

**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 30 JUNE 2015**

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

		Notes	Reviewed			Audited		
			Current Period 30 June 2015	TL	FC	Total	Prior Period 31 December 2014	TL
I.	CASH AND BALANCES WITH THE CENTRAL BANK	V-I-1	2,782,448	18,735,177	21,517,625	4,126,328	17,758,651	21,884,979
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)	V-I-2	569,646	91,297	660,943	343,094	37,101	380,195
2.1	Financial assets held for trading purpose		569,646	91,297	660,943	343,094	37,101	380,195
2.1.1	Debt securities issued by the governments		-	-	-	-	-	-
2.1.2	Equity securities		-	-	-	-	-	-
2.1.3	Derivative financial assets held for trading purpose	V-I-2	568,551	91,297	659,848	342,475	37,101	379,576
2.1.4	Other securities		1,095	-	1,095	619	-	619
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	4,341	4,438,836	4,443,177	14,733	2,555,887	2,570,620
IV.	RECEIVABLES FROM INTERBANK MONEY MARKETS		-	-	-	-	-	-
4.1	Interbank money market placements		-	-	-	-	-	-
4.2	Istanbul Stock Exchange money market placements		-	-	-	-	-	-
4.3	Receivables from reverse repurchase agreements		-	-	-	-	-	-
V.	AVAILABLE-FOR-SALE FINANCIAL ASSETS (Net)	V-I-4	12,558,754	3,871,352	16,430,106	12,629,821	3,693,476	16,323,297
5.1	Equity securities		15	-	15	15	-	15
5.2	Debt securities issued by the governments		12,558,739	3,871,352	16,430,091	12,629,806	3,693,476	16,323,282
5.3	Other securities		-	-	-	-	-	-
VI.	LOANS AND RECEIVABLES	V-I-5	84,943,074	33,663,048	118,606,122	76,682,669	27,900,848	104,583,517
6.1	Performing loans and receivables		84,631,344	33,663,048	118,294,392	76,442,594	27,900,848	104,343,442
6.1.1	Loans provided to risk group	V-V-1	213,868	65,196	279,064	57,996	22,347	80,343
6.1.2	Debt securities issued by the governments		-	-	-	-	-	-
6.1.3	Others		84,417,476	33,597,852	118,015,328	76,384,598	27,878,501	104,263,099
6.2	Loans under follow-up		4,309,702	-	4,309,702	3,974,372	-	3,974,372
6.3	Specific provisions (-)		3,997,972	-	3,997,972	3,734,297	-	3,734,297
VII.	FACTORING RECEIVABLES		-	-	-	-	-	-
VIII.	HELD-TO-MATURITY INVESTMENT SECURITIES (Net)	V-I-6	7,016,830	107,045	7,123,875	6,761,749	92,844	6,854,593
8.1	Debt securities issued by the governments		7,016,830	-	7,016,830	6,761,749	-	6,761,749
8.2	Other securities		-	107,045	107,045	-	92,844	92,844
IX.	INVESTMENTS IN ASSOCIATES (Net)	V-I-7	301,648	-	301,648	305,469	-	305,469
9.1	Associates, consolidated per equity method		-	-	-	-	-	-
9.2	Unconsolidated associates		301,648	-	301,648	305,469	-	305,469
9.2.1	Financial associates		290,248	-	290,248	294,069	-	294,069
9.2.2	Non-Financial associates		11,400	-	11,400	11,400	-	11,400
X.	INVESTMENTS IN SUBSIDIARIES (Net)	V-I-8	1,082,261	321,124	1,403,385	1,110,389	321,124	1,431,513
10.1	Unconsolidated financial subsidiaries		839,975	321,124	1,161,099	866,473	321,124	1,187,597
10.2	Unconsolidated non-financial subsidiaries		242,286	-	242,286	243,916	-	243,916
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	-	-	-	-	-	-
12.1	Finance lease receivables		-	-	-	-	-	-
12.2	Operational lease receivables		-	-	-	-	-	-
12.3	Others		-	-	-	-	-	-
12.4	Unearned income (-)		-	-	-	-	-	-
XIII.	DERIVATIVE FINANCIAL ASSETS HELD FOR RISK MANAGEMENT PURPOSE	V-I-11	-	-	-	-	-	-
13.1	Fair value hedges		-	-	-	-	-	-
13.2	Cash flow hedges		-	-	-	-	-	-
13.3	Hedges of net investment in foreign operations		-	-	-	-	-	-
XIV.	TANGIBLE ASSETS (Net)		730,845	1,173	732,018	707,628	1,372	709,000
XV.	INTANGIBLE ASSETS (Net)		160,587	125	160,712	140,639	111	140,750
15.1	Goodwill		-	-	-	-	-	-
15.2	Other intangibles		160,587	125	160,712	140,639	111	140,750
XVI.	INVESTMENT PROPERTIES (Net)	V-I-12	-	-	-	-	-	-
XVII.	TAX ASSETS		42,372	-	42,372	72,437	-	72,437
17.1	Current tax assets		-	-	-	-	-	-
17.2	Deferred tax assets	V-I-13	42,372	-	42,372	72,437	-	72,437
XVIII.	ASSETS HELD FOR SALE AND ASSETS RELATED TO THE DISCONTINUED OPERATIONS (Net)	V-I-14	804,500	-	804,500	745,883	-	745,883
18.1	Assets held for sale		804,500	-	804,500	745,883	-	745,883
18.2	Assets related to the discontinued operations		-	-	-	-	-	-
XIX.	OTHER ASSETS	V-I-15	1,594,468	648,707	2,243,175	1,556,242	659,231	2,215,473
TOTAL ASSETS			112,591,774	61,877,884	174,469,658	105,197,081	53,020,645	158,217,726

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

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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 30 JUNE 2015**

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

			Reviewed Current Period 30 June 2015			Audited Prior Period 31 December 2014		
LIABILITIES AND EQUITY		Notes	TL	FC	Total	TL	FC	Total
I.	DEPOSITS	V-II-1	69,132,204	31,139,176	100,271,380	65,703,337	26,053,631	91,756,968
1.1	Deposits of the risk group	V-V-1	1,670,661	210,303	1,880,964	1,511,586	216,777	1,728,363
1.2	Other deposits		67,461,543	30,928,873	98,390,416	64,191,751	25,836,854	90,028,605
II.	DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING PURPOSE	V-II-2	97,502	132,359	229,861	54,233	196,019	250,252
III.	FUNDS BORROWED	V-II-3	101,124	16,224,158	16,325,282	887,938	14,039,110	14,927,048
IV.	INTERBANK MONEY MARKET		14,441,650	3,477,120	17,918,770	9,793,634	6,591,668	16,385,302
4.1	Interbank money market takings		-	-	-	200,000	-	200,000
4.2	Istanbul Stock Exchange money market takings		-	-	-	-	-	-
4.3	Obligations under repurchase agreements		14,441,650	3,477,120	17,918,770	9,593,634	6,591,668	16,185,302
V.	SECURITIES ISSUED (Net)	V-II-3	2,705,498	9,034,009	11,739,507	2,913,190	7,544,567	10,457,757
5.1	Bills		2,705,498	-	2,705,498	2,913,190	-	2,913,190
5.2	Asset backed securities		-	-	-	-	-	-
5.3	Bonds		-	9,034,009	9,034,009	-	7,544,567	7,544,567
VI.	FUNDS		5,082	-	5,082	20,089	-	20,089
6.1	Funds against borrower's note		-	-	-	-	-	-
6.2	Others		5,082	-	5,082	20,089	-	20,089
VII.	MISCELLANEOUS PAYABLES		3,211,128	441,785	3,652,913	2,937,216	223,199	3,160,415
VIII.	OTHER EXTERNAL RESOURCES PAYABLE	V-II-4	727,129	1,768,875	2,496,004	517,101	938,558	1,455,659
IX.	FACTORING PAYABLES		-	-	-	-	-	-
X.	LEASE PAYABLES	V-II-5	-	-	-	-	-	-
10.1	Finance lease payables		-	-	-	-	-	-
10.2	Operational lease payables		-	-	-	-	-	-
10.3	Others		-	-	-	-	-	-
10.4	Deferred finance leasing expenses (-)		-	-	-	-	-	-
XI.	DERIVATIVE FINANCIAL LIABILITIES HELD FOR RISK MANAGEMENT PURPOSE	V-II-6	-	-	-	-	-	-
11.1	Fair value hedges		-	-	-	-	-	-
11.2	Cash flow hedges		-	-	-	-	-	-
11.3	Hedges of net investment in foreign operations		-	-	-	-	-	-
XII.	PROVISIONS	V-II-7	2,667,970	13,604	2,681,574	2,424,177	12,962	2,437,139
12.1	General provisions	V-II-7	1,840,325	13,604	1,853,929	1,591,002	12,240	1,603,242
12.2	Restructuring reserves		-	-	-	-	-	-
12.3	Reserve for employee benefits		582,999	-	582,999	603,083	-	603,083
12.4	Insurance technical provisions (Net)		-	-	-	-	-	-
12.5	Other provisions	V-II-7	244,646	-	244,646	230,092	722	230,814
XIII.	TAX LIABILITIES	V-II-8	261,304	2,227	263,531	456,288	1,029	457,317
13.1	Current tax liabilities		261,304	2,227	263,531	456,288	1,029	457,317
13.2	Deferred tax liabilities	V-I-13	-	-	-	-	-	-
XIV.	PAYABLES FOR ASSETS HELD FOR SALE AND ASSETS RELATED TO DISCONTINUED OPERATIONS	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	-	3,834,557	3,834,557	-	2,138,030	2,138,030
XVI.	EQUITY		14,703,788	347,409	15,051,197	14,396,856	374,894	14,771,750
16.1	Paid-in capital	V-II-11	2,500,000	-	2,500,000	2,500,000	-	2,500,000
16.2	Capital reserves		1,448,853	347,409	1,796,262	1,680,852	374,894	2,055,746
16.2.1	Share premium		723,918	-	723,918	723,918	-	723,918
16.2.2	Share cancellation profits		-	-	-	-	-	-
16.2.3	Valuation differences of the marketable securities	V-II-11	428,070	347,409	775,479	842,075	374,894	1,216,969
16.2.4	Revaluation surplus on tangible assets		281,759	-	281,759	45,637	-	45,637
16.2.5	Revaluation surplus on intangible assets		-	-	-	-	-	-
16.2.6	Revaluation surplus on investment properties		-	-	-	-	-	-
16.2.7	Bonus shares of associates, subsidiaries and joint-ventures		69,222	-	69,222	69,222	-	69,222
16.2.8	Hedging reserves (effective portion)		-	-	-	-	-	-
16.2.9	Revaluation surplus on assets held for sale and assets related to the discontinued operations		-	-	-	-	-	-
16.2.10	Other capital reserves		(54,116)	-	(54,116)	-	-	-
16.3	Profit reserves		9,933,998	-	9,933,998	8,462,731	-	8,462,731
16.3.1	Legal reserves		1,174,010	-	1,174,010	1,012,796	-	1,012,796
16.3.2	Status reserves		-	-	-	-	-	-
16.3.3	Extraordinary reserves		8,329,529	-	8,329,529	7,214,708	-	7,214,708
16.3.4	Other profit reserves		430,459	-	430,459	235,227	-	235,227
16.4	Profit or loss		820,937	-	820,937	1,753,273	-	1,753,273
16.4.1	Prior years' profit/loss		-	-	-	-	-	-
16.4.2	Current period's profit/loss		820,937	-	820,937	1,753,273	-	1,753,273
TOTAL LIABILITIES AND EQUITY			108,054,379	66,415,279	174,469,658	100,104,059	58,113,667	158,217,726

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 30 JUNE 2015
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)**

	Notes	Reviewed Current Period 30 June 2015			Audited Prior Period 31 December 2014		
		TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)							
I. GUARANTEES AND SURETIES	V-III-2-3	50,425,541	53,161,127	103,586,668	42,543,635	48,918,083	91,461,718
1.1 Letters of guarantee		20,770,983	12,087,261	32,858,244	16,863,185	11,770,738	28,633,923
1.1.1 Guarantees subject to State Tender Law		2,488,442	2,284,914	4,773,356	1,869,107	2,266,261	4,135,368
1.1.2 Guarantees given for foreign trade operations		996,661	-	996,661	913,389	-	913,389
1.1.3 Other letters of guarantee		17,212,777	2,739,220	19,951,997	14,059,853	2,343,863	16,403,714
1.2 Bank acceptances		73,103	1,954,954	2,028,057	20,836	1,943,257	1,964,093
1.2.1 Import letter of acceptance		2,190	104,666	106,856	2,190	78,990	81,180
1.2.2 Other bank acceptances		70,913	1,850,288	1,921,201	18,646	1,864,267	1,882,913
1.3 Letters of credit		-	5,098,345	5,098,345	-	5,212,911	5,212,911
1.3.1 Documentary letters of credit		-	5,098,345	5,098,345	-	5,212,911	5,212,911
1.3.2 Other letters of credit		-	-	-	-	-	-
1.4 Guaranteed pre-financings		-	2,127	2,127	-	1,845	1,845
1.5 Endorsements		-	-	-	-	-	-
1.5.1 Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2 Other endorsements		-	-	-	-	-	-
1.6 Marketable securities underwriting commitments		-	-	-	-	-	-
1.7 Factoring related guarantees		-	-	-	-	-	-
1.8 Other guarantees		-	7,701	7,701	-	2,603	2,603
1.9 Other sureties		-	-	-	-	-	-
II. COMMITMENTS		20,195,982	6,414,697	26,610,679	19,162,556	7,458,391	26,620,947
2.1 Irrevocable commitments		18,575,876	688,550	19,264,426	17,652,664	2,640,634	20,293,298
2.1.1 Asset purchase commitments	V-III-1	557,163	688,550	1,245,713	46,228	2,640,634	2,686,862
2.1.2 Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3 Share capital commitments to associates and subsidiaries		-	-	-	-	-	-
2.1.4 Loan granting commitments	V-III-1	8,919,744	-	8,919,744	8,053,342	-	8,053,342
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	1,719,281	-	1,719,281	1,638,976	-	1,638,976
2.1.8 Tax and fund obligations on export commitments		-	-	-	-	-	-
2.1.9 Commitments for credit card limits	V-III-1	7,077,005	-	7,077,005	7,641,987	-	7,641,987
2.1.10 Commitments for credit card and banking operations promotions		278,459	-	278,459	247,938	-	247,938
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		24,224	-	24,224	24,193	-	24,193
2.2 Revocable commitments		1,620,106	5,726,147	7,346,253	1,509,892	4,817,757	6,327,649
2.2.1 Revocable loan granting commitments		1,620,106	5,726,147	7,346,253	1,509,892	4,817,757	6,327,649
2.2.2 Other revocable commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		9,458,576	34,659,169	44,117,745	6,517,894	29,688,954	36,206,848
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		9,458,576	34,659,169	44,117,745	6,517,894	29,688,954	36,206,848
3.2.1 Forward foreign currency purchases/sales		717,302	839,957	1,557,259	242,929	312,275	555,204
3.2.1.1 Forward foreign currency purchases		359,163	420,065	779,228	121,619	156,202	277,821
3.2.1.2 Forward foreign currency sales		358,139	419,892	778,031	121,310	156,073	277,383
3.2.2 Currency and interest rate swaps		8,350,031	27,562,267	35,912,298	5,631,655	22,183,274	27,814,929
3.2.2.1 Currency swaps-purchases		3,026,017	12,140,797	15,166,814	1,659,308	10,977,077	12,636,385
3.2.2.2 Currency swaps-sales		4,424,014	6,506,410	10,930,424	3,772,347	3,927,959	7,700,306
3.2.2.3 Interest rate swaps-purchases		450,000	4,457,530	4,907,530	100,000	3,639,119	3,739,119
3.2.2.4 Interest rate swaps-sales		450,000	4,457,530	4,907,530	100,000	3,639,119	3,739,119
3.2.3 Currency, interest rate and security options		324,333	430,186	754,519	385,290	671,258	1,056,548
3.2.3.1 Currency call options		237,437	133,476	370,913	192,645	335,629	528,274
3.2.3.2 Currency put options		86,896	296,710	383,606	192,645	335,629	528,274
3.2.3.3 Interest rate call options		-	-	-	-	-	-
3.2.3.4 Interest rate put options		-	-	-	-	-	-
3.2.3.5 Security call options		-	-	-	-	-	-
3.2.3.6 Security put options		-	-	-	-	-	-
3.2.4 Currency futures		-	-	-	-	-	-
3.2.4.1 Currency futures-purchases		-	-	-	-	-	-
3.2.4.2 Currency futures-sales		-	-	-	-	-	-
3.2.5 Interest rate futures		-	-	-	-	-	-
3.2.5.1 Interest rate futures-purchases		-	-	-	-	-	-
3.2.5.2 Interest rate futures-sales		-	-	-	-	-	-
3.2.6 Others		66,910	5,826,759	5,893,669	258,020	6,522,147	6,780,167
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		825,454,542	371,681,108	1,197,135,650	706,821,902	298,845,575	1,005,667,477
IV. ITEMS HELD IN CUSTODY		65,408,200	3,078,458	68,486,658	58,297,898	2,105,489	60,403,387
4.1 Customers' securities held		-	26,020	26,020	-	22,567	22,567
4.2 Investment securities held in custody		54,078,437	102,670	54,181,107	48,295,375	94,082	48,389,457
4.3 Checks received for collection		9,106,636	1,908,563	11,015,199	8,300,087	1,452,398	9,752,485
4.4 Commercial notes received for collection		1,263,100	317,286	1,580,386	1,129,279	182,687	1,311,966
4.5 Other assets received for collection		2,152	107	2,259	2,152	93	2,245
4.6 Assets received through public offering		-	-	-	-	6,818	6,818
4.7 Other items under custody		309	54,926	55,235	309	77,724	78,033
4.8 Custodians		957,566	668,886	1,626,452	570,696	269,120	839,816
V. PLEDGED ITEMS		221,172,428	71,937,296	293,109,724	180,351,054	59,408,743	239,759,797
5.1 Securities		317,856	15,674	333,530	241,614	18,614	260,228
5.2 Guarantee notes		947,080	420,785	1,367,865	943,912	232,965	1,176,877
5.3 Commodities		26,804,582	665,212	27,469,794	25,696,626	590,812	26,287,438
5.4 Warranties		-	-	-	-	-	-
5.5 Real estates		179,484,941	58,227,725	237,712,666	142,283,678	47,319,679	189,603,357
5.6 Other pledged items		12,824,453	12,447,181	25,271,634	10,332,202	11,114,594	21,446,796
5.7 Pledged items-depository		793,516	160,719	954,235	853,022	132,079	985,101
VI. CONFIRMED BILLS OF EXCHANGE AND SURETIES		538,873,914	296,665,354	835,539,268	468,172,950	237,331,343	705,504,293
TOTAL OFF-BALANCE SHEET ITEMS (A+B)		875,880,083	424,842,235	1,300,722,318	749,365,537	347,763,658	1,097,129,195

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED STATEMENT OF INCOME
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2015**

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

	Notes	Reviewed Current Period 1 January 2015- 30 June 2015	Reviewed Prior Period 1 January 2014- 30 June 2014	Reviewed Current Period 1 April 2015- 30 June 2015	Reviewed Prior Period 1 April 2014- 30 June 2014
I. INTEREST INCOME		6,448,647	5,537,715	3,419,479	2,827,692
1.1 Interest income from loans	V-IV-1	5,383,845	4,441,520	2,782,849	2,284,959
1.2 Interest income from reserve deposits		8,144	-	5,958	-
1.3 Interest income from banks	V-IV-1	4,324	3,390	2,786	1,368
1.4 Interest income from money market transactions		-	234	-	143
1.5 Interest income from securities portfolio	V-IV-1	1,051,193	1,091,197	627,716	540,806
1.5.1 Trading financial assets		-	-	-	-
1.5.2 Financial assets designated at fair value through profit or loss		-	-	-	-
1.5.3 Available-for-sale financial assets		713,484	817,904	408,698	405,185
1.5.4 Held-to-maturity investments		337,709	273,293	219,018	135,621
1.6 Finance lease income		-	-	-	-
1.7 Other interest income		1,141	1,374	170	416
II. INTEREST EXPENSE		3,775,871	3,432,274	1,986,866	1,781,399
2.1 Interest expense on deposits	V-IV-2	2,823,739	2,569,839	1,475,976	1,322,280
2.2 Interest expense on funds borrowed	V-IV-2	126,501	75,313	59,339	36,537
2.3 Interest expense on money market transactions		417,217	513,975	242,300	286,394
2.4 Interest expense on securities issued	V-IV-2	278,594	199,507	143,624	101,330
2.5 Other interest expenses		129,820	73,640	65,627	34,858
III. NET INTEREST INCOME (I – II)		2,672,776	2,105,441	1,432,613	1,046,293
IV. NET FEES AND COMMISSIONS INCOME		449,425	316,467	220,746	171,362
4.1 Fees and commissions received		681,596	531,282	347,911	289,828
4.1.1 Non-cash loans		88,034	80,646	45,250	41,246
4.1.2 Others		593,562	450,636	302,661	248,582
4.2 Fees and commissions paid		232,171	214,815	127,165	118,466
4.2.1 Non-cash loans		67	92	32	35
4.2.2 Others		232,104	214,723	127,133	118,431
V. DIVIDEND INCOME		62,130	65,608	-	652
VI. TRADING INCOME/LOSSES (Net)	V-IV-3	93,186	152,422	33,808	80,096
6.1 Trading account income/losses	V-IV-3	55,993	109,298	4,972	104,570
6.2 Income/losses from derivative financial instruments	V-IV-3	6,542	(30,263)	13,683	(62,960)
6.3 Foreign exchange gains/losses	V-IV-3	30,651	73,387	15,153	38,486
VII. OTHER OPERATING INCOME	V-IV-4	543,870	610,672	264,613	386,669
VIII. TOTAL OPERATING PROFIT (III+IV+V+VI+VII)		3,821,387	3,250,610	1,951,780	1,685,072
IX. PROVISION FOR LOSSES ON LOANS AND OTHER RECEIVABLES (-)	V-IV-5	990,071	806,754	540,677	430,810
X. OTHER OPERATING EXPENSES (-)	V-IV-6	1,760,617	1,525,981	905,305	792,339
XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)		1,070,699	917,875	505,798	461,923
XII. INCOME RESULTED FROM MERGERS		-	-	-	-
XIII. INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING		-	-	-	-
XIV. GAIN/LOSS ON NET MONETARY POSITION		-	-	-	-
XV. INCOME/LOSS FROM CONTINUING OPERATIONS BEFORE TAXES (XI+XII+XIII+XIV)		1,070,699	917,875	505,798	461,923
XVI. CONTINUING OPERATIONS PROVISION FOR TAXES	V-IV-7	(249,762)	(195,068)	(119,488)	(112,730)
16.1 Current tax charges		(121,820)	(270,292)	(49,019)	(199,454)
16.2 Deferred tax credits		(127,942)	75,224	(70,469)	86,724
XVII. NET INCOME/LOSS AFTER TAXES FROM CONTINUING OPERATIONS (XV-XVI)	V-IV-8	820,937	722,807	386,310	349,193
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		-	-	-	-
XXI. DISCONTINUED OPERATIONS PROVISION FOR TAXES		-	-	-	-
21.1 Current tax charge		-	-	-	-
21.2 Deferred tax charge		-	-	-	-
XXII. NET INCOME/LOSS AFRET TAXES FROM DISCONTINUED OPERATIONS		-	-	-	-
XXIII. NET PROFIT/LOSS (XVII+XXII)	V-IV-8	820,937	722,807	386,310	349,193
Profit/Loss per 100 shares (full TL)		0.3284	0.2891	0.1545	0.1397

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED STATEMENT OF GAINS AND LOSSES RECOGNIZED IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2015**

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

	Reviewed Current Period 1 January 2015- 30 June 2015	Reviewed Prior Period 1 January 2014- 30 June 2014	Reviewed Current Period 1 April 2015- 30 June 2015	Reviewed Prior Period 1 April 2014- 30 June 2014
GAINS AND LOSSES RECOGNIZED IN EQUITY				
I. VALUATION DIFFERENCES OF AVAILABLE FOR SALE FINANCIAL ASSETS RECOGNIZED IN				
VALUATION DIFFERENCES OF MARKETABLE SECURITIES	(481,360)	635,918	(315,941)	612,243
II. REVALUATION SURPLUS ON TANGIBLE ASSETS	-	-	-	-
III. REVALUATION SURPLUS ON INTANGIBLE ASSETS	-	-	-	-
IV. CURRENCY TRANSLATION DIFFERENCES	-	-	-	-
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	(58,007)	(265,383)	(420)	(137,610)
IX. DEFERRED TAXES DUE TO VALUATION DIFFERENCES	97,877	(113,520)	62,394	(116,981)
X. NET GAINS/LOSSES RECOGNIZED DIRECTLY IN EQUITY (I+II+...+IX)	(441,490)	257,015	(253,967)	357,652
XI. CURRENT PERIOD'S PROFIT/(LOSS)	820,937	722,807	386,310	349,193
11.1 Change in fair value of securities (transfers to the statement of income)	50,240	333,592	2,376	288,870
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	770,697	389,215	383,934	60,323
XII. TOTAL GAINS AND LOSSES RECOGNIZED DURING THE PERIOD (X+XI)	379,447	979,822	132,343	706,845

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 30 JUNE 2015

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

	Notes	Paid-in Capital	Capital Reserves from Inflation Adjustments to Paid-in Capital	Share 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 Op.s	Shareholders' Equity before Minority Interest	Minority Interest	Total Shareholders' Equity
CHANGES IN EQUITY																			
PRIOR PERIOD – 30 June 2014																			
I.	Balances at the beginning of the period	2,500,000	-	723,918	-	854,240	-	5,889,226	266,115	1,585,539	-	681,326	44,136	71,821	-	-	12,616,321	-	12,616,321
Changes during the period																			
II.	Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Associates, Subsidiaries and "Available-for-sale" securities	-	-	-	-	-	-	-	-	-	-	259,614	-	-	-	-	259,614	-	259,614
IV.	Hedges for risk management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Net cash flow hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Net foreign investment hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Revaluation surplus on tangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Revaluation surplus on intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Bonus shares of associates, subsidiaries and joint-ventures	-	-	-	-	-	-	-	-	-	-	-	-	(2,599)	-	-	(2,599)	-	(2,599)
VIII.	Translation differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Changes resulted from disposal of the assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Changes resulted from reclassifications of the assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Effect of change in equities of associates on the Bank's equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2	Internal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Share issuance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Capital reserves from inflation adjustments to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Current period's net profit/loss	-	-	-	-	-	-	-	-	722,807	-	-	-	-	-	-	722,807	-	722,807
XVIII.	Profit distribution	-	-	-	-	158,556	-	1,325,482	-	(1,585,539)	-	-	1,501	-	-	-	(100,000)	-	(100,000)
18.1	Dividends	-	-	-	-	-	-	-	-	(100,000)	-	-	-	-	-	-	(100,000)	-	(100,000)
18.2	Transferred to reserves	-	-	-	-	158,556	-	1,325,482	-	(1,485,539)	-	-	1,501	-	-	-	-	-	-
18.3	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at the end of the period		2,500,000	-	723,918	-	1,012,796	-	7,214,708	266,115	722,807	-	940,940	45,637	69,222	-	-	13,496,143	-	13,496,143
CURRENT PERIOD – 30 June 2015																			
I.	Balances at the beginning of the period	2,500,000	-	723,918	-	1,012,796	-	7,214,708	235,227	1,753,273	-	1,216,969	45,637	69,222	-	-	14,771,750	-	14,771,750
Changes during the period																			
II.	Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Associates, Subsidiaries and "Available-for-sale" securities	-	-	-	-	-	-	-	-	-	-	(441,490)	-	-	-	-	(441,490)	-	(441,490)
IV.	Hedges for risk management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Net cash flow hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Net foreign investment hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Revaluation surplus on tangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Revaluation surplus on intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Bonus shares of associates, subsidiaries and joint-ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Translation differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Changes resulted from disposal of the assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Changes resulted from reclassifications of the assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Effect of change in equities of associates on the Bank's equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2	Internal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Share issuance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Capital reserves from inflation adjustments to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Current period's net profit/loss	-	-	-	-	-	-	-	-	820,937	-	-	-	-	-	-	820,937	-	820,937
XVIII.	Profit distribution	-	-	-	-	161,214	-	1,114,821	141,116	(1,753,273)	-	-	236,122	-	-	-	(100,000)	-	(100,000)
18.1	Dividends	-	-	-	-	-	-	-	-	(100,000)	-	-	-	-	-	-	(100,000)	-	(100,000)
18.2	Transferred to reserves	-	-	-	-	161,214	-	1,114,821	141,116	(1,653,273)	-	-	236,122	-	-	-	-	-	-
18.3	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at the end of the period		2,500,000	-	723,918	-	1,174,010	-	8,329,529	376,343	820,937	-	775,479	281,759	69,222	-	-	15,051,197	-	15,051,197

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2015**

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

	Reviewed Current Period 30 June 2015	Reviewed Prior Period 30 June 2014
A. CASH FLOWS FROM BANKING OPERATIONS		
1.1 Operating profit before changes in operating assets and liabilities	1,078,839	1,348,281
1.1.1 Interests received	5,962,186	4,993,868
1.1.2 Interests paid	(3,674,411)	(3,384,425)
1.1.3 Dividends received	36,072	43,023
1.1.4 Fee and commissions received	681,596	531,282
1.1.5 Other income	46,902	74,472
1.1.6 Collections from previously written-off loans and other receivables	436,897	382,450
1.1.7 Payments to personnel and service suppliers	(713,881)	(1,218,804)
1.1.8 Taxes paid	(405,060)	(168,145)
1.1.9 Others	(1,291,462)	94,560
1.2 Changes in operating assets and liabilities	(3,494,515)	(4,109,069)
1.2.1 Net (increase) decrease in financial assets held for trading purpose	(476)	-
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	(1,690,682)	27,918
1.2.4 Net (increase) decrease in loans	(14,453,508)	(5,759,236)
1.2.5 Net (increase) decrease in other assets	82,900	589,613
1.2.6 Net increase (decrease) in bank deposits	(37,942)	284,011
1.2.7 Net increase (decrease) in other deposits	8,481,590	2,322,280
1.2.8 Net increase (decrease) in funds borrowed	1,397,752	(834,378)
1.2.9 Net increase (decrease) in matured payables	-	-
1.2.10 Net increase (decrease) in other liabilities	2,725,851	(739,277)
I. Net cash flow from banking operations	(2,415,676)	(2,760,788)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
II. Net cash flow from investing activities	(712,864)	548,276
2.1 Cash paid for purchase of associates, subsidiaries and joint-ventures	-	(169,747)
2.2 Proceeds from disposal of associates, subsidiaries and joint-ventures	-	-
2.3 Purchases of tangible assets	(86,326)	(68,623)
2.4 Proceeds from disposal of tangible assets	40,497	231,884
2.5 Cash paid for purchase of available-for-sale financial assets	(3,131,440)	(2,975,508)
2.6 Proceeds from disposal of available-for-sale financial assets	2,583,420	4,174,190
2.7 Cash paid for purchase of held-to-maturity investments	(508,785)	(1,923,299)
2.8 Proceeds from disposal of held-to-maturity investments	418,167	1,301,290
2.9 Others	(28,397)	(21,911)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
III. Net cash flow from financing activities	2,844,923	1,207,456
3.1 Cash obtained from funds borrowed and securities issued	6,580,711	4,082,249
3.2 Cash used for repayment of funds borrowed and securities issued	(3,635,788)	(2,774,793)
3.3 Equity instruments issued	-	-
3.4 Dividends paid	(100,000)	(100,000)
3.5 Repayments for finance leases	-	-
3.6 Others	-	-
IV. Effect of change in foreign exchange rates on cash and cash equivalents	17,115	10,546
V. Net increase in cash and cash equivalents	(266,502)	(994,510)
VI. Cash and cash equivalents at the beginning of the period	8,182,469	5,677,984
VII. Cash and cash equivalents at the end of the period	7,915,967	4,683,474

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