

**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 JUNE 30, 2019**

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

ASSETS	Notes	Reviewed Current Period June 30, 2019			Audited Prior Period December 31, 2018		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		20,875,814	41,363,658	62,239,472	16,994,539	33,757,346	50,751,885
1.1 Cash and cash equivalents	V-I-1	3,475,881	36,637,410	40,113,291	5,234,656	32,032,981	37,267,637
1.1.1 Cash and balances at Central Bank	V-I-1	3,480,175	32,404,294	35,884,469	5,235,557	27,018,932	32,254,489
1.1.2 Banks	V-I-3	384	4,233,116	4,233,500	4,544	5,014,049	5,018,593
1.1.3 Receivables from Money Markets		-	-	-	-	-	-
1.1.4 Allowance for expected credit losses (-)	V-I-16	4,678	-	4,678	5,445	-	5,445
1.2 Financial assets at fair value through profit or loss	V-I-2	-	100,096	100,096	1,395	69,766	71,161
1.2.1 Public debt securities		-	-	-	-	-	-
1.2.2 Equity instruments		-	100,096	100,096	-	69,766	69,766
1.2.3 Other financial assets		-	-	-	1,395	-	1,395
1.3 Financial assets at fair value through other comprehensive income	V-I-4	13,275,578	3,814,993	17,090,571	7,727,407	1,274,971	9,002,378
1.3.1 Public debt securities		12,850,786	3,811,197	16,661,983	7,662,348	1,271,520	8,933,868
1.3.2 Equity instruments		-	3,796	3,796	-	3,451	3,451
1.3.3 Other financial assets		424,792	-	424,792	65,059	-	65,059
1.4 Derivative financial assets	V-I-2	4,124,355	811,159	4,935,514	4,031,081	379,628	4,410,709
1.4.1 Derivative financial assets at fair value through profit or loss		4,124,355	811,159	4,935,514	4,031,081	379,628	4,410,709
1.4.2 Derivative financial assets at fair value through other comprehensive income		-	-	-	-	-	-
II. Financial assets measured at amortised cost		192,455,028	104,045,980	296,501,008	172,474,615	89,047,965	261,522,580
2.1 Loans	V-I-5	170,820,629	91,602,317	262,422,946	150,932,385	81,474,522	232,406,907
2.2 Receivables from leasing transactions	V-I-10	-	-	-	-	-	-
2.3 Factoring receivables		-	-	-	-	-	-
2.4 Financial assets measured at amortised cost	V-I-6	34,187,201	12,478,333	46,665,534	32,377,288	7,603,222	39,980,510
2.4.1 Public debt securities		34,178,378	12,178,789	46,357,167	32,326,808	7,413,026	39,739,834
2.4.2 Other financial assets		8,823	299,544	308,367	50,480	190,196	240,676
2.5 Allowance for expected credit losses (-)		12,552,802	34,670	12,587,472	10,835,058	29,779	10,864,837
III. NON-CURRENTS ASSETS OR DISPOSAL GROUPS "HELD FOR SALE" AND "FROM DISCONTINUED OPERATIONS (Net)"	V-I-14	2,700,819	-	2,700,819	1,618,562	-	1,618,562
3.1 Held for sale		2,700,819	-	2,700,819	1,618,562	-	1,618,562
3.2 Held from discontinued operations		-	-	-	-	-	-
IV. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES		2,485,370	438,319	2,923,689	2,647,659	403,558	3,051,217
4.1 Investments in associates (Net)	V-I-7	609,413	-	609,413	619,582	-	619,582
4.1.1 Associates accounted by using equity method		-	-	-	-	-	-
4.1.2 Non-consolidated associates		609,413	-	609,413	619,582	-	619,582
4.2 Investments in subsidiaries (Net)	V-I-8	1,875,957	438,319	2,314,276	2,028,077	403,558	2,431,635
4.2.1 Non-consolidated financial subsidiaries		1,574,054	438,319	2,012,373	1,726,174	403,558	2,129,732
4.2.2 Non-consolidated non-financial subsidiaries		301,903	-	301,903	301,903	-	301,903
4.3 Jointly Controlled Partnerships (Joint Ventures) (Net)	V-I-9	-	-	-	-	-	-
4.3.1 Jointly controlled partnerships accounted by using equity method		-	-	-	-	-	-
4.3.2 Non-consolidated jointly controlled partnerships		-	-	-	-	-	-
V. TANGIBLE ASSETS (Net)		2,911,385	10,575	2,921,960	2,557,495	10,130	2,567,625
VI. INTANGIBLE ASSETS AND GOODWILL (Net)		222,281	-	222,281	218,152	-	218,152
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		222,281	-	222,281	218,152	-	218,152
VII. INVESTMENT PROPERTIES (Net)	V-I-12	-	-	-	-	-	-
VIII. CURRENT TAX ASSETS		-	-	-	-	-	-
IX. DEFERRED TAX ASSETS	V-I-13	231,377	-	231,377	29,776	-	29,776
X. OTHER ASSETS	V-I-15	4,304,310	8,480,444	12,784,754	3,279,602	8,316,242	11,595,844
TOTAL ASSETS		226,186,384	154,338,976	380,525,360	199,820,400	131,535,241	331,355,641

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED 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 JUNE 30, 2019**

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

LIABILITIES	Notes	Reviewed Current Period June 30, 2019			Audited Prior Period December 31, 2018		
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	V-II-1	116,648,004	97,647,199	214,295,203	109,592,026	69,815,881	179,407,907
II. LOANS RECEIVED	V-II-3	771,988	38,698,089	39,470,077	747,607	40,602,229	41,349,836
III. MONEY MARKET FUNDS		27,183,181	5,896,357	33,079,538	26,614,533	2,109,204	28,723,737
IV. MARKETABLE SECURITIES (Net)	V-II-4	10,158,658	17,105,115	27,263,773	7,375,071	14,971,993	22,347,064
4.1 Bills		4,786,036	-	4,786,036	3,645,695	-	3,645,695
4.2 Asset backed securities		-	-	-	-	-	-
4.3 Bonds		5,372,622	17,105,115	22,477,737	3,729,376	14,971,993	18,701,369
V. FUNDS		3,054	-	3,054	3,054	-	3,054
5.1 Borrower funds		-	-	-	-	-	-
5.2 Other		3,054	-	3,054	3,054	-	3,054
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL LIABILITIES	V-II-2	2,812,731	935,370	3,748,101	2,123,319	425,858	2,549,177
7.1 Derivative financial liabilities at fair value through profit or loss		2,812,731	935,370	3,748,101	2,123,319	425,858	2,549,177
7.2 Derivative financial liabilities at fair value through other comprehensive income		-	-	-	-	-	-
VIII. FACTORING PAYABLES		-	-	-	-	-	-
IX. LEASE PAYABLES	V-II-6	829,008	-	829,008	-	-	-
X. PROVISIONS	V-II-8	2,095,358	5,685	2,101,043	2,266,153	5,206	2,271,359
10.1 Provision for restructuring		-	-	-	-	-	-
10.2 Reserves for employee benefits		965,664	-	965,664	1,035,025	-	1,035,025
10.3 Insurance technical reserves (Net)		-	-	-	-	-	-
10.4 Other provisions		1,129,694	5,685	1,135,379	1,231,128	5,206	1,236,334
XI. CURRENT TAX LIABILITIES	V-II-9	890,616	1,296	891,912	774,563	1,301	775,864
XII. DEFERRED TAX LIABILITIES	V-II-9	-	-	-	-	-	-
XIII. LIABILITIES RELATED TO NON-CURRENT ASSETS "HELD FOR SALE" AND "DISCONTINUED OPERATIONS" (Net)	V-II-10	-	-	-	-	-	-
13.1 Held for sale		-	-	-	-	-	-
13.2 Related to discontinued operations		-	-	-	-	-	-
XIV. SUBORDINATED DEBT	V-II-11	5,666,267	12,604,099	18,270,366	5,668,121	7,353,902	13,022,023
14.1 Loans		-	-	-	-	-	-
14.2 Other debt instruments		5,666,267	12,604,099	18,270,366	5,668,121	7,353,902	13,022,023
XV. OTHER LIABILITIES	V-II-5	8,033,349	3,265,151	11,298,500	7,381,601	5,173,829	12,555,430
XVI. SHAREHOLDERS' EQUITY	V-II-12	29,199,740	75,045	29,274,785	28,333,549	16,641	28,350,190
16.1 Paid-in capital	V-II-12	2,500,000	-	2,500,000	2,500,000	-	2,500,000
16.2 Capital reserves		1,024,576	177,089	1,201,665	814,670	-	814,670
16.2.1 Equity share premiums		723,918	-	723,918	723,918	-	723,918
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Other capital reserves		300,658	177,089	477,747	90,752	-	90,752
16.3 Other accumulated comprehensive income that will not be reclassified in profit or loss		2,098,745	(181,415)	1,917,330	2,469,172	(3,983)	2,465,189
16.4 Other accumulated comprehensive income that will be reclassified in profit or loss		(21,094)	79,371	58,277	(40,194)	20,624	(19,570)
16.5 Profit reserves		22,578,722	-	22,578,722	17,864,763	-	17,864,763
16.5.1 Legal reserves		2,480,184	-	2,480,184	2,007,670	-	2,007,670
16.5.2 Statutory reserves		-	-	-	-	-	-
16.5.3 Extraordinary reserves		19,648,138	-	19,648,138	15,406,693	-	15,406,693
16.5.4 Other profit reserves		450,400	-	450,400	450,400	-	450,400
16.6 Profit or loss		1,018,791	-	1,018,791	4,725,138	-	4,725,138
16.6.1 Prior years' profits or losses		-	-	-	570,816	-	570,816
16.6.2 Current period net profit or loss		1,018,791	-	1,018,791	4,154,322	-	4,154,322
16.7 Minority interests		-	-	-	-	-	-
TOTAL LIABILITIES AND EQUITY		204,291,954	176,233,406	380,525,360	190,879,597	140,476,044	331,355,641

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

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**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED OFF-BALANCE SHEET ITEMS
AS AT JUNE 30, 2019**

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

	Notes	Reviewed Current Period June 30, 2019			Audited Prior Period December 31, 2018		
		TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		117,651,897	176,057,401	293,709,298	94,630,911	144,091,940	238,722,851
I. GUARANTEES AND SURETIES	V-III-2	38,035,512	32,684,027	70,719,539	36,971,920	28,193,356	65,165,276
1.1. Letters of guarantee	V-III-1	37,912,562	18,419,078	56,331,640	36,896,905	15,053,372	51,950,277
1.1.1. Guarantees subject to State Tender Law		3,250,129	6,616,088	9,866,217	3,807,039	5,902,336	9,709,375
1.1.2. Guarantees given for foreign trade operations		1,473,398	-	1,473,398	1,314,771	-	1,314,771
1.1.3. Other letters of guarantee		33,189,035	11,802,990	44,992,025	31,775,095	9,151,036	40,926,131
1.2. Bank acceptances		9,694	3,377,398	3,387,092	24,005	2,948,104	2,972,109
1.2.1. Import letter of acceptance		-	296,599	296,599	-	586,987	586,987
1.2.2. Other bank acceptances	V-III-4	9,694	3,080,799	3,090,493	24,005	2,361,117	2,385,122
1.3. Letters of credit	V-III-4	113,256	10,836,344	10,949,600	51,010	10,148,777	10,199,787
1.3.1. Documentary letters of credit		113,256	10,836,344	10,949,600	51,010	10,148,777	10,199,787
1.3.2. Other letters of credit		-	-	-	-	-	-
1.4. Pre-financing given as guarantee		-	4,581	4,581	-	4,199	4,199
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of Republic of Turkey		-	-	-	-	-	-
1.5.2. Other endorsements		-	-	-	-	-	-
1.6. Purchase guarantees for Securities issued		-	-	-	-	-	-
1.7. Factoring guarantees		-	-	-	-	-	-
1.8. Other guarantees		-	42,289	42,289	-	38,904	38,904
1.9. Other warrantees		-	4,337	4,337	-	-	-
II. COMMITMENTS		40,353,388	28,910,899	69,264,287	36,959,594	26,856,010	63,815,604
2.1. Irrevocable commitments	V-III-1	35,982,384	2,702,206	38,684,590	32,609,583	2,252,627	34,862,210
2.1.1. Asset purchase and sales commitments	V-III-1	1,417,779	2,702,206	4,119,985	1,501,627	2,252,627	3,754,254
2.1.2. Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3. Share capital commitments to associates and subsidiaries		2,250	-	2,250	2,250	-	2,250
2.1.4. Loan granting commitments	V-III-1	15,416,257	-	15,416,257	14,103,024	-	14,103,024
2.1.5. Securities issuance brokerage commitments		-	-	-	-	-	-
2.1.6. Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7. Commitments for checks payments	V-III-1	2,520,539	-	2,520,539	1,979,217	-	1,979,217
2.1.8. Tax and fund liabilities from export commitments		-	-	-	-	-	-
2.1.9. Commitments for credit card expenditure limits	V-III-1	15,067,069	-	15,067,069	13,549,649	-	13,549,649
2.1.10. Commitments for credit cards and banking services promotions		604,737	-	604,737	571,282	-	571,282
2.1.11. Receivables from short sale commitments of marketable securities		-	-	-	-	-	-
2.1.12. Payables for short sale commitments of marketable securities		-	-	-	-	-	-
2.1.12. Other irrevocable commitments		953,753	-	953,753	902,534	-	902,534
2.2. Revocable commitments		4,371,004	26,208,693	30,579,697	4,350,011	24,603,383	28,953,394
2.2.1. Revocable loan granting commitments		4,371,004	26,208,693	30,579,697	4,350,011	24,603,383	28,953,394
2.2.2. Other revocable commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		39,262,997	114,462,475	153,725,472	20,699,397	89,042,574	109,741,971
3.1. Derivative financial instruments held for hedging		-	-	-	-	-	-
3.1.1. Fair value hedges		-	-	-	-	-	-
3.1.2. Cash flow hedges		-	-	-	-	-	-
3.1.3. Hedges for investments made in foreign countries		-	-	-	-	-	-
3.2. Trading transactions		39,262,997	114,462,475	153,725,472	20,699,397	89,042,574	109,741,971
3.2.1. Forward foreign currency purchase and sale transactions		1,639,126	1,840,633	3,479,759	1,201,285	1,543,434	2,744,719
3.2.1.1. Forward foreign currency purchase transactions		822,874	920,379	1,743,253	602,318	771,805	1,374,123
3.2.2.2. Forward foreign currency sales		816,252	920,254	1,736,506	598,967	771,629	1,370,596
3.2.2. Currency and interest rate swaps		27,670,642	97,949,077	125,619,719	13,638,148	73,193,459	86,831,607
3.2.2.1. Currency swap purchase transactions		2,075,702	36,955,677	39,031,379	2,532,776	19,685,170	22,217,946
3.2.2.2. Currency swap sale transactions		21,994,940	15,214,268	37,209,208	7,805,372	9,975,981	17,781,353
3.2.2.3. Interest rate swap purchase transactions		1,800,000	22,889,566	24,689,566	1,650,000	21,766,154	23,416,154
3.2.2.4. Interest rate swap sale transactions		1,800,000	22,889,566	24,689,566	1,650,000	21,766,154	23,416,154
3.2.3. Currency, interest rate and security options		445,096	1,894,947	2,340,043	697,904	1,784,623	2,482,527
3.2.3.1. Currency purchase options		319,816	834,428	1,154,244	349,778	865,498	1,215,276
3.2.3.2. Currency sale options		125,280	1,060,519	1,185,799	348,126	919,125	1,267,251
3.2.3.3. Interest rate purchase options		-	-	-	-	-	-
3.2.3.4. Interest rate sale options		-	-	-	-	-	-
3.2.3.5. Security purchase options		-	-	-	-	-	-
3.2.3.6. Security sale options		-	-	-	-	-	-
3.2.4. Currency futures		1,433,824	1,289,641	2,723,465	-	-	-
3.2.4.1. Currency purchases futures		426,383	878,101	1,304,484	-	-	-
3.2.4.2. Currency sales futures		1,007,441	411,540	1,418,981	-	-	-
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		8,074,309	11,488,177	19,562,486	5,162,060	12,521,058	17,683,118
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		1,759,666,869	1,379,361,710	3,139,028,579	1,553,971,819	1,217,345,200	2,771,317,019
IV. ITEMS HELD IN CUSTODY		52,157,414	9,165,121	61,322,535	48,337,336	3,671,333	52,008,669
4.1. Assets under management		-	-	-	-	-	-
4.2. Securities held in custody		40,712,965	5,402,618	46,115,583	36,285,318	395,353	36,680,671
4.3. Checks received for collection		8,435,953	1,139,807	9,575,760	9,189,448	1,154,341	10,343,789
4.4. Commercial notes received for collection		1,510,044	376,432	1,886,476	1,522,229	445,168	1,967,397
4.5. Other assets received for collection		2,152	230	2,382	2,152	211	2,363
4.6. Securities received for public offering		-	-	-	-	-	-
4.7. Other items under custody		309	72,978	73,287	309	100,301	100,610
4.8. Custodians		1,495,991	2,173,056	3,669,047	1,337,880	1,575,959	2,913,839
V. PLEDGED ITEMS		514,195,672	228,506,648	742,702,320	428,045,010	204,235,157	632,280,167
5.1. Marketable securities		372,913	12,446	385,359	354,739	9,824	364,563
5.2. Guarantee notes		793,350	1,464,274	2,257,624	681,820	1,135,681	1,817,501
5.3. Commodity		31,769,141	2,538,333	34,307,474	32,405,583	1,711,768	34,117,351
5.4. Warrant		-	-	-	-	-	-
5.5. Immovables		419,017,605	181,752,626	600,770,231	340,951,847	163,744,146	504,695,993
5.6. Other pledged items		61,486,488	42,539,919	104,026,407	52,805,682	37,364,638	90,170,320
5.7. Depositories receiving pledged items		756,175	199,050	955,225	845,339	269,100	1,114,439
VI. ACCEPTED GUARANTEES AND WARRANTS		1,193,313,783	1,141,689,941	2,335,003,724	1,077,589,473	1,009,438,710	2,087,028,183
TOTAL OFF BALANCE SHEET COMMITMENTS (A+B)		1,877,318,766	1,555,419,111	3,432,737,877	1,648,602,730	1,361,437,140	3,010,039,870

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**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019**

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

	Notes	Reviewed Current Period January 1, 2019- June 30, 2019	Reviewed Current Period April 1, 2019- June 30, 2019	Reviewed Prior Period January 1, 2018- June 30, 2018	Reviewed Prior Period April 1, 2018- June 30, 2018
I. INTEREST INCOME	V-IV-1	20,497,453	10,820,089	13,628,982	7,265,731
1.1 Interest on loans	V-IV-1	16,810,563	8,840,828	11,801,088	6,306,322
1.2 Interest received from reserve deposits		204,433	105,323	169,393	93,369
1.3 Interest received from banks	V-IV-1	120,537	53,788	51,290	23,209
1.4 Interest received from money market transactions		149	149	18,572	14,708
1.5 Interest received from marketable securities portfolio	V-IV-1	3,357,629	1,819,222	1,585,741	827,606
1.5.1 Financial assets at fair value through profit or loss		-	-	-	-
1.5.2 Financial assets at fair value through other comprehensive income		960,804	560,765	309,721	154,779
1.5.3 Financial assets measured at amortised cost		2,396,825	1,258,457	1,276,020	672,827
1.6 Finance lease interest income		-	-	-	-
1.7 Other interest income		4,142	779	2,898	517
II. INTEREST EXPENSES		15,382,697	8,050,105	8,751,029	4,693,949
2.1 Interest on deposits	V-IV-2	9,256,351	4,797,914	5,933,478	3,148,942
2.2 Interest on funds borrowed	V-IV-2	763,033	392,697	485,679	285,461
2.3 Interest on money market transactions		3,358,756	1,764,714	1,183,523	646,435
2.4 Interest on securities issued	V-IV-2	1,922,537	1,052,231	1,146,043	628,601
2.5 Leasing interest income		75,975	40,091	-	-
2.6 Other interest expenses		6,045	2,458	2,306	(15,490)
III. NET INTEREST INCOME/EXPENSE (I - II)		5,114,756	2,769,984	4,877,953	2,571,782
IV. NET FEES AND COMMISSIONS INCOME/EXPENSES		1,834,045	855,486	955,348	511,491
4.1 Fees and commissions received		2,379,401	1,170,935	1,353,231	733,380
4.1.1 Non-cash loans		350,171	183,672	195,455	102,754
4.1.2 Other		2,029,230	987,263	1,157,776	630,626
4.2 Fees and commissions paid		545,356	315,449	397,883	221,889
4.2.1 Non-cash loans		232	169	242	160
4.2.2 Other		545,124	315,280	397,641	221,729
V. DIVIDEND INCOME		50,691	49,354	117,447	73,034
VI. TRADING PROFIT/LOSS (Net)	V-IV-3	(1,134,996)	(1,263,930)	300,959	188,142
6.1 Profit/losses from capital market transactions	V-IV-3	107,728	61,177	56,969	30,068
6.2 Profit/losses from derivative financial transactions	V-IV-3	(1,493,350)	(1,503,085)	242,551	159,386
6.3 Foreign exchange profit/losses	V-IV-3	250,626	177,978	1,439	(1,312)
VII. OTHER OPERATING INCOME	V-IV-4	2,430,923	1,061,216	810,218	(139,345)
VIII. GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII)		8,295,419	3,472,110	7,061,925	3,205,104
IX. ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)	V-IV-5	3,874,579	1,412,749	1,788,150	505,036
X. OTHER PROVISION EXPENSES (-)	V-IV-5	45,784	13,989	1,622	(8,578)
XI. PERSONNEL EXPENSES (-)		1,343,449	654,911	1,050,297	511,916
XII. OTHER OPERATING EXPENSES (-)	V-IV-6	1,830,694	971,165	1,563,687	838,471
XIII. NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		1,200,913	419,296	2,658,169	1,358,259
XIV. SURPLUS WRITTEN AS GAIN AFTER MERGER		-	-	-	-
XV. PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES		-	-	-	-
XVI. NET MONETARY POSITION GAIN/LOSS		-	-	-	-
XVII. PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XII+...+XV)		1,200,913	419,296	2,658,169	1,358,259
XVIII. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)		(182,122)	(51,727)	(532,908)	(284,419)
18.1 Current tax provision	V-IV-8	(387,675)	(368,222)	(517,308)	(226,420)
18.2 Expense effect of deferred tax (+)	V-IV-10	(696,089)	(67,863)	(246,641)	(156,508)
18.3 Income effect of deferred tax (-)	V-IV-10	901,642	384,358	231,041	98,509
XIX. NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)		1,018,791	367,569	2,125,261	1,073,840
XX. INCOME FROM DISCONTINUED OPERATIONS		-	-	-	-
20.1 Income from assets held for sale		-	-	-	-
20.2 Profit from sale of associates, subsidiaries and joint ventures		-	-	-	-
20.3 Other income from discontinued operations		-	-	-	-
XXI. EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-	-	-
21.1 Expenses on assets held for sale		-	-	-	-
21.2 Losses from sale of associates, subsidiaries and joint ventures		-	-	-	-
21.3 Other expenses from discontinued operations		-	-	-	-
XXII. PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (XX-XXI)		-	-	-	-
XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-	-	-
23.1 Current tax provision		-	-	-	-
23.2 Expense effect of deferred tax (+)		-	-	-	-
23.3 Income effect of deferred tax (-)		-	-	-	-
XXIV. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		-	-	-	-
XXV. NET PROFIT/LOSSES (XIX+XXIV)	V-IV-11	1,018,791	367,569	2,125,261	1,073,840
25.1 Equity holders of the Bank		-	-	-	-
25.2 Non-controlling interest (-)		-	-	-	-
Profit/Loss per 100 shares (full TL)		0.4075	0.1470	0.8501	0.4295

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 PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019**

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

	Reviewed Current Period January 1, 2019- June 30, 2019	Reviewed Prior Period January 1, 2018- June 30, 2018
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
I. PROFIT (LOSS)	1,018,791	2,125,261
II. OTHER COMPREHENSIVE INCOME	(470,012)	2,217
2.1. Other comprehensive income that will not be reclassified to profit or loss	(547,859)	157,030
2.1.1. Gains (Losses) on Revaluation of Property, Plant and Equipment	10,170	29,488
2.1.2. Gains (losses) on revaluation of Intangible Assets	-	-
2.1.3. Gains (losses) on remeasurements of defined benefit plans	-	-
2.1.4. Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	(580,089)	166,580
2.1.5. Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	22,060	(39,038)
2.2. Other Comprehensive Income That Will Be Reclassified to Profit or Loss	77,847	(154,813)
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	96,302	(194,823)
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	(18,455)	40,010
III. TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)	548,779	2,127,478

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 SIX-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			Profit Reserves	Prior Period Net Income (Loss)	Current Period Net Income (Loss)	Total Shareholders' Equity
Reviewed	Notes	Paid in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6				
Current Period June 30, 2019															
I.	Prior Period End Balance	2,500,000	723,918	-	90,752	1,018,326	(33,854)	1,480,717	80,727	(100,297)	-	17,864,763	4,725,138	-	28,350,190
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	723,918	-	90,752	1,018,326	(33,854)	1,480,717	80,727	(100,297)	-	17,864,763	4,725,138	-	28,350,190
IV.	Total Comprehensive Income	-	-	-	-	10,270	-	(558,129)	-	77,847	-	-	-	1,018,791	548,779
V.	Capital Increase by Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase by Internal Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease by Other Changes	-	-	-	386,995	-	-	-	-	-	-	-	(11,179)	-	375,816
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	-	4,713,959	(4,713,959)	-	-
11.1.	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2.	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	4,713,959	(4,713,959)	-	-
11.3.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance (I+II+...X+XI)		2,500,000	723,918	-	477,747	1,028,596	(33,854)	922,588	80,727	(22,450)	-	22,578,722	-	1,018,791	29,274,785

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

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED 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 SIX-MONTH PERIOD ENDED JUNE 30, 2018**

(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			Prior Period Net Income (Loss)	Current Period Net Income (Loss)	Total Shareholders' Equity
Reviewed	Notes	Paid in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves			
Prior Period June 30, 2018															
I.	Prior Period End Balance	2,500,000	723,918	-	91,823	873,080	(23,265)	1,149,680	80,727	(157,573)	-	14,296,045	3,723,383	-	23,257,818
II.	Corrections and Accounting Policy Changes Made According to TAS 8	-	-	-	-	-	-	-	-	161,636	-	-	570,122	-	731,758
2.1.	Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2.	Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	161,636	-	-	570,122	-	731,758
III.	Adjusted Beginning Balance (I+II)	2,500,000	723,918	-	91,823	873,080	(23,265)	1,149,680	80,727	4,063	-	14,296,045	4,293,505	-	23,989,576
IV.	Total Comprehensive Income	-	-	-	-	1,075	-	155,955	-	(154,813)	-	-	-	2,125,261	2,127,478
V.	Capital Increase by Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase by Internal Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease by Other Changes	-	-	-	-	-	-	-	-	-	-	-	(29,665)	-	(29,665)
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.1.	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2.	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.3.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance (I+II+...X+XI)		2,500,000	723,918	-	91,823	874,155	(23,265)	1,305,635	80,727	(150,750)	-	14,296,045	4,263,840	2,125,261	26,087,389

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

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED STATEMENT OF CASH FLOW
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019**

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

	Notes	Reviewed Current Period June 30, 2019	Reviewed Prior Period June 30, 2018
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities		336,085	3,148,174
1.1.1 Interests received		18,197,342	12,270,973
1.1.2 Interests paid		(15,034,771)	(8,209,063)
1.1.3 Dividends received		50,691	61,282
1.1.4 Fee and commissions received		2,379,401	1,403,329
1.1.5 Other income		77,980	36,653
1.1.6 Collections from previously written-off loans and other receivables		1,106,039	960,170
1.1.7 Cash payments to personnel and service suppliers		(1,557,288)	(1,193,284)
1.1.8 Taxes paid		(1,284,711)	(872,965)
1.1.9 Other		(3,598,598)	(1,308,921)
1.2 Changes in operating assets and liabilities		7,112,119	(5,118,397)
Net (increase) decrease in Financial Assets at Fair Value through Profit or		1,395	(6,156)
1.2.1 Loss		-	-
1.2.2 Net (increase) decrease in due from banks		(132,900)	(3,253,126)
1.2.3 Net (increase) decrease in loans		(27,970,067)	(28,057,791)
1.2.4 Net (increase) decrease in other assets		(1,269,841)	845,110
1.2.5 Net increase (decrease) in bank deposits		3,301,582	34,831
1.2.6 Net increase (decrease) in other deposits		31,610,057	14,521,841
Net increase (decrease) in financial liabilities at fair value through profit or		-	-
1.2.7 loss		-	-
1.2.8 Net increase (decrease) in funds borrowed		(1,782,682)	9,800,298
1.2.9 Net increase (decrease) in matured payables		-	-
1.2.10 Net increase (decrease) in other liabilities		3,354,575	996,596
I. Net cash flow provided from banking operations		7,448,204	(1,970,223)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided from investing activities		(13,670,159)	(4,457,073)
2.1 Cash paid for the purchase of associates, subsidiaries and joint ventures		-	(750)
2.2 Cash obtained from the sale of associates, subsidiaries and joint ventures		-	-
2.3 Cash paid for the purchase of tangible and intangible asset		(1,029,595)	(128,258)
2.4 Cash obtained from the sale of tangible and intangible asset		229,705	334,822
2.5 Cash paid for the purchase of financial assets at fair value through other comprehensive income		(9,378,221)	(3,172,356)
2.6 Cash obtained from the sale of financial assets at fair value through other comprehensive income		2,286,552	642,042
2.7 Cash paid for the purchase of financial assets at amortized cost		(6,001,964)	(2,871,107)
2.8 Cash obtained from sale of financial assets at amortized cost		447,853	745,754
2.9 Other		(224,489)	(7,220)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash flow from financing activities		9,527,649	5,661,689
3.1 Cash obtained from funds borrowed and securities issued		18,137,021	11,435,431
3.2 Cash outflow from funds borrowed and securities issued		(8,441,315)	(5,773,742)
3.3 Equity instruments issued		-	-
3.4 Dividends paid		-	-
3.5 Payments for finance lease liabilities		(168,057)	-
3.6 Other		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents		37,660	(47,878)
V. Net increase/decrease in cash and cash equivalents		3,343,354	(813,485)
VI. Cash and cash equivalents at beginning of the period		19,472,141	19,294,961
VII. Cash and cash equivalents at end of the period		22,815,495	18,481,476

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