

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED INTERIM FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE
TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT MARCH 31, 2018**

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

		Reviewed Current Period March 31, 2018		
ASSETS	Notes	TL	FC	Total
I. FINANCIAL ASSETS (Net)		33,012,248	44,618,391	77,630,639
1.1 Cash and cash equivalents	V-I-1	5,032,211	37,265,135	42,297,346
1.1.1 Cash and balances at Central Bank	V-I-1	3,420,944	27,445,109	30,866,053
1.1.2 Banks	V-I-3	1,144,735	9,820,026	10,964,761
1.1.3 Receivables from Money Markets		466,532	-	466,532
1.2. Financial assets at fair value through profit or loss	V-I-2	120,794	53,291	174,085
1.2.1 Public debt securities		303	5,721	6,024
1.2.2 Equity instruments		1,542	47,570	49,112
1.2.3 Other financial assets		118,949	-	118,949
1.3 Financial assets at fair value through other comprehensive income	V-I-4	5,617,560	1,594,678	7,212,238
1.3.1 Public debt securities		5,617,560	1,060,103	6,677,663
1.3.2 Equity instruments		-	-	-
1.3.3 Other financial assets		-	534,575	534,575
1.4 Financial assets measured at amortized cost	V-I-6	20,173,282	5,580,075	25,753,357
1.4.1 Public debt securities		20,173,282	5,375,022	25,548,304
1.4.2 Other financial assets		-	205,053	205,053
1.5 Derivative Financial Assets		2,162,211	128,503	2,290,714
1.5.1 Derivative financial assets at fair value through profit or loss		2,162,211	128,503	2,290,714
1.5.2 Derivative financial assets at fair value through other comprehensive income		-	-	-
1.6 Non-performing financial assets		-	-	-
1.7 Allowance for expected credit losses (-)		93,810	3,291	97,101
II. LOANS (Net)	V-I-5	140,180,156	61,693,636	201,873,792
2.1 Loans		137,564,993	59,742,488	197,307,481
2.1.1 Loans measured at amortized cost		137,564,993	59,742,488	197,307,481
2.1.2 Loans at fair value through profit or loss		-	-	-
2.1.3 Loans at fair value through other comprehensive income		-	-	-
2.2 Receivables from leasing transactions	V-I-10	463,802	1,676,427	2,140,229
2.2.1 Finance lease receivables		594,555	1,866,112	2,460,667
2.2.2 Operational lease receivables		-	-	-
2.2.3 Unearned income (-)		130,753	189,685	320,438
2.3 Factoring receivables		2,459,499	238,313	2,697,812
2.3.1 Factoring receivables measured at amortized cost		2,459,499	238,313	2,697,812
2.3.2 Factoring receivables at fair value through profit or loss		-	-	-
2.3.3 Factoring receivables at fair value through other comprehensive income		-	-	-
2.4 Non-performing loans		8,127,920	131,230	8,259,150
2.5 Allowance for expected credit losses (-)		8,436,058	94,822	8,530,880
2.5.1 12-Month expected credit losses (Stage 1)		1,532,856	18,838	1,551,694
2.5.2 Significant increase in credit risk (Stage 2)		549,783	-	549,783
2.5.3 Credit-Impaired (Stage 3)		6,353,419	75,984	6,429,403
III. NON-CURRENT'S ASSETS OR DISPOSAL GROUPS "HELD FOR SALE" AND "FROM DISCONTINUED OPERATIONS (Net)	V-I-14	1,326,980	-	1,326,980
3.1 Held for sale		1,326,980	-	1,326,980
3.2 Held from discontinued operations		-	-	-
IV. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES		669,564	3	669,567
4.1 Investments in associates (Net)	V-I-7	389,917	3	389,920
4.1.1 Associates accounted by using equity method		325,622	-	325,622
4.1.2 Non-consolidated associates		64,295	3	64,298
4.2 Investments in subsidiaries (Net)	V-I-8	279,647	-	279,647
4.2.1 Non-consolidated financial subsidiaries		-	-	-
4.2.2 Non-consolidated non-financial subsidiaries		279,647	-	279,647
4.3 Jointly Controlled Partnerships (Joint Ventures) (Net)	V-I-9	-	-	-
4.3.1 Jointly controlled partnerships accounted by using equity method		-	-	-
4.3.2 Non-consolidated jointly controlled partnerships		-	-	-
V. TANGIBLE ASSETS (Net)		1,725,177	9,734	1,734,911
VI. INTANGIBLE ASSETS (Net)		268,247	312	268,559
6.1 Goodwill		14,631	-	14,631
6.2 Other		253,616	312	253,928
VII. INVESTMENT PROPERTIES (Net)	V-I-12	-	-	-
VIII. CURRENT TAX ASSETS		452	-	452
IX. DEFERRED TAX ASSETS	V-I-13	471,075	6,140	477,215
X. OTHER ASSETS	V-I-15	5,924,286	3,024,619	8,948,905
TOTAL ASSETS		183,578,185	109,352,835	292,931,020

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

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

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

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

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

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CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT MARCH 31, 2018**

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

			Reviewed Current Period March 31, 2018		
LIABILITIES AND EQUITY		Notes	TL	FC	Total
I.	DEPOSITS	V-II-1	107,234,928	57,856,826	165,091,754
II.	LOANS RECEIVED	V-II-3	2,295,496	32,092,926	34,388,422
III.	MONEY MARKET FUNDS		17,397,167	2,707,395	20,104,562
IV.	MARKETABLE SECURITIES (Net)	V-II-3	9,041,125	16,187,982	25,229,107
4.1	Bills		5,038,495	-	5,038,495
4.2	Asset backed securities		66,060	-	66,060
4.3	Bonds		3,936,570	16,187,982	20,124,552
V.	FUNDS		3,173	-	3,173
5.1	Borrower funds		-	-	-
5.2	Other		3,173	-	3,173
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITIES	V-II-2	1,297,136	165,560	1,462,696
7.1	Derivative financial liabilities at fair value through profit or loss		1,297,136	165,560	1,462,696
7.2	Derivative financial liabilities at fair value through other comprehensive income		-	-	-
VIII.	FACTORING PAYABLES		378	-	378
IX.	LEASE PAYABLES	V-II-5	-	-	-
9.1	Finance lease payables		-	-	-
9.2	Operating lease payables		-	-	-
9.3	Other		-	-	-
9.4	Deferred finance lease expenses (-)		-	-	-
X.	PROVISIONS	V-II-7	4,805,703	35,946	4,841,649
10.1	Provision for restructuring		-	-	-
10.2	Reserves for employee benefits		885,656	3,715	889,371
10.3	Insurance technical reserves (Net)		2,793,148	13,195	2,806,343
10.4	Other provisions		1,126,899	19,036	1,145,935
XI.	CURRENT TAX LIABILITIES	V-II-8	837,710	980	838,690
XII.	DEFERRED TAX LIABILITIES		5,348	18,091	23,439
XIII.	LIABILITIES RELATED TO NON-CURRENT ASSETS "HELD FOR SALE" AND "DISCONTINUED OPERATIONS" (Net)	V-II-9	-	-	-
13.1	Held for sale		-	-	-
13.2	Related to the discontinued operations		-	-	-
XIV.	SUBORDINATED DEBT	V-II-10	528,031	5,677,529	6,205,560
14.1	Loans		-	-	-
14.2	Other debt instruments		528,031	5,677,529	6,205,560
XV.	OTHER LIABILITIES	V-II-4	6,828,178	2,567,939	9,396,117
XVI.	SHAREHOLDERS' EQUITY	V-II-11	24,782,223	563,250	25,345,473
16.1	Paid-in capital	V-II-11	2,500,000	-	2,500,000
16.2	Capital reserves		804,673	-	804,673
16.2.1	Equity share premiums		724,269	-	724,269
16.2.2	Share cancellation profits		-	-	-
16.2.3	Other capital reserves		80,404	-	80,404
16.3	Other accumulated comprehensive income that will not be reclassified in profit or loss		1,051,086	(3,100)	1,047,986
16.4	Other accumulated comprehensive income that will be reclassified in profit or loss		(38,050)	46,571	8,521
16.5	Profit reserves		14,534,106	303,950	14,838,056
16.5.1	Legal reserves		1,702,949	9,553	1,712,502
16.5.2	Statutory reserves		6,337	-	6,337
16.5.3	Extraordinary reserves		12,437,440	5,389	12,442,829
16.5.4	Other profit reserves		387,380	289,008	676,388
16.6	Profit or loss		5,339,408	137,985	5,477,393
16.6.1	Prior years' profits or losses		4,231,895	127,820	4,359,715
16.6.2	Current period net profit or loss		1,107,513	10,165	1,117,678
16.7	Minority interests		591,000	77,844	668,844
TOTAL LIABILITIES AND EQUITY			175,056,596	117,874,424	292,931,020

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AS AT DECEMBER 31, 2017**

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

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

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	Notes	Reviewed Current Period March 31, 2018		Total
		TL	FC	
A. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I-II-III)		89,519,687	93,159,335	182,679,022
I. GUARANTEES AND SURETIES	V-III-2-4	34,880,678	21,102,496	55,983,174
1.1 Letters of guarantee		34,053,639	9,378,517	43,432,156
1.1.1 Guarantees subject to State Tender Law		3,407,410	4,596,461	8,003,871
1.1.2 Guarantees given for foreign trade operations		1,078,947	-	1,078,947
1.1.3 Other letters of guarantee		29,567,282	4,782,056	34,349,338
1.2 Bank acceptances		40,639	1,726,994	1,767,633
1.2.1 Import letter of acceptance		-	581,505	581,505
1.2.2 Other bank acceptances		40,639	1,145,489	1,186,128
1.3 Letters of credit		26,129	9,934,697	9,960,826
1.3.1 Documentary letters of credit		26,129	9,934,697	9,960,826
1.3.2 Other letters of credit		-	-	-
1.4 Pre-financing given as guarantee		-	3,144	3,144
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		448,021	9,243	457,264
1.8 Other guarantees		72,414	47,751	120,165
1.9 Other warranties		239,836	2,150	241,986
II. COMMITMENTS		33,362,135	20,714,620	54,076,755
2.1 Irrevocable commitments		30,170,234	2,176,385	32,346,619
2.1.1 Asset purchase and sales commitments	V-III-1	773,180	1,298,809	2,071,989
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	12,444,590	136,492	12,581,082
2.1.5 Securities issuance brokerage commitments		-	142,616	142,616
2.1.6 Commitments for reserve deposit requirements		-	-	-
2.1.7 Commitments for checks payments	V-III-1	2,889,596	-	2,889,596
2.1.8 Tax and fund liabilities from export commitments		-	-	-
2.1.9 Commitments for credit card expenditure limits	V-III-1	11,268,867	-	11,268,867
2.1.10 Commitments for credit cards and banking services promotions		780,159	-	780,159
2.1.11 Receivables from short sale commitments of marketable securities		-	-	-
2.1.12 Payables for short sale commitments of marketable securities		-	-	-
2.1.13 Other irrevocable commitments		2,013,842	598,468	2,612,310
2.2 Revocable commitments		3,191,901	18,538,235	21,730,136
2.2.1 Revocable loan granting commitments		3,191,901	18,538,235	21,730,136
2.2.2 Other revocable commitments		-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		21,276,874	51,342,219	72,619,093
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		21,276,874	51,342,219	72,619,093
3.2.1 Forward foreign currency purchase and sale transactions		1,198,392	1,860,140	3,058,532
3.2.1.1 Forward foreign currency purchase transactions		599,747	930,146	1,529,893
3.2.2.2 Forward foreign currency sales		598,645	929,994	1,528,639
3.2.2 Currency and interest rate swaps		11,974,395	36,333,146	48,307,541
3.2.2.1 Currency swap purchase transactions		3,477,931	15,068,180	18,546,111
3.2.2.2 Currency swap sale transactions		6,356,464	5,973,388	12,529,852
3.2.2.3 Interest rate swap purchase transactions		970,000	7,645,789	8,615,789
3.2.2.4 Interest rate swap sale transactions		970,000	7,645,789	8,615,789
3.2.3 Currency, interest rate and security options		712,476	743,766	1,456,242
3.2.3.1 Currency purchase options		438,070	278,994	717,064
3.2.3.2 Currency sale options		274,406	464,772	739,178
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		7,391,611	12,405,167	19,796,778
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		1,360,296,153	876,651,408	2,236,947,561
IV. ITEMS HELD IN CUSTODY		64,573,646	4,221,852	68,795,498
4.1 Assets under management		1,270,682	-	1,270,682
4.2 Securities held in custody		45,383,382	158,880	45,542,262
4.3 Checks received for collection		11,314,876	1,055,225	12,370,101
4.4 Commercial notes received for collection		3,452,424	1,115,067	4,567,491
4.5 Other assets received for collection		2,152	158	2,310
4.6 Securities received for public offering		-	-	-
4.7 Other items under custody		1,985,030	1,318,947	3,303,977
4.8 Custodians		1,165,100	573,575	1,738,675
V. PLEDGED ITEMS		332,656,423	146,770,735	479,427,158
5.1 Marketable securities		659,903	7,162	667,065
5.2 Guarantee notes		655,861	394,901	1,050,762
5.3 Commodity		33,218,662	871,593	34,090,255
5.4 Warrant		-	-	-
5.5 Immovables		252,984,745	119,836,192	372,820,937
5.6 Other pledged items		44,176,286	25,466,915	69,643,201
5.7 Depositories receiving pledged items		960,966	193,972	1,154,938
VI. ACCEPTED GUARANTEES AND WARRANTS		963,066,084	725,658,821	1,688,724,905
TOTAL OFF BALANCE SHEET COMMITMENTS (A+B)		1,449,815,840	969,810,743	2,419,626,583

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

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

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018**

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

		Notes	Limited Review Current Period January 1, 2018- March 31, 2018
I.	INTEREST INCOME	V-IV-1	6,569,012
1.1	Interest on loans	V-IV-1	5,599,960
1.2	Interest received from reserve deposits		76,024
1.3	Interest received from banks	V-IV-1	64,779
1.4	Interest received from money market transactions		4,013
1.5	Interest received from marketable securities portfolio	V-IV-1	769,552
1.5.1	Financial assets at fair value through profit or loss		3,172
1.5.2	Financial assets at fair value through other comprehensive income		163,187
1.5.3	Financial assets measured at amortised cost		603,193
1.6	Finance lease income		41,380
1.7	Other interest income		13,304
II.	INTEREST EXPENSES		4,160,516
2.1	Interest on deposits	V-IV-2	2,776,262
2.2	Interest on funds borrowed	V-IV-2	273,707
2.3	Interest on money market transactions		545,086
2.4	Interest on securities issued	V-IV-2	426,040
2.5	Other interest expenses		139,421
III.	NET INTEREST INCOME/EXPENSE (I - II)		2,408,496
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSES		415,784
4.1	Fees and commissions received		588,429
4.1.1	Non-cash loans		92,462
4.1.2	Other		495,967
4.2	Fees and commissions paid		172,645
4.2.1	Non-cash loans		1,117
4.2.2	Other		171,528
V.	PERSONNEL EXPENSES (-)		601,803
VI.	DIVIDEND INCOME		44,433
VII.	TRADING PROFIT/LOSS (Net)	V-IV-3	135,395
7.1	Profit/losses from capital market transactions	V-IV-3	27,849
7.2	Profit/losses from derivative financial transactions	V-IV-3	80,515
7.3	Foreign exchange profit/losses	V-IV-3	27,031
VIII.	OTHER OPERATING INCOME	V-IV-4	1,343,924
IX.	GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII+VIII)		3,746,229
X.	ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)	V-IV-5	1,311,262
XI.	OTHER OPERATING EXPENSES (-)	V-IV-6	1,057,921
XII.	NET OPERATING PROFIT/LOSS (IX-X-XI)		1,377,046
XIII.	SURPLUS WRITTEN AS GAIN AFTER MERGER		-
XIV.	PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES		13,945
XV.	NET MONETARY POSITION GAIN/LOSS		-
XVI.	PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XII+...+XV)	V-IV-7	1,390,991
XVII.	PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	V-IV-10	(267,302)
17.1	Current tax provision	V-IV-10	(312,060)
17.2	Expense effect of deferred tax (+)		(91,386)
17.3	Income effect of deferred tax (-)		136,144
XIII.	NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVI±XVII)	V-IV-9	1,123,689
XIX.	INCOME FROM DISCONTINUED OPERATIONS		-
19.1	Income from assets held for sale		-
19.2	Profit from sale of associates, subsidiaries and joint ventures		-
19.3	Other income from discontinued operations		-
XX.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-
20.1	Expenses on assets held for sale		-
20.2	Losses from sale of associates, subsidiaries and joint ventures		-
20.3	Other expenses from discontinued operations		-
XXI.	PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (±) (XIX-XX)		-
XXII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-
22.1	Current tax provision		-
22.2	Expense effect of deferred tax (+)		-
22.3	Income effect of deferred tax (-)		-
XXIII.	NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXI±XXII)		-
XXIV.	NET PROFIT/LOSSES (XVIII+XXIII)	V-IV-11	1,123,689
24.1.	Profit/Loss per share		1,117,678
24.2.	Non-controlling interest(-)		6,011
	Earnings per 100 Share (full TL)	III-XXIV	0.4471

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IN TURKISH, SEE NOTE I. OF SECTION THREE
TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2017
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)**

		Notes	Limited Review Prior Period January 1, 2017- March 31, 2017
I.	INTEREST INCOME	V-IV-1	4,969,787
1.1	Interest income from loans	V-IV-1	3,940,462
1.2	Interest income from reserve deposits		43,402
1.3	Interest income from banks	V-IV-1	36,962
1.4	Interest income from money market transactions		14,012
1.5	Interest income from securities portfolio	V-IV-1	856,465
1.5.1	Trading financial assets		4,217
1.5.2	Financial assets designated at fair value through profit or loss		-
1.5.3	Available-for-sale financial assets		507,614
1.5.4	Held-to-maturity investments		344,634
1.6	Finance lease income		31,837
1.7	Other interest income		46,647
II.	INTEREST EXPENSE	V-IV-2	2,516,884
2.1	Interest expense on deposits	V-IV-2	1,736,243
2.2	Interest expense on funds borrowed		178,752
2.3	Interest expense on money market transactions	V-IV-2	275,462
2.4	Interest expense on securities issued		217,010
2.5	Other interest expenses		109,417
III.	NET INTEREST INCOME (I – II)		2,452,903
IV.	NET FEES AND COMMISSIONS INCOME		267,488
4.1	Fees and commissions received		409,903
4.1.1	Non-cash loans		67,908
4.1.2	Others		341,995
4.2	Fees and commissions paid		142,415
4.2.1	Non-cash loans		948
4.2.2	Others		141,467
V.	DIVIDEND INCOME		43,054
VI.	TRADING INCOME/LOSSES (Net)	V-IV-3	129,139
6.1	Trading account income/losses	V-IV-3	23,476
6.2	Income/losses from derivative financial instruments	V-IV-3	41,205
6.3	Foreign exchange gains/losses	V-IV-3	64,458
VII.	OTHER OPERATING INCOME	V-IV-4	738,825
VIII.	TOTAL OPERATING PROFIT (III+IV+V+VI+VII)		3,631,409
IX.	PROVISION FOR LOSSES ON LOANS AND OTHER RECEIVABLES (-)	V-IV-5	759,642
X.	OTHER OPERATING EXPENSES (-)	V-IV-6	1,317,886
XI.	NET OPERATING PROFIT/LOSS (VIII-IX-X)		1,553,881
XII.	INCOME RESULTED FROM MERGERS		-
XIII.	INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING		12,109
XIV.	GAIN/LOSS ON NET MONETARY POSITION		-
XV.	INCOME/LOSS FROM CONTINUING OPERATIONS BEFORE TAXES (XI+...+XIV)	V-IV-7	1,565,990
XVI.	CONTINUING OPERATIONS PROVISION FOR TAXES	V-IV-10	(298,847)
16.1	Current tax charges	V-IV-10	(217,809)
16.2	Deferred tax credits		(81,038)
XVII.	NET INCOME/LOSS AFTER TAXES FROM CONTINUING OPERATIONS (XV±XVI)	V-IV-9	1,267,143
XVIII.	INCOME FROM DISCONTINUED OPERATIONS		-
18.1	Income from investment properties		-
18.2	Income from sales of subsidiaries, affiliates and joint-ventures		-
18.3	Other income from discontinued activities		-
XIX.	EXPENSES FROM DISCONTINUED OPERATIONS(-)		-
19.1	Investment property expenses		-
19.2	Losses from sales of subsidiaries, affiliates and joint ventures		-
19.3	Other expenses from discontinued activities		-
XX.	INCOME/LOSS FROM DISCONTINUED OPERATIONS BEFORE TAXES(XVIII-XIX)		-
XXI.	DISCONTINUED OPERATIONS PROVISION FOR TAXES(±)		-
21.1	Current tax charge		-
21.2	Deferred tax charge		-
XXII.	NET INCOME/LOSS AFTER TAXES FROM DISCONTINUED OPERATIONS(XX±XXI)		-
XXIII.	NET PROFIT/LOSS (XVI+XXII)	V-IV-11	1,267,143
23.1.	Equity holders of the Bank		1,255,074
23.2.	Non-controlling interest(-)		12,069
	Earnings per 100 Share (full TL)	III-XXIV	0.502

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TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF PROFIT AND LOSS ITEMS ACCOUNTED UNDER SHAREHOLDERS
EQUITY FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018**
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		Reviewed Current Period January 1, 2018-March 31, 2018
I.	PROFIT (LOSS)	1,123,689
II.	OTHER COMPREHENSIVE INCOME	(59,238)
2.1	Other comprehensive income that will not be reclassified to profit or loss	(29,438)
2.1.1	Gains (Losses) on Revaluation of Property, Plant and Equipment	(2,315)
2.1.2	Gains (losses) on revaluation of Intangible Assets	-
2.1.3	Gains (losses) on remeasurements of defined benefit plans	(483)
2.1.4	Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	1,732
2.1.5	Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	(28,372)
2.2	Other Comprehensive Income That Will Be Reclassified to Profit or Loss	(29,800)
2.2.1	Exchange Differences on Translation	-
2.2.2	Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income	(33,199)
2.2.3	Income (Loss) Related with Cash Flow Hedges	-
2.2.4	Income (Loss) Related with Hedges of Net Investments in Foreign Operations	-
2.2.5	Other Components of Other Comprehensive Income that will be Reclassified to Other Profit or Loss	-
2.2.6	Taxes Relating To Components Of Other Comprehensive Income That Will Be Reclassified To Profit Or Loss	3,399
III.	TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)	1,064,451

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF PROFIT AND LOSS ITEMS ACCOUNTED UNDER SHAREHOLDERS
EQUITY FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2017**

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

		Limited Review Prior Period January 1, 2017- March 31, 2017
GAINS AND LOSSES RECOGNIZED IN EQUITY		
I.	VALUATION DIFFERENCES OF AVAILABLE FOR SALE FINANCIAL ASSETS RECOGNIZED IN VALUATION DIFFERENCES OF MARKETABLE SECURITIES	174,599
II.	REVALUATION SURPLUS ON TANGIBLE ASSETS	(382)
III.	REVALUATION SURPLUS ON INTANGIBLE ASSETS	-
IV.	CURRENCY TRANSLATION DIFFERENCES	20,879
V.	GAINS/(LOSSES) FROM CASH FLOW HEDGES (Effective Portion of Fair Value Changes)	-
VI.	GAINS/(LOSSES) FROM NET FOREIGN INVESTMENT HEDGES (Effective portion)	-
VII.	EFFECTS OF CHANGES IN ACCOUNTING POLICIES AND ERRORS	-
VIII.	OTHER GAINS AND LOSSES RECOGNIZED IN EQUITY IN ACCORDANCE WITH TAS	(43,724)
IX.	DEFERRED TAXES DUE TO VALUATION DIFFERENCES	(30,998)
X.	NET GAINS/LOSSES RECOGNIZED DIRECTLY IN EQUITY (I+II+...+IX)	120,374
XI.	CURRENT PERIOD'S PROFIT/(LOSS)	1,267,143
11.1	Change in fair value of securities (transfers to the statement of income)	2,456
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	1,264,687
XII.	TOTAL GAINS AND LOSSES RECOGNIZED DURING THE PERIOD (X+XI)	1,387,517

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TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018**

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

STATEMENT OF CHANGES IN SHAREHOLDERS						Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss					Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total SE without minority share	Minority interest	Total
Reviewed	Notes	Paid in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	Property & Equipment Revaluation Increase/Decrease	Accumulated Remeasurement Gain/Loss of Defined Benefit Pension Plan	Other (Shares of Investments Valued by Equity Method in Other Comprehensive Income Not Reclassified Through Other Profit or Loss	Foreign Currency Translation Differences	Accumulated Remeasurement Gain/loss of the financial Assets at fair Value Through Other Comprehensive Income	Other (Cash Flow Hedge Gain/loss, Shares of Investments Valued by Equity Method in Other Comprehensive Income Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Reclassified Through Other Profit or Loss	Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total SE without minority share	Minority interest	Total		
Current Period March 31, 2018																			
I. Prior Period End Balance		2,500,000	724,269	-	80,404	1,046,956	(29,004)	56,141	-	(119,267)	-	14,805,097	3,881,265	-	22,945,861	677,103	23,622,964		
II. Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	161,636	-	-	506,602	-	668,238	-	668,238		
2.1. Effects of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2.2. Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	161,636	-	-	506,602	-	668,238	-	668,238		
III. Adjusted Beginning Balance (I+II)		2,500,000	724,269	-	80,404	1,046,956	(29,004)	56,141	-	42,369	-	14,805,097	4,387,867	-	23,614,099	677,103	24,291,202		
3.1. Total Comprehensive Income		-	-	-	-	(48,286)	(483)	22,662	-	(33,848)	-	-	-	1,117,678	1,057,723	6,728	1,064,451		
3.2. Capital Increase by Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
3.3. Capital Increase by Internal Resources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
3.4. Paid-in capital inflation adjustment difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
3.5. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
3.6. Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
3.7. Increase/Decrease by Other Changes		-	-	-	-	-	-	-	-	-	-	32,959	(28,152)	-	4,807	(14,987)	(10,180)		
IV. Profit Distribution		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
4.1. Dividends paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
4.2. Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
4.3. Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Ending Balance		2,500,000	724,269	-	80,404	998,670	(29,487)	78,803	-	8,521	-	14,838,056	4,359,715	1,117,678	24,676,629	668,844	25,345,473		

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

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

Reviewed	Notes	Paid-in Capital	Capital Reserves from Inflation Adjustments to Paid-in Capital	Share Premium	Share Cancellation Profits	Legal Reserves	Status Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Profit/ (Loss)	Prior Period Net Profit/ (Loss)	Valuation Differences of the Marketable Securities	Revaluation Surplus on Tangible, Intangible Assets and Investment Property	Bonus Shares of Associates, Subsidiaries and Joint Ventures	Hedging Reserves	Revaluation Surp. On Assets Held for Sale and Assets of Discount. Ops	Shareholders' Equity before Minority Interest	Minority Interest	Total Shareholders' Equity
I.	Prior Period March 31, 2017 Balances at the beginning of the period	2,500,000	-	727,780	-	1,436,787	6,337	10,156,575	606,809	-	2,775,944	(131,169)	997,197	3,683	-	-	19,079,943	527,529	19,607,472
II.	Changes during the period																		
III.	Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV.	Associates, Subsidiaries and "Available-for-sale" securities	-	-	-	-	-	-	-	-	-	-	147,606	-	-	-	-	147,606	455	148,061
V.	Hedges for risk management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Net cash flow hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Net foreign investment hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Revaluation surplus on tangible assets	-	-	-	-	-	-	-	-	-	(640)	-	-	-	-	-	(640)	258	(382)
VII.	Revaluation surplus on intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Bonus shares of associates, subsidiaries and joint-ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Translation differences	-	-	-	-	-	-	-	20,879	-	-	-	-	-	-	-	20,879	-	20,879
X.	Changes resulted from disposal of the assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Changes resulted from reclassifications of the assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Effect of change in equities of associates on the Bank's equity	-	-	-	-	-	-	-	-	-	(35,551)	(3,369)	-	-	-	-	(38,920)	(250)	(39,170)
XIII.	Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2	Internal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Share issuance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Capital reserves from inflation adjustments to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Other	-	-	-	-	-	-	-	(63)	-	(56,758)	-	-	-	-	-	(56,821)	47,807	(9,014)
XVIII.	Current period's net profit/loss	-	-	-	-	-	-	-	-	1,255,074	-	-	-	-	-	-	1,255,074	12,069	1,267,143
XIX.	Profit distribution	-	-	-	-	2,088	-	729	-	-	(3,056)	-	239	-	-	-	-	-	-
18.1	Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2	Transferred to reserves	-	-	-	-	2,088	-	729	-	-	(3,056)	-	239	-	-	-	-	-	-
18.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Ending Balance	2,500,000	-	727,780	-	1,438,875	6,337	10,157,304	627,625	1,255,074	2,679,939	13,068	997,436	3,683	-	-	20,407,121	587,868	20,994,989

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018**

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

		Limited Review Current Period March 31, 2018
A.	CASH FLOWS FROM BANKING OPERATIONS	
1.1	Operating profit before changes in operating assets and liabilities	2,377,072
1.1.1	Interests received	5,486,317
1.1.2	Interests paid	(3,347,532)
1.1.3	Dividends received	1,310
1.1.4	Fee and commissions received	588,429
1.1.5	Other income	370,225
1.1.6	Collections from previously written-off loans and other receivables	509,025
1.1.7	Payments to personnel and service suppliers	(662,802)
1.1.8	Taxes paid	(394,043)
1.1.9	Other	(173,857)
1.2	Changes in operating assets and liabilities	(11,339,499)
1.2.1	Net (increase) decrease in financial assets held for trading purpose	9,640
1.2.2	Net (increase) decrease in financial assets valued at fair value through profit or loss	(2,942,928)
1.2.3	Net (increase) decrease in due from banks and other financial institutions	(13,780,863)
1.2.4	Net (increase) decrease in loans	678,185
1.2.5	Net (increase) decrease in other assets	(1,130,587)
1.2.6	Net increase (decrease) in bank deposits	8,016,799
1.2.7	Net increase (decrease) in other deposits	-
1.2.8	Net increase (decrease) in funds borrowed	2,954,832
1.2.9	Net increase (decrease) in matured payables	-
1.2.10	Net increase (decrease) in other liabilities	(5,144,577)
I.	Net cash flow from banking operations	(8,962,427)
B.	CASH FLOWS FROM INVESTING ACTIVITIES	
II.	Net cash flow from investing activities	(780,410)
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	Cash paid for purchase of tangible assets	(58,725)
2.4	Proceeds from disposal of tangible assets	209,011
2.5	Cash paid for purchase of available-for-sale financial assets	(1,693,610)
2.6	Proceeds from disposal of available-for-sale financial assets	1,037,232
2.7	Cash paid for purchase of held-to-maturity investments	(647,475)
2.8	Proceeds from disposal of held-to-maturity investments	406,377
2.9	Other	(33,220)
C.	CASH FLOWS FROM FINANCING ACTIVITIES	
III.	Net cash flow from financing activities	5,394,102
3.1	Cash obtained from funds borrowed and securities issued	7,947,874
3.2	Cash used for repayment of funds borrowed and securities issued	(2,553,772)
3.3	Equity instruments issued	-
3.4	Dividends paid	-
3.5	Repayments for finance leases	-
3.6	Other	-
IV.	Effect of change in foreign exchange rates on cash and cash equivalents	68,175
V.	Net (decrease) / increase in cash and cash equivalents	(4,280,560)
VI.	Cash and cash equivalents at the beginning of the period	21,762,807
VII.	Cash and cash equivalents at the end of the period	17,482,247

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**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2017**

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

	Notes	Reviewed Prior Period March 31, 2017
A. CASH FLOWS FROM BANKING OPERATIONS		
1.1 Operating profit before changes in operating assets and liabilities		2,447,810
1.1.1 Interests received		4,368,695
1.1.2 Interests paid		(2,240,294)
1.1.3 Dividends received		12,828
1.1.4 Fee and commissions received		409,903
1.1.5 Other income		309,535
1.1.6 Collections from previously written-off loans and other receivables		298,122
1.1.7 Payments to personnel and service suppliers		(499,491)
1.1.8 Taxes paid		(196,372)
1.1.9 Other		(15,116)
1.2 Changes in operating assets and liabilities		(1,867,096)
1.2.1 Net (increase) decrease in financial assets held for trading purpose		17,933
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		209,491
1.2.4 Net (increase) decrease in loans		(6,594,079)
1.2.5 Net (increase) decrease in other assets		(220,022)
1.2.6 Net increase (decrease) in bank deposits		1,679,523
1.2.7 Net increase (decrease) in other deposits		4,498,378
1.2.8 Net increase (decrease) in funds borrowed		2,288,242
1.2.9 Net increase (decrease) in matured payables		-
1.2.10 Net increase (decrease) in other liabilities		(3,746,562)
I. Net cash flow from banking operations		580,714
B. CASH FLOWS FROM INVESTING ACTIVITIES		
II. Net cash flow from investing activities		(425,853)
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		(28,427)
2.4 Proceeds from disposal of tangible assets		105,420
2.5 Cash paid for purchase of available-for-sale financial assets		(2,234,372)
2.6 Proceeds from disposal of available-for-sale financial assets		1,956,822
2.7 Cash paid for purchase of held-to-maturity investments		(1,203,427)
2.8 Proceeds from disposal of held-to-maturity investments		996,919
2.9 Other		(18,788)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
III. Net cash flow from financing activities		946,985
3.1 Cash obtained from funds borrowed and securities issued		2,692,631
3.2 Cash used for repayment of funds borrowed and securities issued		(1,745,646)
3.3 Equity instruments issued		-
3.4 Dividends paid		-
3.5 Repayments for finance leases		-
3.6 Other		-
IV. Effect of change in foreign exchange rates on cash and cash equivalents		18,976
V. Net increase in cash and cash equivalents		1,120,822
VI. Cash and cash equivalents at the beginning of the period		12,421,404
VII. Cash and cash equivalents at the end of the period		13,542,226

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