

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT SEPTEMBER 30, 2020**

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

ASSETS	Notes	Current Period September 30, 2020			Prior Period December 31, 2019		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		40,439,894	107,324,074	147,763,968	23,839,465	51,504,253	75,343,718
1.1 Cash and cash equivalents	V-I-1	4,876,928	41,792,562	46,669,490	2,399,213	40,329,046	42,728,259
1.1.1 Cash and balances at Central Bank	V-I-1	4,605,790	38,996,805	43,602,595	2,387,874	34,116,718	36,504,592
1.1.2 Banks	V-I-3	38,394	2,795,782	2,834,176	6,120	6,212,378	6,218,498
1.1.3 Receivables from Money Markets		236,244	-	236,244	14,535	-	14,535
1.1.4 Allowance for expected credit losses (-)	V-I-16	3,500	25	3,525	9,316	50	9,366
1.2 Financial assets at fair value through profit or loss	V-I-2	288,559	9,605,113	9,893,672	178,298	2,129,634	2,307,932
1.2.1 Public debt securities		111,340	9,451,672	9,563,012	198	2,017,593	2,017,791
1.2.2 Equity instruments		172,126	153,441	325,567	173,286	112,041	285,327
1.2.3 Other financial assets		5,093	-	5,093	4,814	-	4,814
1.3 Financial assets at fair value through other comprehensive income	V-I-4	26,592,858	54,114,241	80,707,099	17,673,354	8,126,945	25,800,299
1.3.1 Public debt securities		25,984,376	52,238,473	78,222,849	17,089,209	7,011,397	24,100,606
1.3.2 Equity instruments		14,130	5,114	19,244	14,131	3,924	18,055
1.3.3 Other financial assets		594,352	1,870,654	2,465,006	570,014	1,111,624	1,681,638
1.4 Derivative financial assets	V-I-2	8,681,549	1,812,158	10,493,707	3,588,600	918,628	4,507,228
1.4.1 Derivative financial assets at fair value through profit or loss		8,681,549	1,812,158	10,493,707	3,588,600	918,628	4,507,228
1.4.2 Derivative financial assets at fair value through other comprehensive income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		334,183,222	139,820,600	474,003,822	224,392,334	106,479,466	330,871,800
2.1 Loans	V-I-5	307,903,507	122,572,301	430,475,808	202,068,252	92,213,963	294,282,215
2.2 Receivables from leasing transactions	V-I-10	873,786	2,563,029	3,436,815	696,678	2,077,438	2,774,116
2.3 Factoring receivables		2,179,189	282,298	2,461,487	2,504,062	369,208	2,873,270
2.4 Financial assets measured at amortised cost	V-I-6	43,331,003	14,683,453	58,014,456	35,004,414	12,010,219	47,014,633
2.4.1 Public debt securities		43,272,118	14,489,457	57,761,575	34,945,546	11,700,580	46,646,126
2.4.2 Other financial assets		58,885	193,996	252,881	58,868	309,639	368,507
2.5 Allowance for expected credit losses (-)		20,104,263	280,481	20,384,744	15,881,072	191,362	16,072,434
III. NON-CURRENTS ASSETS OR DISPOSAL GROUPS "HELD FOR SALE" AND "FROM DISCONTINUED OPERATIONS (Net)"	V-I-14	1,300,494	-	1,300,494	7,240,607	456,388	7,696,995
3.1 Held for sale purpose		1,300,494	-	1,300,494	7,240,607	456,388	7,696,995
3.2 Related to discontinued operations		-	-	-	-	-	-
IV. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES		1,577,981	3	1,577,984	1,481,250	3	1,481,253
4.1 Investments in associates (Net)	V-I-7	1,232,725	3	1,232,728	1,138,780	3	1,138,783
4.1.1 Associates accounted by using equity method		494,590	-	494,590	447,762	-	447,762
4.1.2 Unconsolidated associates		738,135	3	738,138	691,018	3	691,021
4.2 Investments in subsidiaries (Net)	V-I-8	345,256	-	345,256	342,470	-	342,470
4.2.1 Non-consolidated financial subsidiaries		-	-	-	-	-	-
4.2.2 Non-consolidated non-financial subsidiaries		345,256	-	345,256	342,470	-	342,470
4.3 Jointly Controlled Partnerships (Joint Ventures) (Net)	V-I-9	-	-	-	-	-	-
4.3.1 Jointly controlled partnerships accounted by using equity method		-	-	-	-	-	-
4.3.2 Non-consolidated jointly controlled partnerships		-	-	-	-	-	-
V. TANGIBLE ASSETS (Net)		4,034,494	14,523	4,049,017	3,029,550	11,417	3,040,967
VI. INTANGIBLE ASSETS AND GOODWILL (Net)		270,877	362	271,239	237,755	304	238,059
6.1 Goodwill		14,631	-	14,631	14,631	-	14,631
6.2 Other		256,246	362	256,608	223,124	304	223,428
VII. INVESTMENT PROPERTIES (Net)	V-I-12	678,221	-	678,221	608,990	-	608,990
VIII. CURRENT TAX ASSETS		306,677	-	306,677	-	-	-
IX. DEFERRED TAX ASSETS	V-I-13	1,001,112	-	1,001,112	801,616	-	801,616
X. OTHER ASSETS	V-I-15	8,196,629	11,945,776	20,142,405	5,328,857	7,628,874	12,957,731
TOTAL ASSETS		391,989,601	259,105,338	651,094,939	266,960,424	166,080,705	433,041,129

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT SEPTEMBER 30, 2020**

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

	Notes	Current Period September 30, 2020			Prior Period December 31, 2019		
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	V-II-1	215,941,132	182,562,247	398,503,379	142,276,343	111,854,405	254,130,748
II. BORROWINGS	V-II-3	2,179,653	50,136,311	52,315,964	2,286,766	42,776,918	45,063,684
III. MONEY MARKET FUNDS		53,028,542	13,984,179	67,012,721	19,825,274	5,598,794	25,424,068
IV. MARKETABLE SECURITIES ISSUED (Net)	V-II-3	11,965,200	29,816,377	41,781,577	11,792,577	17,455,479	29,248,056
4.1 Bills		6,526,372	-	6,526,372	6,494,825	-	6,494,825
4.2 Asset backed securities		-	-	-	-	-	-
4.3 Bonds		5,438,828	29,816,377	35,255,205	5,297,752	17,455,479	22,753,231
V. FUNDS		3,053	-	3,053	3,053	-	3,053
5.1 Borrower funds		-	-	-	-	-	-
5.2 Other		3,053	-	3,053	3,053	-	3,053
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL LIABILITIES	V-II-2	3,238,787	2,733,689	5,972,476	2,226,099	1,085,898	3,311,997
7.1 Derivative financial liabilities at fair value through profit or loss		3,238,787	2,733,689	5,972,476	2,226,099	1,085,898	3,311,997
7.2 Derivative financial liabilities at fair value through other comprehensive income		-	-	-	-	-	-
VIII. FACTORING PAYABLES		865	-	865	1,823	549	2,372
IX. LEASE PAYABLES (Net)	V-II-5	993,904	25	993,929	935,839	99	935,938
X. PROVISIONS	V-II-7	2,450,675	60,826	2,511,501	2,219,860	39,067	2,258,927
10.1 Provision for restructuring		-	-	-	-	-	-
10.2 Reserves for employee benefits		1,252,271	5,506	1,257,777	1,153,968	3,997	1,157,965
10.3 Insurance technical reserves (Net)		-	-	-	-	-	-
10.4 Other provisions		1,198,404	55,320	1,253,724	1,065,892	35,070	1,100,962
XI. CURRENT TAX LIABILITIES	V-II-8	561,104	2,034	563,138	1,138,988	3,003	1,141,991
XII. DEFERRED TAX LIABILITIES	V-II-8	156	41,973	42,129	1,232	30,758	31,990
XIII. LIABILITIES RELATED TO NON-CURRENT ASSETS "HELD FOR SALE" AND "DISCONTINUED OPERATIONS" (Net)	V-II-9	-	-	-	5,018,668	353,532	5,372,200
13.1 Held for sale		-	-	-	5,018,668	353,532	5,372,200
13.2 Related to discontinued operations		-	-	-	-	-	-
XIV. SUBORDINATED DEBT	V-II-10	6,248,868	13,320,310	19,569,178	6,394,877	12,850,576	19,245,453
14.1 Loans		-	-	-	-	-	-
14.2 Other debt instruments		6,248,868	13,320,310	19,569,178	6,394,877	12,850,576	19,245,453
XV. OTHER LIABILITIES	V-II-4	13,644,657	2,778,857	16,423,514	9,705,538	3,612,824	13,318,362
XVI. SHAREHOLDERS' EQUITY	V-II-11	44,409,730	991,785	45,401,515	32,573,508	978,782	33,552,290
16.1 Paid-in capital	V-II-11	3,905,622	-	3,905,622	2,500,000	-	2,500,000
16.2 Capital reserves		6,260,893	-	6,260,893	839,941	-	839,941
16.2.1 Equity share premiums		6,303,386	-	6,303,386	723,962	-	723,962
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Other capital reserves		(42,493)	-	(42,493)	115,979	-	115,979
16.3 Other accumulated comprehensive income that will not be reclassified in profit or loss		1,273,387	-	1,273,387	1,285,422	-	1,285,422
16.4 Other accumulated comprehensive income that will be reclassified in profit or loss		299,697	533,129	832,826	561,289	682,614	1,243,903
16.5 Profit reserves		26,431,074	272,613	26,703,687	23,431,326	200,064	23,631,390
16.5.1 Legal reserves		2,811,181	17,882	2,829,063	2,538,782	10,669	2,549,451
16.5.2 Statutory reserves		6,337	-	6,337	6,337	-	6,337
16.5.3 Extraordinary reserves		21,810,638	251,116	22,061,754	20,061,308	185,780	20,247,088
16.5.4 Other profit reserves		1,802,918	3,615	1,806,533	824,899	3,615	828,514
16.6 Profit or loss		5,517,277	181,373	5,698,650	3,134,638	45,862	3,180,500
16.6.1 Prior years' profits or losses		196,734	11,374	208,108	(148,390)	(40,469)	(188,859)
16.6.2 Current period net profit or loss		5,320,543	169,999	5,490,542	3,283,028	86,331	3,369,359
16.7 Minority interests		721,780	4,670	726,450	820,892	50,242	871,134
TOTAL LIABILITIES AND EQUITY		354,666,326	296,428,613	651,094,939	236,400,445	196,640,684	433,041,129

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

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**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES NOTES
TO THE CONSOLIDATED OFF-BALANCE SHEET ITEMS
AS AT SEPTEMBER 30, 2020**

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

	Notes	Current Period September 30, 2020			Prior Period December 31, 2019		
		TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		140,995,241	248,439,038	389,434,279	130,858,298	206,289,254	337,147,552
I. GUARANTEES AND WARRENTIES	V-III-2	40,473,281	55,371,840	95,845,121	38,069,926	40,210,391	78,280,317
1.1. Letters of guarantee	V-III-1	39,666,935	31,575,068	71,242,003	37,379,041	21,625,025	59,004,066
1.1.1. Guarantees subject to state tender law		2,669,890	9,726,705	12,396,595	2,904,236	7,080,944	9,985,180
1.1.2. Guarantees given for foreign trade operations		1,973,532	-	1,973,532	1,322,033	-	1,322,033
1.1.3. Other letters of guarantee		35,023,513	21,848,363	56,871,876	33,152,772	14,544,081	47,696,853
1.2. Bank acceptances		4,258	5,247,068	5,251,326	7,842	4,574,992	4,582,834
1.2.1. Import letter of acceptance		-	255,742	255,742	-	220,683	220,683
1.2.2. Other bank acceptances		4,258	4,991,326	4,995,584	7,842	4,354,309	4,362,151
1.3. Letters of credit		272,283	18,031,988	18,304,271	141,830	13,590,815	13,732,645
1.3.1. Documentary letters of credit		272,283	18,031,988	18,304,271	141,830	13,590,815	13,732,645
1.3.2. Other letters of credit		-	-	-	-	-	-
1.4. Pre-financings given as guarantee		-	6,172	6,172	-	4,736	4,736
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of the Republic of Turkey		-	-	-	-	-	-
1.5.2. Other endorsements		-	-	-	-	-	-
1.6. Purchase guarantees for securities issued		-	-	-	-	-	-
1.7. Factoring guarantees		251,991	294,212	546,203	324,144	142,897	467,041
1.8. Other guarantees		191,412	105,981	297,393	51,444	49,964	101,408
1.9. Other warranties		86,402	111,351	197,753	165,625	221,962	387,587
II. COMMITMENTS		62,626,114	37,180,749	99,806,863	50,408,925	32,589,509	82,998,434
2.1. Irrevocable commitments	V-III-1	53,909,160	1,956,555	55,865,715	43,325,448	5,794,937	49,120,385
2.1.1. Asset purchase and sales commitments	V-III-1	39,777	1,589,369	1,629,146	2,407,191	5,561,794	7,968,985
2.1.2. Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3. Share capital commitments to associates and subsidiaries		3,150	-	3,150	7,500	-	7,500
2.1.4. Loan granting commitments		24,388,093	2,758	24,390,851	18,076,739	2,340	18,079,079
2.1.5. Securities issuance brokerage commitments		-	-	-	-	-	-
2.1.6. Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7. Commitments for cheque payments	V-III-1	5,344,163	-	5,344,163	3,528,150	-	3,528,150
2.1.8. Tax and fund liabilities on export commitments		-	-	-	-	-	-
2.1.9. Commitments for credit card expenditure limits	V-III-1	20,651,329	-	20,651,329	17,293,741	-	17,293,741
2.1.10. Commitments for credit card and banking services promotions		754,533	-	754,533	484,519	-	484,519
2.1.11. Receivables from short sale commitments on marketable securities		-	-	-	-	-	-
2.1.12. Payables from short sale commitments on marketable securities		-	-	-	-	-	-
2.1.13. Other irrevocable commitments		2,728,115	364,428	3,092,543	1,527,608	230,803	1,758,411
2.2. Revocable commitments		8,716,954	35,224,194	43,941,148	7,083,477	26,794,572	33,878,049
2.2.1. Revocable loan granting commitments		8,716,954	35,224,194	43,941,148	7,083,477	26,794,572	33,878,049
2.2.2. Other revocable commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		37,895,846	155,886,449	193,782,295	42,379,447	133,489,354	175,868,801
3.1. Derivative financial instruments held for hedging purposes		-	-	-	-	-	-
3.1.1. Fair value hedges		-	-	-	-	-	-
3.1.2. Cash flow hedges		-	-	-	-	-	-
3.1.3. Hedging for investments made in foreign countries		-	-	-	-	-	-
3.2. Trading transactions		37,895,846	155,886,449	193,782,295	42,379,447	133,489,354	175,868,801
3.2.1. Forward foreign currency purchase and sale transactions		1,883,422	3,189,179	5,072,601	2,320,043	2,217,584	4,537,627
3.2.1.1. Forward foreign currency purchase transactions		1,067,121	1,474,425	2,541,546	1,163,458	1,109,150	2,272,608
3.2.2.2. Forward foreign currency sales		816,301	1,714,754	2,531,055	1,156,585	1,108,434	2,265,019
3.2.2. Currency and interest rate swaps		27,360,188	128,688,047	156,048,235	30,978,513	115,422,998	146,401,511
3.2.2.1. Currency swap purchase transactions		1,626,359	33,888,233	35,514,592	1,781,342	38,137,242	39,918,584
3.2.2.2. Currency swap sale transactions		22,453,829	13,099,516	35,553,345	25,527,171	14,629,740	40,156,911
3.2.2.3. Interest rate swap purchase transactions		1,640,000	40,850,149	42,490,149	1,835,000	31,328,008	33,163,008
3.2.2.4. Interest rate swaps sale transactions		1,640,000	40,850,149	42,490,149	1,835,000	31,328,008	33,163,008
3.2.3. Currency, interest rate and security options		-	621,790	621,790	576,987	759,416	1,336,403
3.2.3.1. Currency purchase option		-	309,234	309,234	367,787	294,076	661,863
3.2.3.2. Currency sale option		-	312,556	312,556	209,200	465,340	674,540
3.2.3.3. Interest rate purchase options		-	-	-	-	-	-
3.2.3.4. Interest rate sale options		-	-	-	-	-	-
3.2.3.5. Security purchase options		-	-	-	-	-	-
3.2.3.6. Security sale options		-	-	-	-	-	-
3.2.4. Currency futures		241,832	240,560	482,392	-	-	-
3.2.4.1. Currency purchase futures		-	240,560	240,560	-	-	-
3.2.4.2. Currency sales futures		241,832	-	241,832	-	-	-
3.2.5. Interest rate futures		-	-	-	-	-	-
3.2.5.1. Interest rate purchases futures		-	-	-	-	-	-
3.2.5.2. Interest rate sales futures		-	-	-	-	-	-
3.2.6. Other		8,410,404	23,146,873	31,557,277	8,503,904	15,089,356	23,593,260
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		3,697,707,531	3,751,636,107	7,449,343,638	2,297,605,505	1,578,274,516	3,875,880,021
IV. ITEMS HELD IN CUSTODY		77,100,058	27,188,612	104,288,670	76,566,563	15,168,557	91,735,120
4.1. Customer fund and portfolio balances		4,345,968	-	4,345,968	2,113,691	-	2,113,691
4.2. Securities held in custody		53,290,366	8,848,468	62,138,834	57,617,522	5,230,911	62,848,433
4.3. Checks received for collection		9,579,043	1,579,330	11,158,373	8,743,308	1,190,464	9,933,772
4.4. Commercial notes received for collection		8,051,912	1,434,482	9,486,394	6,704,176	1,084,425	7,788,601
4.5. Other assets received for collection		2,152	310	2,462	2,152	238	2,390
4.6. Securities received for public offering		-	-	-	-	-	-
4.7. Other items under custody		451,415	9,706,853	10,158,268	204,705	4,909,862	5,114,567
4.8. Custodians		1,379,202	5,619,169	6,998,371	1,181,009	2,752,657	3,933,666
V. PLEDGED ITEMS		800,783,139	330,783,537	1,131,566,676	775,988,471	242,582,316	1,018,570,787
5.1. Marketable securities		297,641	129,889	427,530	299,466	44,434	343,900
5.2. Guarantee notes		1,100,548	3,992,374	5,092,922	837,716	1,783,494	2,621,210
5.3. Commodity		109,468,315	3,652,329	113,120,644	106,248,275	2,762,344	109,010,619
5.4. Warrant		-	-	-	-	-	-
5.5. Immovables		524,726,905	276,889,693	801,616,598	552,289,678	193,747,833	746,037,511
5.6. Other pledged items		164,623,447	46,021,807	210,645,254	115,697,559	44,107,197	159,804,756
5.7. Depositories receiving pledged items		566,283	97,445	663,728	615,777	137,014	752,791
VI. ACCEPTED GUARANTEES AND WARRANTS		2,819,824,334	3,393,663,958	6,213,488,292	1,445,050,471	1,320,523,643	2,765,574,114
TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)		3,838,702,772	4,000,075,145	7,838,777,917	2,428,463,803	1,784,563,770	4,213,027,573

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS
FINANCIAL SUBSIDIARIES NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020**

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

	Notes	Current Period January 1, 2020- September 30, 2020	Current Period July 1, 2020- September 30 2020	Prior Period January 1 2019- September 30,2019	Prior Period July 1 2019- September 30,2019
I. INTEREST INCOME	V-IV-1	33,987,371	12,463,481	32,151,335	11,122,370
1.1 Interest on loans	V-IV-1	26,864,696	9,620,021	26,235,791	9,161,483
1.2 Interest received from reserve deposits		89,803	55,552	280,207	75,774
1.3 Interest received from banks	V-IV-1	84,587	18,794	263,161	84,802
1.4 Interest received from money market transactions		1,117	367	2,881	919
1.5 Interest received from marketable securities portfolio	V-IV-1	6,731,921	2,688,938	5,166,044	1,736,787
1.5.1 Financial assets at fair value through profit or loss		267,831	212,819	59,083	17,506
1.5.2 Financial assets at fair value through other comprehensive income		2,855,268	1,152,429	1,585,643	594,788
1.5.3 Financial assets measured at amortised cost		3,608,822	1,323,690	3,521,318	1,124,493
1.6 Finance lease interest income		196,956	73,532	174,586	58,703
1.7 Other interest income		18,291	6,277	28,665	3,902
II. INTEREST EXPENSES	V-IV-2	17,837,385	6,937,189	23,147,053	7,610,579
2.1 Interest on deposits	V-IV-2	10,277,438	4,173,064	14,181,253	5,005,995
2.2 Interest on funds borrowed	V-IV-2	1,153,349	353,354	1,360,706	425,870
2.3 Interest on money market transactions		2,614,951	1,040,712	4,391,095	1,032,149
2.4 Interest on securities issued	V-IV-2	3,405,224	1,185,356	3,059,046	1,101,436
2.5 Leasing interest income		108,140	31,322	117,139	40,664
2.6 Other interest expenses		278,283	153,381	37,814	4,465
III. NET INTEREST INCOME/EXPENSE (I - II)		16,149,986	5,526,292	9,004,282	3,511,791
IV. NET FEES AND COMMISSIONS INCOME/EXPENSES		2,355,865	750,952	2,717,627	892,553
4.1 Fees and commissions received		2,956,576	947,585	3,532,886	1,165,358
4.1.1 Non-cash loans		554,095	191,659	529,468	180,599
4.1.2 Other		2,402,481	755,926	3,003,418	984,759
4.2 Fees and commissions paid (-)		600,711	196,633	815,259	272,805
4.2.1 Non-cash loans		5,344	1,027	3,291	545
4.2.2 Other		595,367	195,606	811,968	272,260
V. DIVIDEND INCOME		17,459	172	8,546	114
VI. TRADING PROFIT/LOSS (Net)	V-IV-3	(2,373,182)	(1,606,526)	(1,981,358)	(917,484)
6.1 Profit/losses from capital market transactions	V-IV-3	1,440,546	706,848	254,010	132,869
6.2 Profit/losses from derivative financial transactions	V-IV-3	(1,184,079)	(148,135)	(2,678,886)	(1,185,987)
6.3 Foreign exchange profit/losses	V-IV-3	(2,629,649)	(2,165,239)	443,518	135,634
OTHER OPERATING INCOME	V-IV-4	6,859,337	1,564,095	5,054,146	1,575,114
VIII. GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII)		23,009,465	6,234,985	14,803,243	5,062,088
IX. ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)	V-IV-5	9,057,680	2,689,386	5,930,368	1,959,794
X. OTHER PROVISION EXPENSES (-)	V-IV-5	57,588	(20,579)	41,121	(13,122)
XI. PERSONNEL EXPENSES (-)		2,605,791	855,986	2,309,275	825,450
XII. OTHER OPERATING EXPENSES (-)	V-IV-6	4,555,675	1,213,055	3,843,413	1,167,967
XIII. NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		6,732,731	1,497,137	2,679,066	1,121,999
XIV. SURPLUS WRITTEN AS GAIN AFTER MERGER PROFIT/LOSS FROM EQUITY METHOD APPLIED		-	-	-	-
XV. SUBSIDIARIES		46,596	18,639	48,196	15,774
XVI. NET MONETARY POSITION GAIN/LOSS PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XII+...+XV)	V-IV-7	6,779,327	1,515,776	2,727,262	1,137,773
XVIII. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	V-IV-10	(1,238,520)	(198,436)	(579,091)	(320,604)
18.1 Current tax provision	V-IV-10	(1,329,413)	443,652	(1,313,193)	(864,476)
18.2 Expense effect of deferred tax (+)	V-IV-10	(1,536,086)	(909,318)	(989,708)	(269,289)
18.3 Income effect of deferred tax (-)	V-IV-10	1,626,979	267,230	1,723,810	813,161
XIX. NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)	V-IV-9	5,540,807	1,317,340	2,148,171	817,169
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	5,540,807	1,317,340	2,148,171	817,169
25.1 Group's profit/(loss)		5,490,542	1,298,278	2,020,109	753,924
25.2 Minority shares (-)		50,265	19,062	128,062	63,245
Profit/Loss per 100 shares (full TL)	I-XXIV	1.6818	0.3243	0.8080	0.3015

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE
NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020**

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

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		Current Period January 1, 2020- September 30, 2020	Prior Period January 1, 2019- September 30, 2019
I.	PROFIT (LOSS)	5,540,807	2,148,171
II.	OTHER COMPREHENSIVE INCOME	(424,361)	813,585
2.1.	Other comprehensive income that will not be reclassified to profit or loss	(13,284)	(111,235)
2.1.1.	Gains (Losses) on Revaluation of Property, Plant and Equipment	(9,728)	(1,341)
2.1.2.	Gains (losses) on revaluation of Intangible Assets	-	-
2.1.3.	Gains (losses) on remeasurements of defined benefit plans	(1,368)	(1,708)
2.1.4.	Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	(3,477)	(115,043)
2.1.5.	Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	1,289	6,857
2.2.	Other Comprehensive Income That Will Be Reclassified to Profit or Loss	(411,077)	924,820
2.2.1.	Exchange Differences on Translation	249,682	79,613
2.2.2.	Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income	(633,337)	898,576
2.2.3.	Income (Loss) Related with Cash Flow Hedges	-	-
2.2.4.	Income (Loss) Related with Hedges of Net Investments in Foreign Operations	(137,510)	93,967
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	110,088	(147,336)
III.	TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)	5,116,446	2,961,756

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019**

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

	Notes	Paid in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss			Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total SE Except minority share	Minority interest	Total Shareholders' Equity	
						1	2	3	4	5	6							
Prior Period September 30, 2019																		
I. Prior Period End Balance		2,500,000	724,276	-	91,433	776,360	(41,357)	441,729	307,342	(117,769)	(102,292)	18,687,653	5,096,704	-	28,364,079	741,674	29,105,753	
II. Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.1. Effects of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2. Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III. Adjusted Beginning Balance (I+II)		2,500,000	724,276	-	91,433	776,360	(41,357)	441,729	307,342	(117,769)	(102,292)	18,687,653	5,096,704	-	28,364,079	741,674	29,105,753	
IV. Total Comprehensive Income		-	-	-	-	19,888	(1,843)	(111,290)	79,613	751,818	93,967	-	-	2,020,109	2,852,262	109,494	2,961,756	
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		-	3,589	-	(43,407)	-	-	-	-	-	-	(479,922)	450,030	-	(69,710)	6,936	(62,774)	
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	5,736,944	(5,736,944)	-	-	-	-	
11.1. Dividends paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.2. Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	5,736,944	(5,736,944)	-	-	-	-	
11.3. Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ending Balance		2,500,000	727,865	-	48,026	796,248	(43,200)	330,439	386,955	634,049	(8,325)	23,944,675	(190,210)	2,020,109	31,146,631	858,104	32,004,735	

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 consolidated financial statements.

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

CONSOLIDATED INTERIM ACTIVITY REPORT AS OF SEPTEMBER 30, 2020

	Notes	Current Period September 30, 2020	Prior Period September 30, 2019
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities (+)		3,504,907	4,074,678
1.1.1 Interest received (+)		28,050,565	28,848,127
1.1.2 Interest paid (-)		(17,885,669)	(22,779,235)
1.1.3 Dividends received (+)		17,459	7,923
1.1.4 Fees and commissions received (+)		3,586,403	3,532,886
1.1.5 Other income (+)		312,659	1,071,669
1.1.6 Collections from previously written off loans and other receivables (+)		3,790,905	1,735,937
1.1.7 Cash payments to personnel and service suppliers (-)		(2,647,225)	(2,498,731)
1.1.8 Taxes paid (-)		(2,374,022)	(1,723,457)
1.1.9 Other (+/-)		(9,346,168)	(4,120,441)
1.2 Changes in operating assets and liabilities subject to banking operations		37,390,210	2,576,225
1.2.1 Net (Increase) Decrease in Financial Assets at Fair Value through Profit or Loss (+/-)		(7,541,437)	(205,576)
1.2.2 Net decrease (increase) in due from banks (+/-)		(7,472,720)	(87,682)
1.2.3 Net decrease (increase) in loans		(130,258,789)	(36,717,269)
1.2.4 Net decrease (increase) in other assets (+/-)		(10,072,786)	39,567
1.2.5 Net increase (decrease) in bank deposits (+/-)		2,316,867	2,919,515
1.2.6 Net increase (decrease) in other deposits (+/-)		140,849,210	46,645,348
1.2.7 Net increase (decrease) in financial liabilities at fair value through profit or loss (+/-)		-	-
1.2.8 Net increase (decrease) in funds borrowed (+/-)		7,718,455	(3,261,760)
1.2.9 Net increase (decrease) in matured payables (+/-)		-	-
1.2.10 Net increase (decrease) in other liabilities (+/-)		41,851,410	(6,755,918)
I. Net cash provided from banking operations(+/-)		40,895,117	6,650,903
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided from investing activities(+/-)		(63,784,736)	(13,275,273)
2.1 Cash paid for the purchase of associates, subsidiaries and joint ventures		(48,556)	(181,576)
2.2 Cash obtained from the sale of associates, subsidiaries and joint ventures		700	220
2.3 Cash paid for the purchase of tangible and intangible asset (-)		(1,768,004)	(1,229,410)
2.4 Cash obtained from the sale of tangible and intangible asset (+)		371,516	223,900
2.5 Cash paid for the purchase of financial assets at fair value through other comprehensive income (-)		(73,712,229)	(13,740,412)
2.6 Cash obtained from the sale of financial assets at fair value through other comprehensive income (+)		17,584,717	7,376,710
2.7 Cash paid for the purchase of financial assets at amortised cost (-)		(10,987,874)	(6,306,183)
2.8 Cash obtained from sale of financial assets at amortised cost (+)		4,824,545	812,410
2.9 Other (+/-)		(49,551)	(230,932)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash flows from financing activities (+/-)		19,650,068	9,370,093
3.1 Cash obtained from funds borrowed and securities issued (+)		28,276,135	25,192,307
3.2 Cash outflow from funds borrowed and securities issued (-)		(15,336,922)	(15,560,043)
3.3 Equity instruments issued (+)		7,000,000	-
3.4 Dividends paid (-)		-	-
3.5 Payments for finance lease liabilities (-)		(289,145)	(262,171)
3.6 Other (+/-)		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents		190,164	(13,682)
V. Net increase/decrease in cash and cash equivalents (I+II+III+IV)		(3,049,387)	2,732,041
VI. Cash and cash equivalents at beginning of the period (+)		29,986,852	21,379,500
VII. Cash and cash equivalents at end of the period (V+VI)		26,937,465	24,111,541

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