

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
CONSOLIDATED INTERIM FINANCIAL STATEMENTS ORIGINALLY ISSUED  
IN TURKISH, SEE NOTE I. OF SECTION THREE  
TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI  
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)  
AS AT SEPTEMBER 30, 2018**

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

				Reviewed Current Period September 30, 2018	
ASSETS	Notes	TL	FC	Total	
<b>I. FINANCIAL ASSETS (Net)</b>		<b>49,118,464</b>	<b>53,479,661</b>	<b>102,598,125</b>	
<b>1.1 Cash and cash equivalents</b>	<b>V-I-1</b>	<b>5,698,044</b>	<b>42,000,596</b>	<b>47,698,640</b>	
1.1.1 Cash and balances with Central Bank	V-I-1	4,812,987	30,970,123	35,783,110	
1.1.2 Banks	V-I-3	877,090	11,030,473	11,907,563	
1.1.3 Receivables from Money Markets		7,967	-	7,967	
<b>1.2 Financial assets at fair value through profit or loss</b>	<b>V-I-2</b>	<b>70,459</b>	<b>97,856</b>	<b>168,315</b>	
1.2.1 Government debt securities		202	7,658	7,860	
1.2.2 Equity securities		2,505	90,198	92,703	
1.2.3 Other financial assets		67,752	-	67,752	
<b>1.3 Financial assets at fair value through other comprehensive income</b>	<b>V-I-4</b>	<b>7,179,824</b>	<b>2,285,176</b>	<b>9,465,000</b>	
1.3.1 Government debt securities		7,179,824	1,418,310	8,598,134	
1.3.2 Equity securities		-	3,921	3,921	
1.3.3 Other financial assets		-	862,945	862,945	
<b>1.4 Financial assets measured at amortised cost</b>	<b>V-I-6</b>	<b>30,445,766</b>	<b>8,681,787</b>	<b>39,127,553</b>	
1.4.1 Government debt securities		30,445,766	8,441,720	38,887,486	
1.4.2 Other financial assets		-	240,067	240,067	
<b>1.5 Derivative financial assets</b>		<b>5,761,464</b>	<b>415,679</b>	<b>6,177,143</b>	
1.5.1 Derivative financial assets at fair value through profit or loss		5,761,464	415,679	6,177,143	
1.5.2 Derivative financial assets at fair value through other comprehensive income		-	-	-	
<b>1.6 Non-performing financial assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>1.7 Allowance for expected credit losses (-)</b>		<b>37,093</b>	<b>1,433</b>	<b>38,526</b>	
<b>II. LOANS (Net)</b>	<b>V-I-5</b>	<b>147,204,193</b>	<b>95,677,648</b>	<b>242,881,841</b>	
<b>2.1 Loans</b>		<b>145,365,001</b>	<b>92,859,422</b>	<b>238,224,423</b>	
2.1.1 Loans measured at amortised cost		145,365,001	92,859,422	238,224,423	
2.1.2 Loans at fair value through profit or loss		-	-	-	
2.1.3 Loans at fair value through other comprehensive income		-	-	-	
<b>2.2 Receivables from leasing transactions</b>	<b>V-I-10</b>	<b>550,608</b>	<b>2,616,426</b>	<b>3,167,034</b>	
2.2.1 Finance lease receivables		724,841	2,896,130	3,620,971	
2.2.2 Operational lease receivables		-	-	-	
2.2.3 Unearned income (-)		174,233	279,704	453,937	
<b>2.3 Factoring receivables</b>		<b>2,488,261</b>	<b>183,140</b>	<b>2,671,401</b>	
2.3.1 Factoring receivables measured at amortised cost		2,488,261	183,140	2,671,401	
2.3.2 Factoring receivables at fair value through profit or loss		-	-	-	
2.3.3 Factoring receivables at fair value through other comprehensive income		-	-	-	
<b>2.4 Non-performing loans</b>		<b>9,737,422</b>	<b>182,857</b>	<b>9,920,279</b>	
<b>2.5 Allowance for expected credit losses (-)</b>		<b>10,937,099</b>	<b>164,197</b>	<b>11,101,296</b>	
2.5.1 12-Month expected credit losses (Stage 1)		1,871,881	25,331	1,897,212	
2.5.2 Significant increase in credit risk (Stage 2)		1,579,903	962	1,580,865	
2.5.3 Credit-Impaired (Stage 3)		7,485,315	137,904	7,623,219	
<b>III. NON-CURRENTS ASSETS OR DISPOSAL GROUPS "HELD FOR SALE" AND "FROM DISCONTINUED OPERATIONS (Net)</b>	<b>V-I-14</b>	<b>1,556,748</b>	<b>-</b>	<b>1,556,748</b>	
3.1 Held for sale		1,556,748	-	1,556,748	
3.2 Held from discontinued operations		-	-	-	
<b>IV. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES</b>		<b>1,067,613</b>	<b>3</b>	<b>1,067,616</b>	
<b>4.1 Investments in associates (Net)</b>	<b>V-I-7</b>	<b>768,694</b>	<b>3</b>	<b>768,697</b>	
4.1.1 Associates accounted by using equity method		329,066	-	329,066	
4.1.2 Non-consolidated associates		439,628	3	439,631	
<b>4.2 Investments in subsidiaries (Net)</b>	<b>V-I-8</b>	<b>298,919</b>	<b>-</b>	<b>298,919</b>	
4.2.1 Non-consolidated financial subsidiaries		-	-	-	
4.2.2 Non-consolidated non-financial subsidiaries		298,919	-	298,919	
<b>4.3 Jointly Controlled Partnerships (Joint Ventures) (Net)</b>	<b>V-I-9</b>	<b>-</b>	<b>-</b>	<b>-</b>	
4.3.1 Jointly controlled partnerships accounted by using equity method		-	-	-	
4.3.2 Non-consolidated jointly controlled partnerships		-	-	-	
<b>V. TANGIBLE ASSETS (Net)</b>		<b>1,872,310</b>	<b>13,861</b>	<b>1,886,171</b>	
<b>VI. INTANGIBLE ASSETS AND GOODWILL (Net)</b>		<b>280,515</b>	<b>404</b>	<b>280,919</b>	
6.1 Goodwill		14,631	-	14,631	
6.2 Other		265,884	404	266,288	
<b>VII. INVESTMENT PROPERTIES (Net)</b>	<b>V-I-12</b>	<b>523,106</b>	<b>-</b>	<b>523,106</b>	
<b>VIII. CURRENT TAX ASSETS</b>		<b>403,520</b>	<b>-</b>	<b>403,520</b>	
<b>IX. DEFERRED TAX ASSETS</b>	<b>V-I-13</b>	<b>138,370</b>	<b>-</b>	<b>138,370</b>	
<b>X. OTHER ASSETS</b>	<b>V-I-15</b>	<b>6,214,665</b>	<b>9,206,155</b>	<b>15,420,820</b>	
<b>TOTAL ASSETS</b>		<b>208,379,504</b>	<b>158,377,732</b>	<b>366,757,236</b>	

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

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

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IN TURKISH, SEE NOTE I. OF SECTION THREE  
TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI  
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)  
AS AT DECEMBER 31, 2017**

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

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

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AS AT SEPTEMBER 30, 2018**

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

		Reviewed Current Period September 30, 2018		
LIABILITIES AND EQUITY	Notes	TL	FC	Total
<b>I. DEPOSITS</b>	<b>V-II-1</b>	<b>111,301,991</b>	<b>83,294,347</b>	<b>194,596,338</b>
<b>II. FUNDS BORROWED</b>	<b>V-II-3</b>	<b>2,572,841</b>	<b>49,458,187</b>	<b>52,031,028</b>
<b>III. MONEY MARKET FUNDS</b>		<b>24,027,616</b>	<b>3,672,942</b>	<b>27,700,558</b>
<b>IV. MARKETABLE SECURITIES (Net)</b>	<b>V-II-3</b>	<b>9,017,590</b>	<b>19,867,477</b>	<b>28,885,067</b>
4.1 Bills		4,915,401	-	4,915,401
4.2 Asset backed securities		62,960	-	62,960
4.3 Bonds		4,039,229	19,867,477	23,906,706
<b>V. FUNDS</b>		<b>3,074</b>	<b>-</b>	<b>3,074</b>
5.1 Borrower funds		-	-	-
5.2 Other		3,074	-	3,074
<b>VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>VII. DERIVATIVE FINANCIAL LIABILITIES</b>	<b>V-II-2</b>	<b>3,223,548</b>	<b>254,217</b>	<b>3,477,765</b>
7.1 Derivative financial liabilities at fair value through profit or loss		3,223,548	254,217	3,477,765
7.2 Derivative financial liabilities at fair value through other comprehensive income		-	-	-
<b>VIII. FACTORING PAYABLES</b>		<b>1,275</b>	<b>-</b>	<b>1,275</b>
<b>IX. LEASE PAYABLES</b>	<b>V-II-5</b>	<b>-</b>	<b>-</b>	<b>-</b>
9.1 Finance lease payables		-	-	-
9.2 Operating lease payables		-	-	-
9.3 Other		-	-	-
9.4 Deferred finance lease expenses ( - )		-	-	-
<b>X. PROVISIONS</b>	<b>V-II-7</b>	<b>5,082,222</b>	<b>52,557</b>	<b>5,134,779</b>
10.1 Provision for restructuring		-	-	-
10.2 Reserves for employee benefits		930,742	5,602	936,344
10.3 Insurance technical reserves (Net)		2,960,269	18,886	2,979,155
10.4 Other provisions		1,191,211	28,069	1,219,280
<b>XI. CURRENT TAX LIABILITIES</b>	<b>V-II-8</b>	<b>543,562</b>	<b>1,380</b>	<b>544,942</b>
<b>XII. DEFERRED TAX LIABILITIES</b>		<b>271,381</b>	<b>22,541</b>	<b>293,922</b>
<b>XIII. LIABILITIES RELATED TO NON-CURRENT ASSETS "HELD FOR SALE" AND "DISCONTINUED OPERATIONS" (Net)</b>	<b>V-II-9</b>	<b>-</b>	<b>-</b>	<b>-</b>
13.1 Held for sale		-	-	-
13.2 Related to discontinued operations		-	-	-
<b>XIV. SUBORDINATED DEBT</b>	<b>V-II-10</b>	<b>5,544,627</b>	<b>8,443,716</b>	<b>13,988,343</b>
14.1 Loans		-	-	-
14.2 Other debt instruments		5,544,627	8,443,716	13,988,343
<b>XV. OTHER LIABILITIES</b>	<b>V-II-4</b>	<b>8,145,873</b>	<b>4,412,381</b>	<b>12,558,254</b>
<b>XVI. SHAREHOLDERS' EQUITY</b>	<b>V-II-11</b>	<b>26,763,123</b>	<b>778,768</b>	<b>27,541,891</b>
<b>16.1 Paid-in capital</b>	<b>V-II-11</b>	<b>2,500,000</b>	<b>-</b>	<b>2,500,000</b>
<b>16.2 Capital reserves</b>		<b>804,673</b>	<b>-</b>	<b>804,673</b>
16.2.1 Equity share premiums		724,269	-	724,269
16.2.2 Share cancellation profits		-	-	-
16.2.3 Other capital reserves		80,404	-	80,404
<b>16.3 Other accumulated comprehensive income that will not be reclassified in profit or loss</b>		<b>1,451,598</b>	<b>2,366</b>	<b>1,453,964</b>
<b>16.4 Other accumulated comprehensive income that will be reclassified in profit or loss</b>		<b>(347,268)</b>	<b>(39,322)</b>	<b>(386,590)</b>
<b>16.5 Profit reserves</b>		<b>18,023,769</b>	<b>557,690</b>	<b>18,581,459</b>
16.5.1 Legal reserves		2,081,658	10,669	2,092,327
16.5.2 Statutory reserves		6,337	-	6,337
16.5.3 Extraordinary reserves		15,689,732	5,389	15,695,121
16.5.4 Other profit reserves		246,042	541,632	787,674
<b>16.6 Profit or loss</b>		<b>3,695,207</b>	<b>155,516</b>	<b>3,850,723</b>
16.6.1 Prior years' profits or losses		450,594	131,739	582,333
16.6.2 Current period net profit or loss		3,244,613	23,777	3,268,390
<b>16.7 Minority interests</b>		<b>635,144</b>	<b>102,518</b>	<b>737,662</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>196,498,723</b>	<b>170,258,513</b>	<b>366,757,236</b>

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

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

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

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI  
CONSOLIDATED OFF-BALANCE SHEET ITEMS  
AS AT SEPTEMBER 30, 2018**

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

		Reviewed Current Period September 30, 2018			
		Notes	TL	FC	Total
A.	OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		100,678,231	167,492,278	268,170,509
I.	GUARANTEES AND SURETIES	V-III-2-4	40,935,339	32,316,084	73,251,423
1.1.	Letters of guarantee		40,104,048	15,576,620	55,680,668
1.1.1.	Guarantees subject to State Tender Law		4,763,767	6,454,106	11,217,873
1.1.2.	Guarantees given for foreign trade operations		1,395,757	-	1,395,757
1.1.3.	Other letters of guarantee		33,944,524	9,122,514	43,067,038
1.2.	Bank acceptances		68,258	3,114,667	3,182,925
1.2.1.	Import letter of acceptance		-	770,060	770,060
1.2.2.	Other bank acceptances		68,258	2,344,607	2,412,865
1.3.	Letters of credit		23,942	13,344,210	13,368,152
1.3.1.	Documentary letters of credit		23,942	13,344,210	13,368,152
1.3.2.	Other letters of credit		-	-	-
1.4.	Pre-financing given as guarantee		-	4,772	4,772
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		345,937	67,786	413,723
1.8.	Other guarantees		77,664	44,209	121,873
1.9.	Other warranties		315,490	163,820	479,310
II.	COMMITMENTS		37,680,967	31,565,442	69,246,409
2.1.	Irrevocable commitments		33,486,265	3,226,806	36,713,071
2.1.1.	Asset purchase and sales commitments	V-III-1	749,282	2,098,799	2,848,081
2.1.2.	Deposit purchase and sales commitments		-	-	-
2.1.3.	Share capital commitments to associates and subsidiaries	V-III-1	2,250	-	2,250
2.1.4.	Loan granting commitments	V-III-1	13,978,240	205,658	14,183,898
2.1.5.	Securities issuance brokerage commitments		-	252,952	252,952
2.1.6.	Commitments for reserve deposit requirements		-	-	-
2.1.7.	Commitments for checks payments	V-III-1	2,859,606	-	2,859,606
2.1.8.	Tax and fund liabilities from export commitments		-	-	-
2.1.9.	Commitments for credit card expenditure limits	V-III-1	13,085,415	-	13,085,415
2.1.10.	Commitments for credit cards and banking services promotions		701,998	-	701,998
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		2,109,474	669,397	2,778,871
2.2.	Revocable commitments		4,194,702	28,338,636	32,533,338
2.2.1.	Revocable loan granting commitments		4,194,702	28,338,636	32,533,338
2.2.2.	Other revocable commitments		-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS		22,061,925	103,610,752	125,672,677
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		22,061,925	103,610,752	125,672,677
3.2.1.	Forward foreign currency purchase and sale transactions		1,841,633	2,648,793	4,490,426
3.2.1.1.	Forward foreign currency purchase transactions		922,030	1,324,499	2,246,529
3.2.2.	Forward foreign currency sales		919,603	1,324,294	2,243,897
3.2.2.1.	Currency and interest rate swaps		12,790,271	84,331,228	97,121,499
3.2.2.1.	Currency swap purchase transactions		2,582,856	22,047,905	24,630,761
3.2.2.2.	Currency swap sale transactions		7,667,415	12,200,934	19,868,349
3.2.2.3.	Interest rate swap purchase transactions		1,270,000	25,041,195	26,311,195
3.2.2.4.	Interest rate swap sale transactions		1,270,000	25,041,194	26,311,194
3.2.3.	Currency, interest rate and security options		617,960	1,629,992	2,247,952
3.2.3.1.	Currency purchase options		428,940	669,518	1,098,458
3.2.3.2.	Currency sale options		189,020	960,474	1,149,494
3.2.3.3.	Interest rate purchase options		-	-	-
3.2.3.4.	Interest rate sale options		-	-	-
3.2.3.5.	Security purchase options		-	-	-
3.2.3.6.	Security sale options		-	-	-
3.2.4.	Currency futures		-	-	-
3.2.4.1.	Currency purchases futures		-	-	-
3.2.4.2.	Currency sales futures		-	-	-
3.2.5.	Interest rate futures		-	-	-
3.2.5.1.	Interest rate purchases futures		-	-	-
3.2.5.2.	Interest rate sales futures		-	-	-
3.2.6.	Other		6,812,061	15,000,739	21,812,800
B.	CUSTODY AND PLEDGED ITEMS (IV+V+VI)		1,533,306,480	1,367,270,721	2,900,577,201
IV.	ITEMS HELD IN CUSTODY		61,151,001	7,914,403	69,065,404
4.1.	Assets under management		1,845,096	-	1,845,096
4.2.	Securities held in custody		42,903,292	331,497	43,234,789
4.3.	Checks received for collection		10,358,498	1,407,488	11,765,986
4.4.	Commercial notes received for collection		4,534,258	1,742,887	6,277,145
4.5.	Other assets received for collection		2,152	240	2,392
4.6.	Securities received for public offering		-	-	-
4.7.	Other items under custody		113,383	2,890,539	3,003,922
4.8.	Custodians		1,394,322	1,541,752	2,936,074
V.	PLEDGED ITEMS		423,573,773	227,320,791	650,894,564
5.1.	Marketable securities		315,427	8,350	323,777
5.2.	Guarantee notes		647,442	842,015	1,489,457
5.3.	Commodity		33,105,640	1,398,301	34,503,941
5.4.	Warrant		-	-	-
5.5.	Immovables		337,057,880	183,016,509	520,074,389
5.6.	Other pledged items		51,502,514	41,685,506	93,188,020
5.7.	Depositories receiving pledged items		944,870	370,110	1,314,980
VI.	ACCEPTED GUARANTEES AND WARRANTS		1,048,581,706	1,132,035,527	2,180,617,233
TOTAL OFF BALANCE SHEET COMMITMENTS (A+B)			1,633,984,711	1,534,762,999	3,168,747,710

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI  
CONSOLIDATED OFF-BALANCE SHEET ITEMS  
AS AT DECEMBER 31, 2017**

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

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI  
CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018**

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

			Reviewed Current Period January 1, 2018- September 30, 2018	Reviewed Current Period July 1, 2018- September 30, 2018
		Notes		
<b>I.</b>	<b>INTEREST INCOME</b>	<b>V-IV-1</b>	<b>24,183,949</b>	<b>10,150,050</b>
1.1	Interest on loans	V-IV-1	19,874,130	7,863,506
1.2	Interest received from reserve deposits		274,509	105,116
1.3	Interest received from banks	V-IV-1	240,082	110,395
1.4	Interest received from money market transactions		19,334	373
1.5	Interest received from marketable securities portfolio	V-IV-1	3,616,604	2,007,278
1.5.1	Financial assets at fair value through profit or loss		11,823	5,839
1.5.2	Financial assets at fair value through other comprehensive income		665,601	338,279
1.5.3	Financial assets measured at amortised cost		2,939,180	1,663,160
1.6	Finance lease income		141,477	59,665
1.7	Other interest income		17,813	3,717
<b>II.</b>	<b>INTEREST EXPENSES</b>		<b>15,563,301</b>	<b>6,613,351</b>
2.1	Interest on deposits	V-IV-2	<b>10,226,291</b>	<b>4,309,080</b>
2.2	Interest on funds borrowed	V-IV-2	1,166,278	535,745
2.3	Interest on money market transactions		2,148,348	950,891
2.4	Interest on securities issued	V-IV-2	1,586,743	641,636
2.5	Other interest expenses		435,641	175,999
<b>III.</b>	<b>NET INTEREST INCOME/EXPENSE (I - II)</b>		<b>8,620,648</b>	<b>3,536,699</b>
<b>IV.</b>	<b>NET FEES AND COMMISSIONS INCOME/EXPENSES</b>		<b>1,449,439</b>	<b>566,314</b>
4.1	Fees and commissions received		2,112,298	834,197
4.1.1	Non-cash loans		324,039	129,205
4.1.2	Other		1,788,259	704,992
4.2	Fees and commissions paid		662,859	267,883
4.2.1	Non-cash loans		4,837	2,063
4.2.2	Other		658,022	265,820
<b>V.</b>	<b>PERSONNEL EXPENSES (-)</b>		<b>1,793,204</b>	<b>619,445</b>
<b>VI.</b>	<b>DIVIDEND INCOME</b>		<b>48,618</b>	<b>138</b>
<b>VII.</b>	<b>TRADING PROFIT/LOSS (Net)</b>	<b>V-IV-3</b>	<b>686,966</b>	<b>334,025</b>
7.1	Profit/losses from capital market transactions	V-IV-3	143,345	85,073
7.2	Profit/losses from derivative financial transactions	V-IV-3	482,008	243,113
7.3	Foreign exchange profit/losses	V-IV-3	61,613	5,839
<b>VIII.</b>	<b>OTHER OPERATING INCOME</b>	<b>V-IV-4</b>	<b>2,619,238</b>	<b>888,532</b>
<b>IX.</b>	<b>GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII+VIII)</b>		<b>11,631,705</b>	<b>4,706,263</b>
<b>X.</b>	<b>ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)</b>	<b>V-IV-5</b>	<b>4,065,593</b>	<b>2,232,685</b>
<b>XI.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	<b>V-IV-6</b>	<b>3,500,406</b>	<b>1,210,645</b>
<b>XII.</b>	<b>NET OPERATING PROFIT/LOSS (IX-X-XI)</b>		<b>4,065,706</b>	<b>1,262,933</b>
<b>XIII.</b>	<b>SURPLUS WRITTEN AS GAIN AFTER MERGER</b>		-	-
<b>XIV.</b>	<b>PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES</b>		<b>38,541</b>	<b>9,544</b>
<b>XV.</b>	<b>NET MONETARY POSITION GAIN/LOSS</b>		-	-
<b>XVI.</b>	<b>PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XII+...+XV)</b>	<b>V-IV-7</b>	<b>4,104,247</b>	<b>1,272,477</b>
<b>XVII.</b>	<b>PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)</b>	<b>V-IV-10</b>	<b>(781,101)</b>	<b>(206,211)</b>
17.1	Current tax provision	V-IV-10	(132,068)	430,939
17.2	Expense effect of deferred tax (+)		(1,110,392)	(863,240)
17.3	Income effect of deferred tax (-)		461,359	226,090
<b>XIII.</b>	<b>NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVI±XVII)</b>	<b>V-IV-9</b>	<b>3,323,146</b>	<b>1,066,266</b>
<b>XIX.</b>	<b>INCOME FROM DISCONTINUED OPERATIONS</b>		-	-
19.1	Income from assets held for sale		-	-
19.2	Profit from sale of associates, subsidiaries and joint ventures		-	-
19.3	Other income from discontinued operations		-	-
<b>XX.</b>	<b>EXPENSES FROM DISCONTINUED OPERATIONS (-)</b>		-	-
20.1	Expenses on assets held for sale		-	-
20.2	Losses from sale of associates, subsidiaries and joint ventures		-	-
20.3	Other expenses from discontinued operations		-	-
<b>XXI.</b>	<b>PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (±) (XIX-XX)</b>		-	-
<b>XXII.</b>	<b>TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>		-	-
22.1	Current tax provision		-	-
22.2	Expense effect of deferred tax (+)		-	-
22.3	Income effect of deferred tax (-)		-	-
<b>XXIII.</b>	<b>NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXI±XXII)</b>		-	-
<b>XXIV.</b>	<b>NET PROFIT/LOSSES (XVIII+XXIII)</b>	<b>V-IV-11</b>	<b>3,323,146</b>	<b>1,066,266</b>
24.1.	Profit/Loss per share		3,268,390	1,038,928
24.2.	Non-controlling interest(-)		54,756	27,338
	Earnings per 100 Share (full TL)	III-XXIV	1,3074	0.4156

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI  
CONSOLIDATED STATEMENT OF INCOME  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017  
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)**

			Reviewed Prior Period January 1, 2017- September 30, 2017	Reviewed Prior Period July 1, 2017- September 30, 2017
		Notes		
<b>I.</b>	<b>INTEREST INCOME</b>	<b>V-IV-1</b>	<b>15,713,842</b>	<b>5,446,818</b>
1.1	Interest income from loans	V-IV-1	13,079,654	4,770,082
1.2	Interest income from reserve deposits		155,913	61,816
1.3	Interest income from banks	V-IV-1	148,016	61,308
1.4	Interest income from money market transactions		27,007	4,552
1.5	Interest income from securities portfolio	V-IV-1	2,060,244	461,096
1.5.1	Trading financial assets		14,542	6,107
1.5.2	Financial assets designated at fair value through profit or loss		-	-
1.5.3	Available-for-sale financial assets		1,295,072	330,519
1.5.4	Held-to-maturity investments		750,630	124,470
1.6	Finance lease income		100,643	35,931
1.7	Other interest income		142,365	52,033
<b>II.</b>	<b>INTEREST EXPENSE</b>	<b>V-IV-2</b>	<b>9,153,670</b>	<b>3,546,271</b>
2.1	Interest expense on deposits	V-IV-2	6,536,078	2,584,078
2.2	Interest expense on funds borrowed		591,942	212,720
2.3	Interest expense on money market transactions	V-IV-2	1,031,649	397,740
2.4	Interest expense on securities issued		709,272	263,557
2.5	Other interest expenses		284,729	88,176
<b>III.</b>	<b>NET INTEREST INCOME (I – II)</b>		<b>6,560,172</b>	<b>1,900,547</b>
<b>IV.</b>	<b>NET FEES AND COMMISSIONS INCOME</b>		<b>891,966</b>	<b>334,212</b>
4.1	Fees and commissions received		1,368,668	506,590
4.1.1	Non-cash loans		215,926	75,813
4.1.2	Others		1,152,742	430,777
4.2	Fees and commissions paid		476,702	172,378
4.2.1	Non-cash loans		2,775	655
4.2.2	Others		473,927	171,723
<b>V.</b>	<b>DIVIDEND INCOME</b>		<b>47,421</b>	<b>790</b>
<b>VI.</b>	<b>TRADING INCOME/LOSSES (Net)</b>	<b>V-IV-3</b>	<b>136,652</b>	<b>8,389</b>
6.1	Trading account income/losses	V-IV-3	58,328	14,493
6.2	Income/losses from derivative financial instruments	V-IV-3	(62,980)	(34,723)
6.3	Foreign exchange gains/losses	V-IV-3	141,304	28,619
<b>VII.</b>	<b>OTHER OPERATING INCOME</b>	<b>V-IV-4</b>	<b>2,101,662</b>	<b>676,943</b>
<b>VIII.</b>	<b>TOTAL OPERATING PROFIT (III+IV+V+VI+VII)</b>		<b>9,737,873</b>	<b>2,920,881</b>
<b>IX.</b>	<b>PROVISION FOR LOSSES ON LOANS AND OTHER RECEIVABLES (-)</b>	<b>V-IV-5</b>	<b>1,963,326</b>	<b>578,918</b>
<b>X.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	<b>V-IV-6</b>	<b>4,032,859</b>	<b>1,341,056</b>
<b>XI.</b>	<b>NET OPERATING PROFIT/LOSS (VIII-IX-X)</b>		<b>3,741,688</b>	<b>1,000,907</b>
<b>XII.</b>	<b>INCOME RESULTED FROM MERGERS</b>		-	-
<b>XIII.</b>	<b>INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING</b>		<b>39,923</b>	<b>14,275</b>
<b>XIV.</b>	<b>GAIN/LOSS ON NET MONETARY POSITION</b>		-	-
<b>XV.</b>	<b>INCOME/LOSS FROM CONTINUING OPERATIONS BEFORE TAXES (XI+...+XIV)</b>	<b>V-IV-7</b>	<b>3,781,611</b>	<b>1,015,182</b>
<b>XVI.</b>	<b>CONTINUING OPERATIONS PROVISION FOR TAXES</b>	<b>V-IV-10</b>	<b>(734,561)</b>	<b>(179,893)</b>
16.1	Current tax charges	V-IV-10	(589,607)	(122,268)
16.2	Deferred tax credits		(144,954)	(57,625)
<b>XVII.</b>	<b>NET INCOME/LOSS AFTER TAXES FROM CONTINUING OPERATIONS (XV±XVI)</b>	<b>V-IV-9</b>	<b>3,047,050</b>	<b>835,289</b>
<b>XVIII.</b>	<b>INCOME FROM DISCONTINUED OPERATIONS</b>		-	-
18.1	Income from investment properties		-	-
18.2	Income from sales of subsidiaries, affiliates and joint-ventures		-	-
18.3	Other income from discontinued activities		-	-
<b>XIX.</b>	<b>EXPENSES FROM DISCONTINUED OPERATIONS(-)</b>		-	-
19.1	Investment property expenses		-	-
19.2	Losses from sales of subsidiaries, affiliates and joint ventures		-	-
19.3	Other expenses from discontinued activities		-	-
<b>XX.</b>	<b>INCOME/LOSS FROM DISCONTINUED OPERATIONS BEFORE TAXES(XVIII-XIX)</b>		-	-
<b>XXI.</b>	<b>DISCONTINUED OPERATIONS PROVISION FOR TAXES(±)</b>		-	-
21.1	Current tax charge		-	-
21.2	Deferred tax charge		-	-
<b>XXII.</b>	<b>NET INCOME/LOSS AFTER TAXES FROM DISCONTINUED OPERATIONS(XX±XXI)</b>		-	-
<b>XXIII.</b>	<b>NET PROFIT/LOSS (XVI+XXII)</b>	<b>V-IV-11</b>	<b>3,047,050</b>	<b>835,289</b>
23.1.	Equity holders of the Bank		2,974,639	780,684
23.2.	Non-controlling interest(-)		72,411	54,605
	Earnings per 100 Share (full TL)	III-XXIV	1.1899	0.3123

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI  
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018**

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

	Reviewed Current Period January 1, 2018- September 30, 2018
<b>PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME</b>	
<b>I. PROFIT / (LOSS)</b>	<b>3,323,146</b>
<b>II. OTHER COMPREHENSIVE INCOME</b>	<b>(44,394)</b>
<b>2.1. Other comprehensive income that will not be reclassified to profit or loss</b>	<b>376,473</b>
2.1.1. Gains (Losses) on Revaluation of Property, Plant and Equipment	52,009
2.1.2. Gains (losses) on revaluation of Intangible Assets	-
2.1.3. Gains (losses) on remeasurements of defined benefit plans	(2,070)
2.1.4. Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	378,084
2.1.5. Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	(51,550)
<b>2.2. Other Comprehensive Income That Will Be Reclassified to Profit or Loss</b>	<b>(420,867)</b>
2.2.1. Exchange Differences on Translation	164,125
2.2.2. Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income	(518,514)
2.2.3. Income (Loss) Related with Cash Flow Hedges	-
2.2.4. Income (Loss) Related with Hedges of Net Investments in Foreign Operations	(164,125)
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	97,647
<b>III. TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)</b>	<b>3,278,752</b>

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**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI  
CONSOLIDATED STATEMENT OF GAINS AND LOSSES RECOGNIZED IN EQUITY  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017**

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

<b>GAINS AND LOSSES RECOGNIZED IN EQUITY</b>		<b>Reviewed Prior Period January 1, 2017- September 30, 2017</b>
<b>I.</b>	<b>VALUATION DIFFERENCES OF AVAILABLE FOR SALE FINANCIAL ASSETS RECOGNIZED IN VALUATION DIFFERENCES OF MARKETABLE SECURITIES</b>	<b>210,828</b>
<b>II.</b>	<b>REVALUATION SURPLUS ON TANGIBLE ASSETS</b>	<b>(33,048)</b>
<b>III.</b>	<b>REVALUATION SURPLUS ON INTANGIBLE ASSETS</b>	<b>-</b>
<b>IV.</b>	<b>CURRENCY TRANSLATION DIFFERENCES</b>	<b>38,956</b>
<b>V.</b>	<b>GAINS/(LOSSES) FROM CASH FLOW HEDGES (Effective Portion of Fair Value Changes)</b>	<b>-</b>
<b>VI.</b>	<b>GAINS/(LOSSES) FROM NET FOREIGN INVESTMENT HEDGES (Effective portion)</b>	<b>-</b>
<b>VII.</b>	<b>EFFECTS OF CHANGES IN ACCOUNTING POLICIES AND ERRORS</b>	<b>-</b>
<b>VIII.</b>	<b>OTHER GAINS AND LOSSES RECOGNIZED IN EQUITY IN ACCORDANCE WITH TAS</b>	<b>7,368</b>
<b>IX.</b>	<b>DEFERRED TAXES DUE TO VALUATION DIFFERENCES</b>	<b>(40,059)</b>
<b>X.</b>	<b>NET GAINS/LOSSES RECOGNIZED DIRECTLY IN EQUITY (I+II+...+IX)</b>	<b>184,045</b>
<b>XI.</b>	<b>CURRENT PERIOD'S PROFIT/(LOSS)</b>	<b>3,047,050</b>
11.1	Change in fair value of securities (transfers to the statement of income)	757
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	3,046,293
<b>XII.</b>	<b>TOTAL GAINS AND LOSSES RECOGNIZED DURING THE PERIOD (X+XI)</b>	<b>3,231,095</b>

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**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018**  
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

STATEMENT OF CHANGES IN SHAREHOLDERS						Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss									
	Reviewed	Notes	Paid in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total SE without minority share	Minority interest	Total
Current Period September 30, 2018																		
I.	Prior Period End Balance		2,500,000	724,269	-	80,404	1,046,956	(29,004)	56,141	-	(121,160)	-	14,805,097	3,881,265	-	22,943,968	677,103	23,621,071
II.	Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	161,636	-	-	506,602	-	668,238	-	668,238
2.1.	Effects of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2.	Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	161,636	-	-	506,602	-	668,238	-	668,238
III.	Adjusted Beginning Balance (I+II)		2,500,000	724,269	-	80,404	1,046,956	(29,004)	56,141	-	40,476	-	14,805,097	4,387,867	-	23,612,206	677,103	24,289,309
3.1.	Total Comprehensive Income		-	-	-	-	15,429	(1,247)	365,689	164,125	(427,066)	(164,125)	-	-	3,268,390	3,221,195	57,557	3,278,752
3.2.	Capital Increase by Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.3.	Capital Increase by Internal Resources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.4.	Paid-in capital inflation adjustment difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.5.	Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.6.	Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.7.	Increase/Decrease by Other Changes		-	-	-	-	-	-	-	-	-	-	-	(29,172)	-	(29,172)	3,002	(26,170)
IV.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	3,776,362	(3,776,362)	-	-	-	-
4.1.	Dividends paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2.	Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	3,776,362	(3,776,362)	-	-	-	-
4.3.	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Ending Balance		2,500,000	724,269	-	80,404	1,062,385	(30,251)	421,830	164,125	(386,590)	(164,125)	18,581,459	582,333	3,268,390	26,804,229	737,662	27,541,891

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- Property & Equipment Revaluation Increase/Decrease
- Defined Benefit Pension Plan Remeasurement Gain/Loss
- 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)
- Translation Differences from Foreign Currency Transactions
- Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income
- 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).

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017**

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

	Reviewed	Notes	Paid in Capital	Capital Reserves from Inflation Adjustments to Paid in Capital	Share Premium	Share Cancellation Profits	Legal Reserves	Status Reserves	Extra-ordinary Reserves	Other Profit Reserves	Current Year's Net Profit/(Loss)	Prior Period's Net Profit/(Loss)	Valuation Differences of the Marketable Securities	Revaluation Surplus on Tangible, Intangible Assets and Investment Property	Bonus Shares of Associates, Subsidiaries and Joint Ventures	Hedging Reserves	Revaluation Surp. On Assets Held for Sale and Assets of Discount. Op.s.	Shareholders' Equity before Minority Shares	Non-controlling Interest	Total Shareholders' Equity
<b>I.</b>	<b>Prior Period – September 30, 2017</b>																			
	Balances at the beginning of the period		2,500,000	-	727,780	-	1,436,787	6,337	10,156,575	606,809	-	2,775,944	(131,169)	997,197	3,683	-	-	19,079,943	527,529	19,607,472
	Changes during the period																			
<b>II.</b>	Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III.</b>	Valuation differences of the marketable securities		-	-	-	-	-	-	-	-	-	-	164,457	-	-	-	-	164,457	1,415	165,872
<b>IV.</b>	Hedging reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Cash flow hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Net investment hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>V.</b>	Revaluation surplus on tangible assets		-	-	-	-	-	-	-	-	-	(31,349)	-	(2,127)	-	-	-	(33,476)	511	(32,965)
<b>VI.</b>	Revaluation surplus on intangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII.</b>	Bonus shares of associates, subsidiaries and joint-ventures		-	-	-	-	-	-	-	-	-	-	-	-	(69)	-	-	(69)	-	(69)
<b>VIII.</b>	Translation differences		-	-	-	-	-	-	-	38,956	-	-	-	-	-	-	-	38,956	-	38,956
<b>IX.</b>	Changes resulted from disposal of the assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X.</b>	Changes resulted from reclassifications of the assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XI.</b>	Effect of change in equities of associates on the Group's equity		-	-	-	-	-	-	-	-	-	(37,096)	4,544	-	-	-	-	(32,552)	(615)	(33,167)
<b>XII.</b>	Capital increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1	Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2	Internal sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XIII.</b>	Share issuance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XIV.</b>	Share cancellation profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XV.</b>	Capital reserves from inflation adjustments to paid-in capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XVI.</b>	Other		-	-	-	-	(31)	-	-	(351)	-	(1,629)	-	142	-	-	-	(1,869)	47,287	45,418
<b>XVII.</b>	Current period's net profit/loss		-	-	-	-	-	-	-	-	2,974,639	-	-	-	-	-	-	2,974,639	72,411	3,047,050
<b>XVIII.</b>	Profit distribution		-	-	-	-	273,709	-	2,282,667	20,048	-	(2,769,252)	-	49,444	-	-	-	(143,384)	5,098	(138,286)
18.1	Dividends		-	-	-	-	-	-	-	-	-	(120,000)	-	-	-	-	-	(120,000)	(18,286)	(138,286)
18.2	Transferred to reserves		-	-	-	-	273,709	-	2,282,667	20,048	-	(2,649,252)	-	49,444	-	-	-	(23,384)	23,384	-
18.3	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Balances at the end of the period</b>		<b>2,500,000</b>	<b>-</b>	<b>727,780</b>	<b>-</b>	<b>1,710,465</b>	<b>6,337</b>	<b>12,439,242</b>	<b>665,462</b>	<b>2,974,639</b>	<b>(63,382)</b>	<b>37,832</b>	<b>1,044,656</b>	<b>3,614</b>	<b>-</b>	<b>-</b>	<b>22,046,645</b>	<b>653,636</b>	<b>22,700,281</b>

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

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

**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  
CONSOLIDATED STATEMENT OF CASH FLOW**

**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018**

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

	Notes	Reviewed Current Period September 30, 2018
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>		
<b>1.1 Operating profit before changes in operating assets and liabilities</b>		<b>4,850,112</b>
1.1.1 Interests received		19,626,530
1.1.2 Interests paid		(14,215,802)
1.1.3 Dividends received		13,223
1.1.4 Fee and commissions received		2,182,392
1.1.5 Other income		1,013,884
1.1.6 Collections from previously written-off loans and other receivables		2,022,089
1.1.7 Cash payments to personnel and service suppliers		(2,011,509)
1.1.8 Taxes paid		(1,261,761)
1.1.9 Other		(2,518,934)
<b>1.2 Changes in operating assets and liabilities</b>		<b>125,627</b>
1.2.1 Net (Increase) Decrease in Financial Assets at Fair Value through Profit or Loss		41,568
1.2.2 Net increase (decrease) in due from banks		(5,009,562)
1.2.3 Net increase (decrease) in loans		(53,152,254)
1.2.4 Net increase (decrease) in other assets		(123,405)
1.2.5 Net increase (decrease) in bank deposits		(1,875,748)
1.2.6 Net increase (decrease) in other deposits		37,127,494
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		20,634,565
1.2.9 Net increase (decrease) in matured payables		-
1.2.10 Net increase (decrease) in other liabilities		2,482,969
<b>I. Net cash flow provided from banking operations</b>		<b>4,975,739</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>II. Net cash provided from investing activities</b>		<b>(13,702,385)</b>
2.1 Cash paid for the purchase of associates, subsidiaries and joint ventures		(20,876)
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		(364,604)
2.4 Cash obtained from the sale of tangible and intangible asset		465,639
2.5 Cash paid for the purchase of financial assets at fair value through other comprehensive income		(6,304,313)
2.6 Cash obtained from the sale of financial assets at fair value through other comprehensive income		2,602,318
2.7 Cash paid for the purchase of financial assets at amortized cost		(10,846,180)
2.8 Cash obtained from sale of financial assets at amortized cost		808,254
2.9 Other		(42,623)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III. Net cash flow from financing activities</b>		<b>16,633,200</b>
3.1 Cash obtained from funds borrowed and securities issued		26,060,041
3.2 Cash outflow from funds borrowed and securities issued		(9,301,841)
3.3 Equity instruments issued		-
3.4 Dividends paid		(125,000)
3.5 Payments for finance lease liabilities		-
3.6 Other		-
<b>IV. Effect of change in foreign exchange rate on cash and cash equivalents</b>		<b>(151,014)</b>
<b>V. Net increase/decrease in cash and cash equivalents</b>		<b>7,755,540</b>
<b>VI. Cash and cash equivalents at beginning of the period</b>		<b>20,110,705</b>
<b>VII. Cash and cash equivalents at end of the period</b>		<b>27,866,245</b>

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

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**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  
CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017  
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)**

	Reviewed Prior Period September 30, 2017
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>	
<b>1.1 Operating profit before changes in operating assets and liabilities</b>	<b>4,919,667</b>
1.1.1 Interests received	14,545,668
1.1.2 Interests paid	(8,635,534)
1.1.3 Dividends received	17,805
1.1.4 Fee and commissions received	1,368,668
1.1.5 Other income	983,609
1.1.6 Collections from previously written-off loans and other receivables	971,914
1.1.7 Payments to personnel and service suppliers	(1,615,771)
1.1.8 Taxes paid	(686,199)
1.1.9 Other	(2,030,493)
<b>1.2 Changes in operating assets and liabilities</b>	<b>(4,225,523)</b>
1.2.1 Net (increase) decrease in financial assets held for trading purpose	14,623
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	(2,523,001)
1.2.4 Net (increase) decrease in loans	(28,656,490)
1.2.5 Net (increase) decrease in other assets	(651,892)
1.2.6 Net increase (decrease) in bank deposits	1,484,118
1.2.7 Net increase (decrease) in other deposits	20,121,337
1.2.8 Net increase (decrease) in funds borrowed	3,283,354
1.2.9 Net increase (decrease) in matured payables	-
1.2.10 Net increase (decrease) in other liabilities	2,702,428
<b>I. Net cash flow from banking operations</b>	<b>694,144</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>	
<b>II. Net cash flow from investing activities</b>	<b>(1,466,561)</b>
2.1 Cash paid for purchase of associates, subsidiaries and joint-ventures	-
2.2 Proceeds from disposal of associates, subsidiaries and joint-ventures	232
2.3 Purchases of tangible assets	(200,390)
2.4 Proceeds from disposal of tangible assets	400,076
2.5 Cash paid for purchase of available-for-sale financial assets	(5,696,303)
2.6 Proceeds from disposal of available-for-sale financial assets	4,425,315
2.7 Cash paid for purchase of held-to-maturity investments	(1,602,467)
2.8 Proceeds from disposal of held-to-maturity investments	1,256,354
2.9 Other	(49,378)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>	
<b>III. Net cash flow from financing activities</b>	<b>2,215,330</b>
3.1 Cash obtained from funds borrowed and securities issued	9,158,817
3.2 Cash used for repayment of funds borrowed and securities issued	(6,805,201)
3.3 Equity instruments issued	-
3.4 Dividends paid	(138,286)
3.5 Repayments for finance leases	-
3.6 Other	-
<b>IV. Effect of change in foreign exchange rates on cash and cash equivalents</b>	<b>26,665</b>
<b>V. Net increase in cash and cash equivalents</b>	<b>1,469,578</b>
<b>VI. Cash and cash equivalents at the beginning of the period</b>	<b>12,421,404</b>
<b>VII. Cash and cash equivalents at the end of the period</b>	<b>13,890,982</b>

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