623,242,178</b>
<b>IV. ITEMS HELD IN CUSTODY</b>		<b>58,502,230</b>	<b>4,118,461</b>	<b>62,620,691</b>	<b>54,374,804</b>	<b>4,027,246</b>	<b>58,402,050</b>
4.1 Customers' securities held		-	-	-	-	-	-
4.2 Investment securities held in custody		47,614,647	110,654	47,725,301	43,319,878	147,806	43,467,684
4.3 Checks received for collection		9,130,715	2,510,545	11,641,260	9,130,796	2,502,025	11,632,821
4.4 Commercial notes received for collection		949,236	442,752	1,391,988	941,776	410,946	1,352,722
4.5 Other assets received for collection		2,152	145	2,297	2,152	141	2,293
4.6 Assets received through public offering		-	-	-	-	-	-
4.7 Other items under custody		309	71,654	71,963	309	66,081	66,390
4.8 Custodians		805,171	982,711	1,787,882	979,893	900,247	1,880,140
<b>V. PLEDGED ITEMS</b>		<b>291,657,703</b>	<b>109,841,766</b>	<b>401,499,469</b>	<b>280,652,246</b>	<b>104,200,492</b>	<b>384,852,738</b>
5.1 Securities		575,459	10,834	586,293	495,249	16,366	511,615
5.2 Guarantee notes		716,860	586,756	1,303,616	767,038	544,996	1,312,034
5.3 Commodities		32,125,859	655,877	32,781,736	31,750,967	775,907	32,526,874
5.4 Warranties		-	-	-	-	-	-
5.5 Real estates		238,773,131	91,303,593	330,076,724	230,129,196	86,340,346	316,469,542
5.6 Other pledged items		18,910,254	17,130,466	36,040,720	16,959,461	16,365,309	33,324,770
5.7 Pledged items-depository		556,140	154,240	710,380	550,335	157,568	707,903
<b>VI. CONFIRMED BILLS OF EXCHANGE AND SURETIES</b>		<b>752,277,546</b>	<b>555,034,316</b>	<b>1,307,311,862</b>	<b>708,013,270</b>	<b>471,974,120</b>	<b>1,179,987,390</b>
<b>TOTAL OFF-BALANCE SHEET ITEMS (A+B)</b>		<b>1,172,780,663</b>	<b>753,232,249</b>	<b>1,926,012,912</b>	<b>1,114,111,530</b>	<b>655,598,089</b>	<b>1,769,709,619</b>

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI  
UNCONSOLIDATED STATEMENT OF INCOME  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2017**

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

	Notes	Reviewed Current Period 1 January 2017- 31 March 2017	Reviewed Prior Period 1 January 2016- 31 March 2016
<b>I. INTEREST INCOME</b>		<b>4,840,535</b>	<b>3,916,177</b>
1.1 Interest income from loans	V-IV-1	3,927,451	3,246,647
1.2 Interest income from reserve deposits		43,402	28,593
1.3 Interest income from banks	V-IV-1	7,712	5,528
1.4 Interest income from money market transactions		13,900	-
1.5 Interest income from securities portfolio	V-IV-1	846,105	634,023
1.5.1 Trading financial assets		-	-
1.5.2 Financial assets designated at fair value through profit or loss		-	-
1.5.3 Available-for-sale financial assets		501,471	423,044
1.5.4 Held-to-maturity investments		344,634	210,979
1.6 Finance lease income		-	-
1.7 Other interest income		1,965	1,386
<b>II. INTEREST EXPENSE</b>		<b>2,463,778</b>	<b>2,365,200</b>
2.1 Interest expense on deposits	V-IV-2	1,735,273	1,814,526
2.2 Interest expense on funds borrowed	V-IV-2	142,237	74,172
2.3 Interest expense on money market transactions		270,059	235,673
2.4 Interest expense on securities issued	V-IV-2	215,292	154,345
2.5 Other interest expenses		100,917	86,484
<b>III. NET INTEREST INCOME (I – II)</b>		<b>2,376,757</b>	<b>1,550,977</b>
<b>IV. NET FEES AND COMMISSIONS INCOME</b>		<b>290,876</b>	<b>227,031</b>
4.1 Fees and commissions received		434,448	349,737
4.1.1 Non-cash loans		68,123	52,975
4.1.2 Others		366,325	296,762
4.2 Fees and commissions paid		143,572	122,706
4.2.1 Non-cash loans		65	9
4.2.2 Others		143,507	122,697
<b>V. DIVIDEND INCOME</b>		<b>43,013</b>	<b>38,257</b>
<b>VI. TRADING INCOME/LOSSES (Net)</b>	<b>V-IV-3</b>	<b>117,334</b>	<b>19,145</b>
6.1 Trading account income/losses	V-IV-3	22,227	9,367
6.2 Income/losses from derivative financial instruments	V-IV-3	35,767	(16,934)
6.3 Foreign exchange gains/losses	V-IV-3	59,340	26,712
<b>VII. OTHER OPERATING INCOME</b>	<b>V-IV-4</b>	<b>439,500</b>	<b>245,403</b>
<b>VIII. TOTAL OPERATING PROFIT (III+IV+V+VI+VII)</b>		<b>3,267,480</b>	<b>2,080,813</b>
<b>IX. PROVISION FOR LOSSES ON LOANS AND OTHER RECEIVABLES (-)</b>	<b>V-IV-5</b>	<b>733,435</b>	<b>509,147</b>
<b>X. OTHER OPERATING EXPENSES (-)</b>	<b>V-IV-6</b>	<b>1,016,455</b>	<b>932,056</b>
<b>XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)</b>		<b>1,517,590</b>	<b>639,610</b>
<b>XII. INCOME RESULTED FROM MERGERS</b>		-	-
<b>XIII. INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING</b>		-	-
<b>XIV. GAIN/LOSS ON NET MONETARY POSITION</b>		-	-
<b>XV. INCOME/LOSS FROM CONTINUING OPERATIONS BEFORE TAXES (XI+XII+XIII+XIV)</b>	<b>V-IV-7</b>	<b>1,517,590</b>	<b>639,610</b>
<b>XVI. CONTINUING OPERATIONS PROVISION FOR TAXES</b>	<b>V-IV-8</b>	<b>(292,838)</b>	<b>(122,947)</b>
16.1 Current tax charges		(213,052)	(102,648)
16.2 Deferred tax credits		(79,786)	(20,299)
<b>XVII. NET INCOME/LOSS AFTER TAXES FROM CONTINUING OPERATIONS (XV-XVI)</b>	<b>V-IV-9</b>	<b>1,224,752</b>	<b>516,663</b>
<b>XVIII. INCOME FROM DISCONTINUED OPERATIONS</b>		-	-
18.1 Income from investment properties		-	-
18.2 Income from sales of subsidiaries, affiliates and joint-ventures		-	-
18.3 Other income from discontinued activities		-	-
<b>XIX. EXPENSES FROM DISCONTINUED OPERATIONS</b>		-	-
19.1 Investment property expenses		-	-
19.2 Losses from sales of subsidiaries, affiliates and joint ventures		-	-
19.3 Other expenses from discontinued activities		-	-
<b>XX. INCOME/LOSS FROM DISCONTINUED OPERATIONS BEFORE TAXES</b>		-	-
<b>XXI. DISCONTINUED OPERATIONS PROVISION FOR TAXES</b>		-	-
21.1 Current tax charge		-	-
21.2 Deferred tax charge		-	-
<b>XXII. NET INCOME/LOSS AFRET TAXES FROM DISCONTINUED OPERATIONS</b>		-	-
<b>XXIII. NET PROFIT/LOSS (XVII+XXII)</b>	<b>V-IV-9</b>	<b>1,224,752</b>	<b>516,663</b>
Profit/Loss per 100 shares (full TL)		0.4899	0.2067

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI  
UNCONSOLIDATED STATEMENT OF GAINS AND LOSSES RECOGNIZED IN EQUITY  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2017**

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

	Reviewed Current Period 1 January 2017- 31 March 2017	Reviewed Prior Period 1 January 2016- 31 March 2016
<b>GAINS AND LOSSES RECOGNIZED IN EQUITY</b>		
<b>I. VALUATION DIFFERENCES OF AVAILABLE FOR SALE FINANCIAL ASSETS RECOGNIZED IN VALUATION DIFFERENCES OF MARKETABLE SECURITIES</b>	<b>173,769</b>	<b>228,308</b>
<b>II. REVALUATION SURPLUS ON TANGIBLE ASSETS</b>	-	(247)
<b>III. REVALUATION SURPLUS ON INTANGIBLE ASSETS</b>	-	-
<b>IV. CURRENCY TRANSLATION DIFFERENCES</b>	-	-
<b>V. GAINS/(LOSSES) FROM CASH FLOW HEDGES</b>	-	-
(Effective Portion of Fair Value Changes)	-	-
<b>VI. GAINS/(LOSSES) FROM NET FOREIGN INVESTMENT HEDGES</b>	-	-
(Effective portion)	-	-
<b>VII. EFFECTS OF CHANGES IN ACCOUNTING POLICIES AND ERRORS</b>	-	-
<b>VIII. OTHER GAINS AND LOSSES RECOGNIZED IN EQUITY IN ACCORDANCE WITH TAS</b>	<b>76,617</b>	<b>4,634</b>
<b>IX. DEFERRED TAXES DUE TO VALUATION DIFFERENCES</b>	<b>(37,896)</b>	<b>(46,157)</b>
<b>X. NET GAINS/LOSSES RECOGNIZED DIRECTLY IN EQUITY (I+II+...+IX)</b>	<b>212,490</b>	<b>186,538</b>
<b>XI. CURRENT PERIOD'S PROFIT/(LOSS)</b>	<b>1,224,752</b>	<b>516,663</b>
11.1 Change in fair value of securities (transfers to the statement of income)	2,447	5,262
11.2 Gains/Losses recognized in the statement of income due to reclassification of cash flow hedges	-	-
11.3 Gains/Losses recognized in the statement of income due to reclassification of net foreign investment hedges	-	-
11.4 Others	1,222,305	511,401
<b>XII. TOTAL GAINS AND LOSSES RECOGNIZED DURING THE PERIOD (X+XI)</b>	<b>1,437,242</b>	<b>703,201</b>

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

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2017

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

	Notes	Paid-in Capital	Capital Reserves from Inflation Adjustments to Paid-in Capital	Share Cancellati Premium	Share on Profits	Legal Reserves	Status Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Profit/ (Loss)	Prior Period Net Profit/ (Loss)	Valuation Differences of the Marketable Securities	Revaluation Surplus on Tangible, Intangible Assets and Investment Property	Bonus Shares of Associates, Subsidiaries and Joint Ventures	Hedging Reserves	Revaluation Surp. On Assets Held for Sale and Assets of Op.s	Shareholders' Equity before Minority Interest	Minority Shareholders' Interest	Total Shareholders' Equity
<b>PRIOR PERIOD – March 31, 2016</b>																			
I.	Balances at the beginning of the period	2,500,000	-	723,918	-	1,174,010	-	8,329,529	380,198	-	1,930,109	830,413	830,149	69,222	-	-	16,767,548	-	16,767,548
II.	Corrections made according to TAS 8																		
2.1.	The effect of corrections of error	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2.	The effect of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted beginning balance (I+II)	2,500,000	-	723,918	-	1,174,010	-	8,329,529	380,198	-	1,930,109	830,413	830,149	69,222	-	-	16,767,548	-	16,767,548
<b>Changes during the period</b>																			
IV.	Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Associates, Subsidiaries and "Available-for-sale" securities	-	-	-	-	-	-	-	-	-	-	186,773	-	-	-	-	186,773	-	186,773
VI.	Hedges for risk management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1.	Net cash flow hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2.	Net foreign investment hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Revaluation surplus on tangible assets	-	-	-	-	-	-	-	-	-	-	-	(235)	-	-	-	(235)	-	(235)
VIII.	Revaluation surplus on intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Bonus shares of associates, subsidiaries and joint-ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Translation differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Changes resulted from disposal of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Changes resulted from reclassifications of the assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Effect of change in equities of associates on the Bank's equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1.	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2.	Internal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Share issuance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Capital reserves from inflation adjustments to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX.	Current period's net profit/loss	-	-	-	-	-	-	-	-	516,663	-	-	-	-	-	-	516,663	-	516,663
XX.	Profit distribution	-	-	-	-	193,012	-	1,635,437	-	-	(1,930,109)	-	1,660	-	-	(100,000)	-	(100,000)	-
20.1.	Dividends	-	-	-	-	-	-	-	-	-	(100,000)	-	-	-	-	-	(100,000)	-	(100,000)
20.2.	Transferred to reserves	-	-	-	-	193,012	-	1,635,437	-	-	(1,830,109)	-	1,660	-	-	-	-	-	-
20.3.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balances at the end of the period</b>		<b>2,500,000</b>	<b>-</b>	<b>723,918</b>	<b>-</b>	<b>1,367,022</b>	<b>-</b>	<b>9,964,966</b>	<b>380,198</b>	<b>516,663</b>	<b>-</b>	<b>1,017,186</b>	<b>831,574</b>	<b>69,222</b>	<b>-</b>	<b>-</b>	<b>17,370,749</b>	<b>-</b>	<b>17,370,749</b>

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2017**

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

AUDITED	Notes	Paid-in Capital	Capital Reserves from Inflation Adjustments to Paid-in Capital	Share Premium	Share Cancellat ion Profits	Legal Reserves	Status Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Profit/ (Loss)	Prior Period Net Profit/ (Loss)	Valuation Differences of the Marketable Securities	Revaluation Surplus on Tangible, Intangible Assets and Investment Property	Bonus Shares of Associates, Subsidiaries and Joint Ventures	Hedging Reserves	Revaluation Surp. On Assets Sale and Assets Held for Op.s	Shareholders ' Equity before Minority Interest	Minority Interest	Shareholders' Equity	Total Shareholders' Equity
<b>CURRENT PERIOD – 31 March 2017</b>																				
<b>I.</b>	<b>Balances at the beginning of the period</b>	2,500,000	-	723,918	-	1,367,022	-	9,964,966	382,618	-	2,703,042	698,028	829,895	69,222	-	-	19,238,711	-	19,238,711	-
<b>II.</b>	<b>Changes during the period</b>																			
<b>III.</b>	<b>Mergers</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III.</b>	<b>Associates, Subsidiaries and "Available-for-sale" securities</b>	-	-	-	-	-	-	-	-	-	-	212,490	-	-	-	-	212,490	-	212,490	-
<b>IV.</b>	<b>Hedges for risk management</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Net cash flow hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Net foreign investment hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>V.</b>	<b>Revaluation surplus on tangible assets</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VI.</b>	<b>Revaluation surplus on intangible assets</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII.</b>	<b>Bonus shares of associates, subsidiaries and joint-ventures</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII.</b>	<b>Translation differences</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX.</b>	<b>Changes resulted from disposal of the assets</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X.</b>	<b>Changes resulted from reclassifications of the assets</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XI.</b>	<b>Effect of change in equities of associates on the Bank's equity</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XII.</b>	<b>Capital increase</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2	Internal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XIII.</b>	<b>Share issuance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XIV.</b>	<b>Share cancellation profits</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XV.</b>	<b>Capital reserves from inflation adjustments to paid-in capital</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XVI.</b>	<b>Other</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XVII.</b>	<b>Current period's net profit/loss</b>	-	-	-	-	-	-	-	-	1,224,752	-	-	-	-	-	-	1,224,752	-	1,224,752	-
<b>XVIII.</b>	<b>Profit distribution</b>																			
18.1	Dividends	VI-1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2	Transferred to reserves	VI-1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Balances at the end of the period</b>	2,500,000	-	723,918	-	1,367,022	-	9,964,966	382,618	1,224,752	2,703,042	910,518	829,895	69,222	-	-	20,675,953	-	20,675,953	-

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI  
UNCONSOLIDATED STATEMENT OF CASH FLOWS**

**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2017**(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	<b>Reviewed Current Period 31 March 2017</b>	<b>Reviewed Prior Period 31 March 2016</b>
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>		
<b>1.1 Operating profit before changes in operating assets and liabilities</b>	<b>2,205,860</b>	<b>720,136</b>
1.1.1 Interests received	4,258,772	3,697,474
1.1.2 Interests paid	(2,193,101)	(2,153,598)
1.1.3 Dividends received	12,828	4,398
1.1.4 Fee and commissions received	434,448	349,737
1.1.5 Other income	6,246	24,203
1.1.6 Collections from previously written-off loans and other receivables	290,238	227,276
1.1.7 Payments to personnel and service suppliers	(453,323)	(411,930)
1.1.8 Taxes paid	(173,148)	(247,283)
1.1.9 Others	22,900	(770,141)
<b>1.2 Changes in operating assets and liabilities</b>	<b>(1,657,950)</b>	<b>4,201,705</b>
1.2.1 Net (increase) decrease in financial assets held for trading purpose	(3)	-
1.2.2 Net (increase) decrease in financial assets valued at fair value through profit or loss	-	-
1.2.3 Net (increase) decrease in due from banks and other financial institutions	174,141	(935,741)
1.2.4 Net (increase) decrease in loans	(6,633,557)	(2,370,079)
1.2.5 Net (increase) decrease in other assets	(51,194)	447,937
1.2.6 Net increase (decrease) in bank deposits	1,679,971	1,239,072
1.2.7 Net increase (decrease) in other deposits	4,311,235	4,150,177
1.2.8 Net increase (decrease) in funds borrowed	2,428,829	(74,620)
1.2.9 Net increase (decrease) in matured payables	-	-
1.2.10 Net increase (decrease) in other liabilities	(3,567,372)	1,744,959
<b>I. Net cash flow from banking operations</b>	<b>547,910</b>	<b>4,921,841</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>II. Net cash flow from investing activities</b>	<b>(403,981)</b>	<b>(757,105)</b>
2.1 Cash paid for purchase of associates, subsidiaries and joint-ventures	-	-
2.2 Proceeds from disposal of associates, subsidiaries and joint-ventures	-	-
2.3 Purchases of tangible assets	(26,725)	(57,746)
2.4 Proceeds from disposal of tangible assets	104,949	82,845
2.5 Cash paid for purchase of available-for-sale financial assets	(2,161,488)	(1,681,378)
2.6 Proceeds from disposal of available-for-sale financial assets	1,901,039	642,794
2.7 Cash paid for purchase of held-to-maturity investments	(1,203,427)	(406,138)
2.8 Proceeds from disposal of held-to-maturity investments	996,919	677,558
2.9 Others	(15,248)	(15,040)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III. Net cash flow from financing activities</b>	<b>893,120</b>	<b>(1,212,435)</b>
3.1 Cash obtained from funds borrowed and securities issued	2,907,917	296,967
3.2 Cash used for repayment of funds borrowed and securities issued	(2,014,797)	(1,509,402)
3.3 Equity instruments issued	-	-
3.4 Dividends paid	-	-
3.5 Repayments for finance leases	-	-
3.6 Others	-	-
<b>IV. Effect of change in foreign exchange rates on cash and cash equivalents</b>	<b>42,068</b>	<b>13,882</b>
<b>V. Net increase in cash and cash equivalents</b>	<b>1,079,117</b>	<b>2,966,183</b>
<b>VI. Cash and cash equivalents at the beginning of the period</b>	<b>11,108,769</b>	<b>8,200,424</b>
<b>VII. Cash and cash equivalents at the end of the period</b>	<b>12,187,886</b>	<b>11,166,607</b>

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