

**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 MARCH 31, 2021**

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

ASSETS	Notes	Current Period March 31, 2021			Prior Period December 31, 2020		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		55,194,533	144,557,487	199,752,020	53,386,866	143,243,468	196,630,334
1.1 Cash and cash equivalents	V-I-1	8,674,042	77,020,098	85,694,140	14,925,286	81,577,857	96,503,143
1.1.1 Cash and balances at Central Bank	V-I-1	7,466,075	61,150,200	68,616,275	14,662,490	78,544,752	93,207,242
1.1.2 Banks	V-I-3	1,201,292	15,869,916	17,071,208	58,997	3,033,183	3,092,180
1.1.3 Receivables from Money Markets		12,076	-	12,076	206,589	-	206,589
1.1.4 Allowance for expected credit losses (-)	V-I-16	5,401	18	5,419	2,790	78	2,868
1.2 Financial assets at fair value through profit or loss	V-I-2	370,568	8,608,641	8,979,209	297,243	7,161,038	7,458,281
1.2.1 Public debt securities		114,229	8,436,228	8,550,457	110,576	7,000,000	7,110,576
1.2.2 Equity instruments		170,606	172,413	343,019	170,609	161,038	331,647
1.2.3 Other financial assets		85,733	-	85,733	16,058	-	16,058
1.3 Financial assets at fair value through other comprehensive income	V-I-4	34,207,849	57,371,551	91,579,400	31,026,129	52,901,796	83,927,925
1.3.1 Public debt securities		33,605,640	55,444,477	89,050,117	30,422,704	51,083,898	81,506,602
1.3.2 Equity instruments		14,731	4,456	19,187	14,131	4,028	18,159
1.3.3 Other financial assets		587,478	1,922,618	2,510,096	589,294	1,813,870	2,403,164
1.4 Derivative financial assets	V-I-2	11,942,074	1,557,197	13,499,271	7,138,208	1,602,777	8,740,985
1.4.1 Derivative financial assets at fair value through profit or loss		11,942,074	1,557,197	13,499,271	7,138,208	1,602,777	8,740,985
1.4.2 Derivative financial assets at fair value through other comprehensive income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		353,648,327	158,711,301	512,359,628	343,944,228	142,525,708	486,469,936
2.1 Loans	V-I-5	327,230,169	141,253,273	468,483,442	315,239,878	125,612,148	440,852,026
2.2 Receivables from leasing transactions	V-I-10	939,509	2,615,816	3,555,325	903,110	2,367,900	3,271,010
2.3 Factoring receivables		3,328,559	307,186	3,635,745	5,481,094	270,646	5,751,740
2.4 Other financial assets measured at amortised cost	V-I-6	43,907,349	14,809,725	58,717,074	44,218,605	14,528,647	58,747,252
2.4.1 Public debt securities		43,848,399	14,603,703	58,452,102	44,159,655	14,342,399	58,502,054
2.4.2 Other financial assets		58,950	206,022	264,972	58,950	186,248	245,198
2.5 Allowance for expected credit losses (-)		21,757,259	274,699	22,031,958	21,898,459	253,633	22,152,092
III. NON-CURRENTS ASSETS OR DISPOSAL GROUPS "HELD FOR SALE" AND "FROM DISCONTINUED OPERATIONS (Net)"	V-I-14	1,190,620	-	1,190,620	1,256,254	-	1,256,254
3.1 Held for sale purpose		1,190,620	-	1,190,620	1,256,254	-	1,256,254
3.2 Related to discontinued operations		-	-	-	-	-	-
IV. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES		1,879,970	3	1,879,973	1,883,825	3	1,883,828
4.1 Investments in associates (Net)	V-I-7	1,492,119	3	1,492,122	1,495,974	3	1,495,977
4.1.1 Associates accounted by using equity method		526,335	-	526,335	530,191	-	530,191
4.1.2 Unconsolidated associates		965,784	3	965,787	965,783	3	965,786
4.2 Investments in subsidiaries (Net)	V-I-8	387,851	-	387,851	387,851	-	387,851
4.2.1 Non-consolidated financial subsidiaries		-	-	-	-	-	-
4.2.2 Non-consolidated non-financial subsidiaries		387,851	-	387,851	387,851	-	387,851
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)		5,229,808	15,524	5,245,332	4,882,144	14,266	4,896,410
VI. INTANGIBLE ASSETS AND GOODWILL (Net)		269,029	352	269,381	273,776	348	274,124
6.1 Goodwill		14,631	-	14,631	14,631	-	14,631
6.2 Other		254,398	352	254,750	259,145	348	259,493
VII. INVESTMENT PROPERTIES (Net)	V-I-12	566,079	-	566,079	502,143	-	502,143
VIII. CURRENT TAX ASSETS		160,150	-	160,150	-	-	-
IX. DEFERRED TAX ASSETS	V-I-13	1,239,223	-	1,239,223	1,234,832	-	1,234,832
X. OTHER ASSETS	V-I-15	6,725,569	2,804,989	9,530,558	8,005,234	10,937,422	18,942,656
TOTAL ASSETS		426,103,308	306,089,656	732,192,964	415,369,302	296,721,215	712,090,517

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
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT MARCH 31, 2021**

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

		Notes	Current Period March 31, 2021			Prior Period December 31, 2020		
			TL	FC	Total	TL	FC	Total
I.	DEPOSITS	V-II-1	215,548,855	217,922,546	433,471,401	214,241,507	203,280,375	417,521,882
II.	BORROWINGS	V-II-3	2,408,728	59,700,706	62,109,434	2,450,296	49,238,699	51,688,995
III.	MONEY MARKET FUNDS		66,081,477	24,105,498	90,186,975	79,758,688	21,553,517	101,312,205
IV.	MARKETABLE SECURITIES ISSUED (Net)	V-II-3	11,337,489	36,791,966	48,129,455	11,262,156	34,892,367	46,154,523
4.1	Bills		5,991,850	825,659	6,817,509	5,960,553	2,188,163	8,148,716
4.2	Asset backed securities		-	-	-	-	-	-
4.3	Bonds		5,345,639	35,966,307	41,311,946	5,301,603	32,704,204	38,005,807
V.	FUNDS		3,047	-	3,047	3,053	-	3,053
5.1	Borrower funds		-	-	-	-	-	-
5.2	Other		3,047	-	3,047	3,053	-	3,053
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITIES	V-II-2	3,482,415	2,568,777	6,051,192	4,061,171	2,022,130	6,083,301
7.1	Derivative financial liabilities at fair value through profit or loss		3,482,415	2,568,777	6,051,192	4,061,171	2,022,130	6,083,301
7.2	Derivative financial liabilities at fair value through other comprehensive income		-	-	-	-	-	-
VIII.	FACTORING PAYABLES		394	-	394	672	-	672
IX.	LEASE PAYABLES (Net)	V-II-5	989,294	-	989,294	978,735	-	978,735
X.	PROVISIONS	V-II-7	3,032,779	70,975	3,103,754	2,980,102	70,295	3,050,397
10.1	Provision for restructuring		-	-	-	-	-	-
10.2	Reserves for employee benefits		1,260,218	8,132	1,268,350	1,555,683	5,534	1,561,217
10.3	Insurance technical reserves (Net)		-	-	-	-	-	-
10.4	Other provisions		1,772,561	62,843	1,835,404	1,424,419	64,761	1,489,180
XI.	CURRENT TAX LIABILITIES	V-II-8	756,722	4,145	760,867	950,476	4,329	954,805
XII.	DEFERRED TAX LIABILITIES	V-II-8	78	55,016	55,094	103	57,525	57,628
XIII.	LIABILITIES RELATED TO NON-CURRENT ASSETS "HELD FOR SALE" AND "DISCONTINUED OPERATIONS" (Net)	V-II-9	-	-	-	-	-	-
13.1	Held for sale		-	-	-	-	-	-
13.2	Related to discontinued operations		-	-	-	-	-	-
XIV.	SUBORDINATED DEBT	V-II-10	6,250,148	14,320,099	20,570,247	6,401,461	13,057,337	19,458,798
14.1	Loans		-	-	-	-	-	-
14.2	Other debt instruments		6,250,148	14,320,099	20,570,247	6,401,461	13,057,337	19,458,798
XV.	OTHER LIABILITIES	V-II-4	14,931,287	4,779,984	19,711,271	13,798,644	3,874,792	17,673,436
XVI.	SHAREHOLDERS' EQUITY	V-II-11	45,889,691	1,160,848	47,050,539	45,408,347	1,743,740	47,152,087
16.1	Paid-in capital	V-II-11	3,905,622	-	3,905,622	3,905,622	-	3,905,622
16.2	Capital reserves		6,265,526	-	6,265,526	6,265,527	-	6,265,527
16.2.1	Equity share premiums		6,303,346	-	6,303,346	6,303,347	-	6,303,347
16.2.2	Share cancellation profits		-	-	-	-	-	-
16.2.3	Other capital reserves		(37,820)	-	(37,820)	(37,820)	-	(37,820)
16.3	Other accumulated comprehensive income that will not be reclassified in profit or loss		1,604,457	-	1,604,457	1,603,596	-	1,603,596
16.4	Other accumulated comprehensive income that will be reclassified in profit or loss		(254,037)	750,460	496,423	169,087	1,210,809	1,379,896
16.5	Profit reserves		32,397,906	288,211	32,686,117	26,431,074	273,876	26,704,950
16.5.1	Legal reserves		3,405,558	17,882	3,423,440	2,811,181	17,882	2,829,063
16.5.2	Statutory reserves		6,337	-	6,337	6,337	-	6,337
16.5.3	Extraordinary reserves		26,364,960	266,714	26,631,674	21,810,638	252,379	22,063,017
16.5.4	Other profit reserves		2,621,051	3,615	2,624,666	1,802,918	3,615	1,806,533
16.6	Profit or loss		1,207,521	117,507	1,325,028	6,291,176	254,385	6,545,561
16.6.1	Prior years' profits or losses		333,048	69,977	403,025	196,734	11,374	208,108
16.6.2	Current period net profit or loss		874,473	47,530	922,003	6,094,442	243,011	6,337,453
16.7	Minority interests		762,696	4,670	767,366	742,265	4,670	746,935
TOTAL LIABILITIES AND EQUITY			370,712,404	361,480,560	732,192,964	382,295,411	329,795,106	712,090,517

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
CONSOLIDATED OFF-BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT MARCH 31, 2021**

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

	Notes	Current Period March 31, 2021			Prior Period December 31, 2020		
		TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		190,409,496	330,857,115	521,266,611	168,755,052	278,884,858	447,639,910
I. GUARANTEES AND WARRENTIES	V-III-2	45,971,741	71,057,353	117,029,094	43,928,944	58,547,258	102,476,202
1.1. Letters of guarantee	V-III-1	45,301,532	37,972,737	83,274,269	43,395,971	32,027,856	75,423,827
1.1.1. Guarantees subject to state tender law		2,768,044	11,458,612	14,226,656	2,594,448	10,005,488	12,599,936
1.1.2. Guarantees given for foreign trade operations		2,386,972	-	2,386,972	2,335,826	-	2,335,826
1.1.3. Other letters of guarantee		40,146,516	26,514,125	66,660,641	38,465,697	22,022,368	60,488,065
1.2. Bank acceptances		4,258	8,131,553	8,135,811	4,258	5,111,534	5,115,792
1.2.1. Import letter of acceptance		-	1,307,516	1,307,516	-	289,665	289,665
1.2.2. Other bank acceptances		4,258	6,824,037	6,828,295	4,258	4,821,869	4,826,127
1.3. Letters of credit		364,826	24,279,957	24,644,783	253,982	20,667,442	20,921,424
1.3.1. Documentary letters of credit		364,826	24,279,957	24,644,783	253,982	20,667,442	20,921,424
1.3.2. Other letters of credit		-	-	-	-	-	-
1.4. Pre-financings given as guarantee		-	6,553	6,553	-	5,925	5,925
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		74,763	545,363	620,126	1,000	474,188	475,188
1.8. Other guarantees		160,362	121,190	281,552	187,331	106,963	294,294
1.9. Other warranties		66,000	-	66,000	86,402	153,350	239,752
II. COMMITMENTS		71,521,848	40,686,828	112,208,676	72,066,613	42,415,370	114,481,983
2.1. Irrevocable commitments	V-III-1	62,251,292	3,820,752	66,072,044	62,318,729	6,517,443	68,836,172
2.1.1. Asset purchase and sales commitments	V-III-1	1,756,943	3,513,960	5,270,903	5,695,753	6,147,096	11,842,849
2.1.2. Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3. Share capital commitments to associates and subsidiaries		3,150	-	3,150	3,150	-	3,150
2.1.4. Loan granting commitments		26,699,600	2,561	26,702,161	26,086,273	2,419	26,088,692
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	6,242,036	-	6,242,036	5,723,932	-	5,723,932
2.1.8. Tax and fund liabilities on export commitments		-	-	-	-	-	-
2.1.9. Commitments for credit card expenditure limits	V-III-1	24,030,174	-	24,030,174	21,320,698	-	21,320,698
2.1.10. Commitments for credit card and banking services promotions		631,220	-	631,220	597,623	-	597,623
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		2,888,169	304,231	3,192,400	2,891,300	367,928	3,259,228
2.2. Revocable commitments		9,270,556	36,866,076	46,136,632	9,747,884	35,897,927	45,645,811
2.2.1. Revocable loan granting commitments		9,270,556	36,866,076	46,136,632	9,747,884	35,897,927	45,645,811
2.2.2. Other revocable commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		72,915,907	219,112,934	292,028,841	52,759,495	177,922,230	230,681,725
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		72,915,907	219,112,934	292,028,841	52,759,495	177,922,230	230,681,725
3.2.1. Forward foreign currency purchase and sale transactions		4,221,102	4,444,081	8,665,183	1,523,642	1,550,002	3,073,644
3.2.1.1. Forward foreign currency purchase transactions		2,218,023	2,119,184	4,337,207	864,639	681,888	1,546,527
3.2.2.2. Forward foreign currency sales		2,003,079	2,324,897	4,327,976	659,003	868,114	1,527,117
3.2.2. Currency and interest rate swaps		55,910,945	169,595,656	225,506,601	42,382,470	153,888,563	196,271,033
3.2.2.1. Currency swap purchase transactions		1,723,186	67,766,334	69,489,520	1,626,406	56,087,175	57,713,581
3.2.2.2. Currency swap sale transactions		51,387,759	16,264,832	67,652,591	37,636,064	20,995,076	58,631,140
3.2.2.3. Interest rate swap purchase transactions		1,400,000	42,782,245	44,182,245	1,560,000	38,403,156	39,963,156
3.2.2.4. Interest rate swaps sale transactions		1,400,000	42,782,245	44,182,245	1,560,000	38,403,156	39,963,156
3.2.3. Currency, interest rate and security options		4,177,621	5,165,825	9,343,446	247,144	919,172	1,166,316
3.2.3.1. Currency purchase option		1,997,286	2,625,457	4,622,743	143,814	430,420	574,234
3.2.3.2. Currency sale option		2,180,335	2,540,368	4,720,703	103,330	488,752	592,082
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		195,835	206,000	401,835	195,835	186,250	382,085
3.2.4.1. Currency purchase futures		-	206,000	206,000	-	186,250	186,250
3.2.4.2. Currency sales futures		195,835	-	195,835	195,835	-	195,835
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	39,701,372	48,111,776	8,410,404	21,378,243	29,788,647
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		4,795,346,658	4,380,390,593	9,175,737,251	3,978,687,376	3,684,354,649	7,663,042,025
IV. ITEMS HELD IN CUSTODY		74,784,670	32,594,015	107,378,685	73,978,380	28,612,031	102,590,411
4.1. Customer fund and portfolio balances		4,635,228	-	4,635,228	4,274,226	-	4,274,226
4.2. Securities held in custody		49,046,430	9,521,588	58,568,018	47,305,937	8,853,001	56,158,938
4.3. Checks received for collection		13,391,978	2,085,606	15,477,584	11,974,344	1,763,897	13,738,241
4.4. Commercial notes received for collection		5,539,669	1,371,955	6,911,624	8,327,754	1,406,998	9,734,752
4.5. Other assets received for collection		2,152	330	2,482	2,152	298	2,450
4.6. Securities received for public offering		-	-	-	-	-	-
4.7. Other items under custody		760,179	11,653,556	12,413,735	636,516	10,335,188	10,971,704
4.8. Custodians		1,409,034	7,960,980	9,370,014	1,457,451	6,252,649	7,710,100
V. PLEDGED ITEMS		787,414,273	300,553,805	1,087,968,078	775,302,799	312,599,654	1,087,902,453
5.1. Marketable securities		212,160	160,208	372,368	321,148	200,660	521,808
5.2. Guarantee notes		1,176,879	5,543,244	6,720,123	1,153,894	4,085,645	5,239,539
5.3. Commodity		116,576,175	3,762,741	120,338,916	111,710,308	3,495,630	115,205,938
5.4. Warrant		-	-	-	-	-	-
5.5. Immovables		533,773,186	250,163,071	783,936,257	529,461,764	262,692,582	792,154,346
5.6. Other pledged items		135,155,558	40,784,883	175,940,441	132,138,333	41,983,730	174,122,063
5.7. Depositories receiving pledged items		520,315	139,658	659,973	517,352	141,407	658,759
VI. ACCEPTED GUARANTEES AND WARRANTS		3,933,147,715	4,047,242,773	7,980,390,488	3,129,406,197	3,343,142,964	6,472,549,161
TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)		4,985,756,154	4,711,247,708	9,697,003,862	4,147,442,428	3,963,239,507	8,110,681,935

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 NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021**

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

	Notes	Current Period January 1, 2021- March 31, 2021	Prior Period January 1 2020- March 31,2020
I. INTEREST INCOME	V-IV-1	14,671,219	10,454,746
1.1 Interest on loans	V-IV-1	11,337,292	8,381,205
1.2 Interest received from reserve deposits		138,136	17,256
1.3 Interest received from banks	V-IV-1	8,608	50,911
1.4 Interest received from money market transactions		2,323	479
1.5 Interest received from marketable securities portfolio	V-IV-1	3,104,815	1,927,474
1.5.1 Financial assets at fair value through profit or loss		32,227	34,343
1.5.2 Financial assets at fair value through other comprehensive income		1,529,756	749,182
1.5.3 Financial assets measured at amortised cost		1,542,832	1,143,949
1.6 Finance lease interest income		71,289	61,769
1.7 Other interest income		8,756	15,652
II. INTEREST EXPENSES	V-IV-2	11,815,348	5,373,608
2.1 Interest on deposits	V-IV-2	7,307,203	2,982,640
2.2 Interest on funds borrowed	V-IV-2	348,220	418,950
2.3 Interest on money market transactions		2,734,446	716,240
2.4 Interest on securities issued	V-IV-2	1,331,435	1,139,661
2.5 Leasing interest income		31,769	39,358
2.6 Other interest expenses		62,275	76,759
III. NET INTEREST INCOME/EXPENSE (I - II)		2,855,871	5,081,138
IV. NET FEES AND COMMISSIONS INCOME/EXPENSES		730,198	800,395
4.1 Fees and commissions received		1,009,358	1,025,726
4.1.1 Non-cash loans		218,708	180,326
4.1.2 Other		790,650	845,400
4.2 Fees and commissions paid		279,160	225,331
4.2.1 Non-cash loans		1,766	1,546
4.2.2 Other		277,394	223,785
V. DIVIDEND INCOME		15,764	389
VI. TRADING PROFIT/LOSS (Net)	V-IV-3	(470,029)	(579,835)
6.1 Profit/losses from capital market transactions	V-IV-3	399,919	152,705
6.2 Profit/losses from derivative financial transactions	V-IV-3	(1,042,722)	(260,984)
6.3 Foreign exchange profit/losses	V-IV-3	172,774	(471,556)
VII. OTHER OPERATING INCOME	V-IV-4	3,698,366	3,403,903
VIII. GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII)		6,830,170	8,705,990
IX. ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)	V-IV-5	3,054,041	3,149,430
X. OTHER PROVISION EXPENSES (-)	V-IV-5	407,922	74,935
XI. PERSONNEL EXPENSES (-)		965,566	862,459
XII. OTHER OPERATING EXPENSES (-)	V-IV-6	1,189,325	2,368,624
XIII. NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		1,213,316	2,250,542
XIV. SURPLUS WRITTEN AS GAIN AFTER MERGER		-	-
XV. PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES		19,657	13,386
XVI. NET MONETARY POSITION GAIN/LOSS		-	-
XVII. PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XII+...+XV)	V-IV-7	1,232,973	2,263,928
XVIII. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	V-IV-10	(284,091)	(460,492)
18.1 Current tax provision	V-IV-10	(31,090)	(148,772)
18.2 Expense effect of deferred tax (+)	V-IV-10	(1,365,854)	(454,551)
18.3 Income effect of deferred tax (-)	V-IV-10	1,112,853	142,831
XIX. NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)	V-IV-9	948,882	1,803,436
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	948,882	1,803,436
25.1 Group's profit/(loss)		922,003	1,766,355
25.2 Minority shares (-)		26,879	37,081
Profit/Loss per 100 shares (full TL)	I-XXIV	0.2361	0.7065

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
THREE-MONTH PERIOD ENDED MARCH 31, 2021**

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

		Current Period January 1, 2021- March 31, 2021	Prior Period January 1, 2020- March 31, 2020
	PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
I.	PROFIT (LOSS)	948,882	1,803,436
II.	OTHER COMPREHENSIVE INCOME	(882,532)	(774,864)
2.1.	Other comprehensive income that will not be reclassified to profit or loss	941	(1,064)
2.1.1.	Gains (Losses) on Revaluation of Property, Plant and Equipment	-	334
2.1.2.	Gains (losses) on revaluation of Intangible Assets	-	-
2.1.3.	Gains (losses) on remeasurements of defined benefit plans	19	(1,436)
2.1.4.	Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	926	(181)
2.1.5.	Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	(4)	219
2.2.	Other Comprehensive Income That Will Be Reclassified to Profit or Loss	(883,473)	(773,800)
2.2.1.	Exchange Differences on Translation	34,435	6,781
2.2.2.	Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income	(1,323,012)	(959,983)
2.2.3.	Income (Loss) Related with Cash Flow Hedges	-	-
2.2.4.	Income (Loss) Related with Hedges of Net Investments in Foreign Operations	144,222	5,479
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	260,882	173,923
III.	TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)	66,350	1,028,572

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 THREE-MONTH PERIOD ENDED MARCH 31, 2021**
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

STATEMENT OF CHANGES IN SHAREHOLDERS						Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss			Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total SE Except minority share	Minority interest	Total Shareholders' Equity
Notes	Paid in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6							
Current Period March 31, 2021																	
I. Prior Period End Balance	3,905,622	6,303,347	-	(37,820)	888,033	(181,150)	896,713	525,776	1,038,528	(184,408)	26,704,950	6,545,561	-	46,405,152	746,935	47,152,087	
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)	3,905,622	6,303,347	-	(37,820)	888,033	(181,150)	896,713	525,776	1,038,528	(184,408)	26,704,950	6,545,561	-	46,405,152	746,935	47,152,087	
IV. Total Comprehensive Income	-	-	-	-	-	15	926	34,435	(1,062,130)	144,222	-	-	922,003	39,471	26,879	66,350	
V. Capital Increase by Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase by Internal Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase/Decrease by Other Changes	-	(1)	-	-	-	-	-	-	-	-	832,538	(987,817)	-	(155,280)	(6,448)	(161,728)	
XI. Profit Distribution	-	-	-	-	(80)	-	-	-	-	-	5,148,629	(5,154,719)	-	(6,170)	-	(6,170)	
11.1. Dividends paid	-	-	-	-	-	-	-	-	-	-	-	(6,162)	-	(6,162)	-	(6,162)	
11.2. Transfers to Reserves	-	-	-	-	(80)	-	-	-	-	-	5,145,278	5,145,206)	-	(8)	-	(8)	
11.3. Other	-	-	-	-	-	-	-	-	-	-	3,351	(3,351)	-	-	-	-	
Ending Balance (I+II+...X+XI)	3,905,622	6,303,346	-	(37,820)	887,953	(181,135)	897,639	560,211	(23,602)	(40,186)	32,686,117	403,025	922,003	46,283,173	767,366	47,050,539	

- 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.

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 THREE-MONTH PERIOD ENDED MARCH 31, 2020**
(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 March 31, 2020																	
I.																	
Prior Period End Balance		2,500,000	723,962	-	115,979	693,898	(105,972)	697,496	407,474	879,787	(43,358)	23,631,390	3,180,499	-	32,681,155	871,134	33,552,289
II.																	
Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1. Effects of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.																	
Adjusted Beginning Balance (I+II)		2,500,000	723,962	-	115,979	693,898	(105,972)	697,496	407,474	879,787	(43,358)	23,631,390	3,180,499	-	32,681,155	871,134	33,552,289
IV.																	
Total Comprehensive Income		-	-	-	-	266	(768)	(145)	6,781	(786,060)	5,479	-	-	1,766,355	991,908	36,664	1,028,572
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		-	-	-	(43,023)	-	-	-	-	-	-	21,314	(87,729)	-	(109,438)	13,785	(95,653)
XI.																	
Profit Distribution		-	-	-	-	-	-	-	-	-	-	58,866	(58,866)	-	-	-	-
11.1.	V-V-5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2.	V-V-5	-	-	-	-	-	-	-	-	-	-	58,866	(58,866)	-	-	-	-
Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
.3.																	
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance		2,500,000	723,962	-	72,956	694,164	(106,740)	697,351	414,255	93,727	(37,879)	23,711,570	3,033,904	1,766,355	33,563,625	921,583	34,485,208

- 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.

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
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021**

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

	Notes	Current Period March 31, 2021	Prior Period March 31, 2020
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities (+)		1,635,292	3,623,896
1.1.1 Interest received (+)		14,260,797	9,051,723
1.1.2 Interest paid (-)		(11,632,840)	(5,399,306)
1.1.3 Dividends received (+)		15,764	381
1.1.4 Fees and commissions received (+)		1,038,105	1,254,845
1.1.5 Other income (+)		41,934	511,196
1.1.6 Collections from previously written off loans and other receivables (+)		1,230,105	801,560
1.1.7 Cash payments to personnel and service suppliers (-)		(1,020,947)	(871,689)
1.1.8 Taxes paid (-)		(602,607)	(749,391)
1.1.9 Other (+/-)		(1,695,019)	(975,423)
1.2 Changes in operating assets and liabilities subject to banking operations		(13,660,942)	(4,902,363)
1.2.1 Net (Increase) Decrease in Financial Assets at Fair Value through Profit or Loss (+/-)		(1,508,877)	(4,199,469)
1.2.2 Net decrease (increase) in due from banks (+/-)		(5,447,654)	(183,199)
1.2.3 Net decrease (increase) in loans		(34,310,483)	(36,391,628)
1.2.4 Net decrease (increase) in other assets (+/-)		10,941,405	(1,546,263)
1.2.5 Net increase (decrease) in bank deposits (+/-)		195,309	1,141,977
1.2.6 Net increase (decrease) in other deposits (+/-)		15,329,837	16,183,252
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 (+/-)		10,263,682	1,626,273
1.2.9 Net increase (decrease) in matured payables (+/-)		-	-
1.2.10 Net increase (decrease) in other liabilities (+/-)		(9,124,161)	18,466,694
I. Net cash provided from banking operations(+/-)		(12,025,650)	(1,278,467)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided from investing activities(+/-)		(7,707,477)	(11,487,901)
2.1 Cash paid for the purchase of associates, subsidiaries and joint ventures		-	(104,200)
2.2 Cash obtained from the sale of associates, subsidiaries and joint ventures		-	350
2.3 Cash paid for the purchase of tangible and intangible asset (-)		(926,740)	(42,010)
2.4 Cash obtained from the sale of tangible and intangible asset (+)		655,802	15,237
2.5 Cash paid for the purchase of financial assets at fair value through other comprehensive income (-)		(12,367,699)	(15,976,339)
2.6 Cash obtained from the sale of financial assets at fair value through other comprehensive income (+)		3,443,306	2,664,401
2.7 Cash paid for the purchase of financial assets at amortised cost (-)		-	(161,933)
2.8 Cash obtained from sale of financial assets at amortised cost (+)		1,492,981	2,120,948
2.9 Other (+/-)		(5,127)	(4,355)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash flows from financing activities (+/-)		2,863,157	5,806,712
3.1 Cash obtained from funds borrowed and securities issued (+)		6,872,143	15,032,687
3.2 Cash outflow from funds borrowed and securities issued (-)		(3,922,284)	(9,126,737)
3.3 Equity instruments issued (+)		-	-
3.4 Dividends paid (-)		-	-
3.5 Payments for finance lease liabilities (-)		(86,702)	(99,238)
3.6 Other (+/-)		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents		616,294	1,054,230
V. Net increase/decrease in cash and cash equivalents (I+II+III+IV)		(16,253,676)	(5,905,426)
VI. Cash and cash equivalents at beginning of the period (+)		55,596,047	31,092,461
VII. Cash and cash equivalents at end of the period (V+VI)		39,342,371	25,187,035

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