

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

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

			Reviewed Current Period June 30, 2018		
ASSETS	Notes	TL	FC	Total	
I. FINANCIAL ASSETS (Net)		37,502,687	43,839,526	81,342,213	
1.1 Cash and cash equivalents	V-I-1	6,784,559	36,180,333	42,964,892	
1.1.1 Cash and balances at Central Bank	V-I-1	6,773,731	28,759,860	35,533,591	
1.1.2 Banks	V-I-3	10,828	7,420,473	7,431,301	
1.1.3 Receivables from Money Markets		-	-	-	
1.2. Financial assets at fair value through profit or loss	V-I-2	242	60,701	60,943	
1.2.1 Public debt securities		-	-	-	
1.2.2 Equity instruments		15	60,701	60,716	
1.2.3 Other financial assets		227	-	227	
1.3 Financial assets at fair value through other comprehensive income	V-I-4	6,091,259	759,825	6,851,084	
1.3.1 Public debt securities		6,091,259	759,825	6,851,084	
1.3.2 Equity instruments		-	-	-	
1.3.3 Other financial assets		-	-	-	
1.4 Financial assets measured at amortized cost	V-I-6	21,573,787	6,486,635	28,060,422	
1.4.1 Public debt securities		21,573,787	6,248,633	27,822,420	
1.4.2 Other financial assets		-	238,002	238,002	
1.5 Derivative Financial Assets		3,174,138	352,032	3,526,170	
1.5.1 Derivative financial assets at fair value through profit or loss		3,174,138	352,032	3,526,170	
1.5.2 Derivative financial assets at fair value through other comprehensive income		-	-	-	
1.6 Non-performing financial assets		-	-	-	
1.7 Allowance for expected credit losses (-)		121,298	-	121,298	
II. LOANS (Net)		143,193,307	66,570,492	209,763,799	
2.1 Loans	V-I-5	143,550,713	66,550,704	210,101,417	
2.1.1 Loans measured at amortized cost		143,550,713	66,550,704	210,101,417	
2.1.2 Loans at fair value through profit or loss		-	-	-	
2.1.3 Loans at fair value through other comprehensive income		-	-	-	
2.2 Receivables from leasing transactions	V-I-10	-	-	-	
2.2.1 Finance lease receivables		-	-	-	
2.2.2 Operational lease receivables		-	-	-	
2.2.3 Unearned income (-)		-	-	-	
2.3 Factoring receivables		-	-	-	
2.3.1 Factoring receivables measured at amortized cost		-	-	-	
2.3.2 Factoring receivables at fair value through profit or loss		-	-	-	
2.3.3 Factoring receivables at fair value through other comprehensive income		-	-	-	
2.4 Non-performing loans		8,469,058	38,651	8,507,709	
2.5 Allowance for expected credit losses (-)		8,826,464	18,863	8,845,327	
2.5.1 12-Month expected credit losses (Stage 1)		1,770,757	10,208	1,780,965	
2.5.2 Significant increase in credit risk (Stage 2)		448,323	-	448,323	
2.5.3 Credit-Impaired (Stage 3)		6,607,384	8,655	6,616,039	
NON-CURRENTS ASSETS OR DISPOSAL GROUPS "HELD FOR SALE" AND "FROM DISCONTINUED OPERATIONS (Net)"	V-I-14	1,457,189	-	1,457,189	
3.1 Held for sale		1,457,189	-	1,457,189	
3.2 Held from discontinued operations		-	-	-	
IV. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES		2,414,079	426,968	2,841,047	
4.1 Investments in associates (Net)	V-I-7	660,866	-	660,866	
4.1.1 Associates accounted by using equity method		-	-	-	
4.1.2 Non-consolidated associates		660,866	-	660,866	
4.2 Investments in subsidiaries (Net)	V-I-8	1,753,213	426,968	2,180,181	
4.2.1 Non-consolidated financial subsidiaries		1,489,493	426,968	1,916,461	
4.2.2 Non-consolidated non-financial subsidiaries		263,720	-	263,720	
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)		1,463,981	8,916	1,472,897	
VI. INTANGIBLE ASSETS (Net)		207,691	-	207,691	
6.1 Goodwill		-	-	-	
6.2 Other		207,691	-	207,691	
VII. INVESTMENT PROPERTIES (Net)	V-I-12	-	-	-	
VIII. CURRENT TAX ASSETS		-	-	-	
IX. DEFERRED TAX ASSETS	V-I-13	306,558	-	306,558	
X. OTHER ASSETS	V-I-15	3,778,910	4,875,136	8,654,046	
TOTAL ASSETS		190,324,402	115,721,038	306,045,440	

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UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT DECEMBER 31, 2017**

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

		Audited Prior Period December 31, 2017			
ASSETS	Notes	TL	FC	Total	
I. CASH AND BALANCES WITH THE CENTRAL BANK	V-I-1	4,021,321	24,623,503	28,644,824	
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)	V-I-2	1,802,188	134,600	1,936,788	
2.1 Financial assets held for trading purpose		1,802,188	134,600	1,936,788	
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	1,801,925	134,600	1,936,525	
2.1.4 Other securities		263	-	263	
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	308,552	11,579,276	11,887,828	
IV. RECEIVABLES FROM INTERBANK MONEY MARKETS		1,652,102	-	1,652,102	
4.1 Interbank money market placements		1,652,102	-	1,652,102	
4.2 Istanbul Stock Exchange money market placements		-	-	-	
4.3 Receivables from reverse repurchase agreements		-	-	-	
V. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Net)		12,412,036	1,137,678	13,549,714	
5.1 Equity securities		15	43,355	43,370	
5.2 Debt securities issued by the governments		12,412,021	1,094,323	13,506,344	
5.3 Other securities		-	-	-	
VI. LOANS AND RECEIVABLES	V-I-5	131,211,145	52,760,470	183,971,615	
6.1 Performing loans and receivables	V-I-5	130,197,248	52,734,980	182,932,228	
6.1.1 Loans provided to risk group		63,865	98,796	162,661	
6.1.2 Debt securities issued by the governments		-	-	-	
6.1.3 Other		130,133,383	52,636,184	182,769,567	
6.2 Loans under follow-up		7,605,376	32,830	7,638,206	
6.3 Specific provisions (-)		6,591,479	7,340	6,598,819	
VII. FACTORING RECEIVABLES		-	-	-	
VIII. HELD-TO-MATURITY INVESTMENT SECURITIES (Net)	V-I-6	12,235,406	4,530,665	16,766,071	
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	
IX. INVESTMENTS IN ASSOCIATES (Net)	V-I-7	349,158	-	349,158	
9.1 Associates, consolidated per equity method		-	-	-	
9.2 Unconsolidated associates		349,158	-	349,158	
9.2.1 Financial associates		337,758	-	337,758	
9.2.2 Non-Financial associates		11,400	-	11,400	
X. INVESTMENTS IN SUBSIDIARIES (Net)	V-I-8	1,851,610	362,248	2,213,858	
10.1 Unconsolidated financial subsidiaries		1,587,890	362,248	1,950,138	
10.2 Unconsolidated non-financial subsidiaries		263,720	-	263,720	
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 Other		-	-	-	
12.4 Unearned income (-)		-	-	-	
XIII. DERIVATIVE FINANCIAL ASSETS HELD FOR RISK MANAGEMENT PURPOSE		-	-	-	
13.1 Fair value hedges		-	-	-	
13.2 Cash flow hedges		-	-	-	
13.3 Hedges of net investment in foreign operations		-	-	-	
XIV. TANGIBLE ASSETS (Net)		1,409,644	7,619	1,417,263	
XV. INTANGIBLE ASSETS (Net)		210,970	-	210,970	
15.1 Goodwill		-	-	-	
15.2 Other intangibles		210,970	-	210,970	
XVI. INVESTMENT PROPERTIES (Net)	V-I-12	-	-	-	
XVII. TAX ASSETS		-	-	-	
17.1 Current tax assets		-	-	-	
17.2 Deferred tax assets	V-I-13	-	-	-	
XVIII. ASSETS HELD FOR SALE AND ASSETS RELATED TO THE DISCONTINUED OPERATIONS (Net)	V-I-14	1,312,493	-	1,312,493	
18.1 Assets held for sale		1,312,493	-	1,312,493	
18.2 Assets related to the discontinued operations		-	-	-	
XIX. OTHER ASSETS	V-I-15	3,036,653	3,622,373	6,659,026	
TOTAL ASSETS		171,813,278	98,758,432	270,571,710	

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**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT JUNE 30, 2018**

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

			Reviewed Current Period June 30, 2018		
	LIABILITIES AND EQUITY	Notes	TL	FC	Total
I.	DEPOSITS	V-II-1	112,534,454	57,882,160	170,416,614
II.	LOANS RECEIVED	V-II-3	709,009	37,462,141	38,171,150
III.	MONEY MARKET FUNDS		22,298,811	3,274,140	25,572,951
IV.	MARKETABLE SECURITIES (Net)	V-II-3	8,742,053	15,437,876	24,179,929
4.1	Bills		4,759,435	-	4,759,435
4.2	Asset backed securities		-	-	-
4.3	Bonds		3,982,618	15,437,876	19,420,494
V.	FUNDS		3,108	-	3,108
5.1	Borrower funds		-	-	-
5.2	Other		3,108	-	3,108
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITIES	V-II-2	1,958,787	208,869	2,167,656
7.1	Derivative financial liabilities at fair value through profit or loss		1,958,787	208,869	2,167,656
7.2	Derivative financial liabilities at fair value through other comprehensive income		-	-	-
VIII.	FACTORING PAYABLES		-	-	-
IX.	LEASE PAYABLES	V-II-5	-	-	-
9.1	Finance lease payables		-	-	-
9.2	Operating lease payables		-	-	-
9.3	Other		-	-	-
9.4	Deferred finance lease expenses (-)		-	-	-
X.	PROVISIONS	V-II-7	2,123,278	9,943	2,133,221
10.1	Provision for restructuring		-	-	-
10.2	Reserves for employee benefits		1,024,124	-	1,024,124
10.3	Insurance technical reserves (Net)		-	-	-
10.4	Other provisions		1,099,154	9,943	1,109,097
XI.	CURRENT TAX LIABILITIES	V-II-8	601,317	1,146	602,463
XII.	DEFERRED TAX LIABILITIES		-	-	-
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 the discontinued operations		-	-	-
XIV.	SUBORDINATED DEBT	V-II-10	528,568	6,541,527	7,070,095
14.1	Loans		-	-	-
14.2	Other debt instruments		528,568	6,541,527	7,070,095
XV.	OTHER LIABILITIES	V-II-4	6,769,857	2,871,007	9,640,864
XVI.	SHAREHOLDERS' EQUITY	V-II-11	26,026,966	60,423	26,087,389
16.1	Paid-in capital	V-II-11	2,500,000	-	2,500,000
16.2	Capital reserves		815,741	-	815,741
16.2.1	Equity share premiums		723,918	-	723,918
16.2.2	Share cancellation profits		-	-	-
16.2.3	Other capital reserves		91,823	-	91,823
16.3	Other accumulated comprehensive income that will not be reclassified in profit or loss		2,092,702	63,823	2,156,525
16.4	Other accumulated comprehensive income that will be reclassified in profit or loss		(66,623)	(3,400)	(70,023)
16.5	Profit reserves		14,296,045	-	14,296,045
16.5.1	Legal reserves		1,635,332	-	1,635,332
16.5.2	Statutory reserves		-	-	-
16.5.3	Extraordinary reserves		12,210,313	-	12,210,313
16.5.4	Other profit reserves		450,400	-	450,400
16.6	Profit or loss		6,389,101	-	6,389,101
16.6.1	Prior years' profits or losses		4,263,840	-	4,263,840
16.6.2	Current period net profit or loss		2,125,261	-	2,125,261
16.7	Minority interests		-	-	-
TOTAL LIABILITIES AND EQUITY			182,296,208	123,749,232	306,045,440

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UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS AT DECEMBER 31, 2017**

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

				Audited Prior Period December 31, 2017	
LIABILITIES AND EQUITY		Notes	TL	FC	Total
I.	DEPOSITS	V-II-1	103,532,624	51,744,498	155,277,122
1.1	Deposits of the risk group		2,815,871	218,060	3,033,931
1.2	Other deposits		100,716,753	51,526,438	152,243,191
II.	DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING PURPOSE	V-II-2	1,015,603	168,927	1,184,530
III.	FUNDS BORROWED	V-II-3	668,532	27,639,089	28,307,621
IV.	INTERBANK MONEY MARKET		18,699,026	3,571,811	22,270,837
4.1	Interbank money market takings		11,662,376	1,631,693	13,294,069
4.2	Istanbul Stock Exchange money market takings		-	-	-
4.3	Obligations under repurchase agreements		7,036,650	1,940,118	8,976,768
V.	SECURITIES ISSUED (Net)	V-II-3	6,443,119	13,041,979	19,485,098
5.1	Bills		3,566,573	-	3,566,573
5.2	Asset backed securities		-	-	-
5.3	Bonds		2,876,546	13,041,979	15,918,525
VI.	FUNDS		3,206	-	3,206
6.1	Funds against borrower's note		-	-	-
6.2	Others		3,206	-	3,206
VII.	MISCELLANEOUS PAYABLES		6,050,223	798,105	6,848,328
VIII.	OTHER EXTERNAL RESOURCES PAYABLE	V-II-4	860,160	2,977,406	3,837,566
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		-	-	-
11.1	Fair value hedges		-	-	-
11.2	Cash flow hedges		-	-	-
11.3	Hedges of net investment in foreign operations		-	-	-
XII.	PROVISIONS	V-II-7	3,395,373	17,109	3,412,482
12.1	General provisions		1,872,826	12,667	1,885,493
12.2	Restructuring reserves		-	-	-
12.3	Reserve for employee benefits		821,819	-	821,819
12.4	Insurance technical provisions (Net)		-	-	-
12.5	Other provisions		700,728	4,442	705,170
XIII.	TAX LIABILITIES		702,784	48,349	751,133
13.1	Current tax liabilities	V-II-8	636,728	670	637,398
13.2	Deferred tax liabilities		66,056	47,679	113,735
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	528,188	5,407,781	5,935,969
XVI.	EQUITY	V-II-11	23,061,935	195,883	23,257,818
16.1	Paid-in capital	V-II-11	2,500,000	-	2,500,000
16.2	Capital reserves		2,542,507	195,883	2,738,390
16.2.1	Share premium		723,918	-	723,918
16.2.2	Share cancellation profits		-	-	-
16.2.3	Valuation differences of the marketable securities	V-II-11	876,951	195,883	1,072,834
16.2.4	Revaluation surplus on tangible assets		873,080	-	873,080
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		91,823	-	91,823
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		(23,265)	-	(23,265)
16.3	Profit reserves		14,296,045	-	14,296,045
16.3.1	Legal reserves		1,635,332	-	1,635,332
16.3.2	Status reserves		-	-	-
16.3.3	Extraordinary reserves		12,210,313	-	12,210,313
16.3.4	Other profit reserves		450,400	-	450,400
16.4	Profit or loss		3,723,383	-	3,723,383
16.4.1	Prior years' profit/loss		-	-	-
16.4.2	Current period's profit/loss		3,723,383	-	3,723,383
TOTAL LIABILITIES AND EQUITY			164,960,773	105,610,937	270,571,710

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

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

		Reviewed Current Period June 30, 2018		Total
	Notes	TL	FC	
A.	OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)	93,466,121	118,478,578	211,944,699
I.	GUARANTEES AND SURETIES	36,378,682	23,809,928	60,188,610
1.1	Letters of guarantee	36,253,956	11,270,089	47,524,045
1.1.1	Guarantees subject to State Tender Law	4,006,151	5,244,739	9,250,890
1.1.2	Guarantees given for foreign trade operations	1,295,817	-	1,295,817
1.1.3	Other letters of guarantee	30,951,988	6,025,350	36,977,338
1.2	Bank acceptances	98,356	1,960,348	2,058,704
1.2.1	Import letter of acceptance	-	628,450	628,450
1.2.2	Other bank acceptances	98,356	1,331,898	1,430,254
1.3	Letters of credit	26,370	10,518,722	10,545,092
1.3.1	Documentary letters of credit	26,370	10,518,722	10,545,092
1.3.2	Other letters of credit	-	-	-
1.4	Pre-financing given as guarantee	-	3,639	3,639
1.5	Endorsements	-	-	-
1.5.1	Endorsements to the Central Bank of Republic of Turkey	-	-	-
1.5.2	Other endorsements	-	-	-
1.6	Purchase guarantees for Securities issued	-	-	-
1.7	Factoring guarantees	-	-	-
1.8	Other guarantees	-	54,641	54,641
1.9	Other warranties	-	2,489	2,489
II.	COMMITMENTS	36,169,778	24,451,230	60,621,008
2.1	Irrevocable commitments	32,106,902	1,707,540	33,814,442
2.1.1	Asset purchase and sales commitments	1,494,229	1,707,540	3,201,769
2.1.2	Deposit purchase and sales commitments	-	-	-
2.1.3	Share capital commitments to associates and subsidiaries	2,250	-	2,250
2.1.4	Loan granting commitments	13,225,596	-	13,225,596
2.1.5	Securities issuance brokerage commitments	-	-	-
2.1.6	Commitments for reserve deposit requirements	-	-	-
2.1.7	Commitments for checks payments	2,921,701	-	2,921,701
2.1.8	Tax and fund liabilities from export commitments	-	-	-
2.1.9	Commitments for credit card expenditure limits	12,609,798	-	12,609,798
2.1.10	Commitments for credit cards and banking services promotions	777,078	-	777,078
2.1.11	Receivables from short sale commitments of marketable securities	-	-	-
2.1.12	Payables for short sale commitments of marketable securities	-	-	-
2.1.13	Other irrevocable commitments	1,076,250	-	1,076,250
2.2	Revocable commitments	4,062,876	22,743,690	26,806,566
2.2.1	Revocable loan granting commitments	4,062,876	22,743,690	26,806,566
2.2.2	Other revocable commitments	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS	20,917,661	70,217,420	91,135,081
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	20,917,661	70,217,420	91,135,081
3.2.1	Forward foreign currency purchase and sale transactions	569,332	1,164,496	1,733,828
3.2.1.1	Forward foreign currency purchase transactions	285,266	582,317	867,583
3.2.2	Forward foreign currency sales	284,066	582,179	866,245
3.2.2.1	Currency and interest rate swaps	12,253,526	54,972,007	67,225,533
3.2.2.2	Currency swap purchase transactions	3,119,662	18,391,831	21,511,493
3.2.2.3	Currency swap sale transactions	6,593,864	9,465,520	16,059,384
3.2.2.4	Interest rate swap purchase transactions	1,270,000	13,557,328	14,827,328
3.2.2.5	Interest rate swap sale transactions	1,270,000	13,557,328	14,827,328
3.2.3	Currency, interest rate and security options	1,162,841	2,163,673	3,326,514
3.2.3.1	Currency purchase options	977,009	517,010	1,494,019
3.2.3.2	Currency sale options	185,832	1,372,127	1,557,959
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	-	274,536	274,536
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	6,931,962	11,917,244	18,849,206
B.	CUSTODY AND PLEDGED ITEMS (IV+V+VI)	1,491,584,216	1,028,892,214	2,520,476,430
IV.	ITEMS HELD IN CUSTODY	56,637,774	2,970,853	59,608,627
4.1	Assets under management	-	-	-
4.2	Securities held in custody	43,154,983	186,183	43,341,166
4.3	Checks received for collection	10,592,888	1,065,247	11,658,135
4.4	Commercial notes received for collection	1,510,179	652,694	2,162,873
4.5	Other assets received for collection	2,152	183	2,335
4.6	Securities received for public offering	-	-	-
4.7	Other items under custody	309	92,537	92,846
4.8	Custodians	1,377,263	974,009	2,351,272
V.	PLEDGED ITEMS	417,216,271	171,081,040	588,297,311
5.1	Marketable securities	495,209	6,367	501,576
5.2	Guarantee notes	692,601	420,516	1,113,117
5.3	Commodity	33,478,207	974,596	34,452,803
5.4	Warrant	-	-	-
5.5	Immovables	332,172,225	138,245,195	470,417,420
5.6	Other pledged items	49,414,071	31,105,067	80,519,138
5.7	Depositories receiving pledged items	963,958	329,299	1,293,257
VI.	ACCEPTED GUARANTEES AND WARRANTS	1,017,730,171	854,840,321	1,872,570,492
TOTAL OFF BALANCE SHEET COMMITMENTS (A+B)		1,585,050,337	1,147,370,792	2,732,421,129

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
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED 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
A.	OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		80,248,423	79,578,712
I.	GUARANTEES AND SURETIES	V-III-2-4	32,109,922	18,657,662
1.1	Letters of guarantee		32,035,061	8,133,759
1.1.1	Guarantees subject to State Tender Law		3,163,898	4,099,756
1.1.2	Guarantees given for foreign trade operations		1,053,872	-
1.1.3	Other letters of guarantee		27,817,291	4,034,003
1.2	Bank acceptances		44,700	1,510,854
1.2.1	Import letter of acceptance		671	519,399
1.2.2	Other bank acceptances		44,029	991,455
1.3	Letters of credit		30,161	8,963,991
1.3.1	Documentary letters of credit		30,161	8,963,991
1.3.2	Other letters of credit		-	-
1.4	Guaranteed pre-financings		-	3,006
1.5	Endorsements		-	-
1.5.1	Endorsements to the Central Bank of Republic of Turkey		-	-
1.5.2	Other endorsements		-	-
1.6	Marketable securities underwriting commitments		-	-
1.7	Factoring related guarantees		-	-
1.8	Other guarantees		-	43,996
1.9	Other sureties		-	2,056
II.	COMMITMENTS		31,039,233	17,286,799
2.1	Irrevocable commitments		27,979,658	961,190
2.1.1	Asset purchase commitments	V-III-1	793,979	961,190
2.1.2	Deposit purchase and sales commitments		-	-
2.1.3	Share capital commitments to associates and subsidiaries	V-III-1	-	-
2.1.4	Loan granting commitments	V-III-1	11,843,577	-
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	2,542,741	-
2.1.8	Tax and fund obligations on export commitments		-	-
2.1.9	Commitments for credit card limits	V-III-1	10,534,862	-
2.1.10	Commitments for credit card and banking operations promotions		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		1,502,825	-
2.2	Revocable commitments		3,059,575	16,325,609
2.2.1	Revocable loan granting commitments		3,059,575	16,325,609
2.2.2	Other revocable commitments		-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS		17,099,268	43,634,251
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		17,099,268	43,634,251
3.2.1	Forward foreign currency purchases/sales		1,152,837	1,617,661
3.2.1.1	Forward foreign currency purchases		576,772	808,889
3.2.2	Forward foreign currency sales		576,065	808,772
3.2.2.1	Currency and interest rate swaps		10,344,359	30,420,079
3.2.2.2	Currency swaps-purchases		3,297,551	11,363,303
3.2.2.3	Currency swaps-sales		4,706,808	4,435,680
3.2.2.4	Interest rate swaps-purchases		1,170,000	7,310,548
3.2.2.5	Interest rate swaps-sales		1,170,000	7,310,548
3.2.3	Currency, interest rate and security options		426,094	431,542
3.2.3.1	Currency call options		412,706	13,400
3.2.3.2	Currency put options		13,388	418,142
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
B.	CUSTODY AND PLEDGED ITEMS (IV+V+VI)		1,283,071,577	805,680,121
IV.	ITEMS HELD IN CUSTODY		54,525,860	4,245,640
4.1	Customers' securities held		-	-
4.2	Investment securities held in custody		42,177,802	135,880
4.3	Checks received for collection		9,976,508	2,483,954
4.4	Commercial notes received for collection		1,178,205	412,078
4.5	Other assets received for collection		2,152	151
4.6	Assets received through public offering		-	-
4.7	Other items under custody		309	76,380
4.8	Custodians		1,190,884	1,137,197
V.	PLEDGED ITEMS		315,422,683	132,707,352
5.1	Securities		739,672	5,090
5.2	Guarantee notes		707,502	524,748
5.3	Commodities		33,014,517	759,683
5.4	Warranties		-	-
5.5	Real estates		240,511,071	108,037,406
5.6	Other pledged items		39,688,651	23,254,495
5.7	Pledged items-depository		761,270	125,930
VI.	CONFIRMED BILLS OF EXCHANGE AND SURETIES		913,123,034	668,727,129
TOTAL OFF-BALANCE SHEET ITEMS (A+B)			1,363,320,000	885,258,833
				2,248,578,833

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**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED 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 JUNE 30, 2018**

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

			Reviewed Current Period January 1, 2018- June 30, 2018	Reviewed Current Period April 1, 2018- June 30, 2018
	Notes			
I. INTEREST INCOME	V-IV-1		13,628,982	7,265,731
1.1 Interest on loans	V-IV-1		11,801,088	6,306,322
1.2 Interest received from reserve deposits			169,393	93,369
1.3 Interest received from banks	V-IV-1		51,290	23,209
1.4 Interest received from money market transactions			18,572	14,708
1.5 Interest received from marketable securities portfolio	V-IV-1		1,585,741	827,606
1.5.1 Financial assets at fair value through profit or loss			-	-
1.5.2 Financial assets at fair value through other comprehensive income			309,721	154,779
1.5.3 Financial assets measured at amortised cost			1,276,020	672,827
1.6 Finance lease income			-	-
1.7 Other interest income			2,898	517
II. INTEREST EXPENSES			8,751,029	4,693,949
2.1 Interest on deposits	V-IV-2		5,933,478	3,148,942
2.2 Interest on funds borrowed	V-IV-2		485,679	285,461
2.3 Interest on money market transactions			1,183,523	646,435
2.4 Interest on securities issued	V-IV-2		906,959	499,372
2.5 Other interest expenses			241,390	113,739
III. NET INTEREST INCOME/EXPENSE (I - II)			4,877,953	2,571,782
IV. NET FEES AND COMMISSIONS INCOME/EXPENSES			955,348	511,491
4.1 Fees and commissions received			1,353,231	733,380
4.1.1 Non-cash loans			195,455	102,754
4.1.2 Other			1,157,776	630,626
4.2 Fees and commissions paid			397,883	221,889
4.2.1 Non-cash loans			242	160
4.2.2 Other			397,641	221,729
V. PERSONNEL EXPENSES (-)			1,050,297	511,916
VI. DIVIDEND INCOME			117,447	73,034
VII. TRADING PROFIT/LOSS (Net)	V-IV-3		300,959	188,142
7.1 Profit/losses from capital market transactions	V-IV-3		56,969	30,068
7.2 Profit/losses from derivative financial transactions	V-IV-3		242,551	159,386
7.3 Foreign exchange profit/losses	V-IV-3		1,439	(1,312)
VIII. OTHER OPERATING INCOME	V-IV-4		810,218	(139,345)
IX. GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII+VIII)			6,011,628	2,693,188
X. ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)	V-IV-5		1,789,772	496,458
XI. OTHER OPERATING EXPENSES (-)	V-IV-6		1,563,687	838,471
XII. NET OPERATING PROFIT/LOSS (IX-X-XI)			2,658,169	1,358,259
XIII. SURPLUS WRITTEN AS GAIN AFTER MERGER			-	-
XIV. PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES			-	-
XV. NET MONETARY POSITION GAIN/LOSS			-	-
XVI. PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XII+...+XV)	V-IV-7		2,658,169	1,358,259
XVII. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	V-IV-10		(532,908)	(284,419)
17.1 Current tax provision	V-IV-10		(517,308)	(226,420)
17.2 Expense effect of deferred tax (+)			(246,641)	(156,508)
17.3 Income effect of deferred tax (-)			231,041	98,509
XIII. NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVI±XVII)	V-IV-9		2,125,261	1,073,840
XIX. INCOME FROM DISCONTINUED OPERATIONS			-	-
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			-	-
XX. EXPENSES FROM DISCONTINUED OPERATIONS (-)			-	-
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			-	-
XXI. PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (±) (XIX-XX)			-	-
XXII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)			-	-
22.1 Current tax provision			-	-
22.2 Expense effect of deferred tax (+)			-	-
22.3 Income effect of deferred tax (-)			-	-
XXIII. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXI±XXII)			-	-
XXIV. NET PROFIT/LOSSES (XVIII+XXIII)	V-IV-11		2,125,261	1,073,840
Profit/Loss per 100 shares (full TL)			0.8501	0.4295

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**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED 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 JUNE 30, 2017**

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

			Reviewed Prior Period January 1, 2017- June 30, 2017	Reviewed Prior Period April 1, 2017- June 30, 2017
	Notes			
I. INTEREST INCOME	V-IV-1		9,997,370	5,156,835
1.1 Interest income from loans	V-IV-1		8,283,971	4,356,520
1.2 Interest income from reserve deposits			94,097	50,695
1.3 Interest income from banks	V-IV-1		16,271	8,559
1.4 Interest income from money market transactions			22,187	8,287
1.5 Interest income from securities portfolio	V-IV-1		1,578,559	732,454
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			952,399	450,928
1.5.4 Held-to-maturity investments			626,160	281,526
1.6 Finance lease income			-	-
1.7 Other interest income			2,285	320
II. INTEREST EXPENSE			5,499,230	3,035,452
2.1 Interest expense on deposits	V-IV-2		3,953,202	2,217,929
2.2 Interest expense on funds borrowed	V-IV-2		304,056	161,819
2.3 Interest expense on money market transactions			619,523	349,464
2.4 Interest expense on securities issued	V-IV-2		436,380	221,088
2.5 Other interest expenses			186,069	85,152
III. NET INTEREST INCOME (I – II)			4,498,140	2,121,383
IV. NET FEES AND COMMISSIONS INCOME			602,788	311,912
4.1 Fees and commissions received			909,371	474,923
4.1.1 Non-cash loans			140,561	72,438
4.1.2 Others			768,810	402,485
4.2 Fees and commissions paid			306,583	163,011
4.2.1 Non-cash loans			76	11
4.2.2 Others			306,507	163,000
V. DIVIDEND INCOME			63,565	20,552
VI. TRADING INCOME/LOSSES (Net)	V-IV-3		118,629	1,295
6.1 Trading account income/losses	V-IV-3		41,881	19,654
6.2 Income/losses from derivative financial instruments	V-IV-3		-33,994	(69,761)
6.3 Foreign exchange gains/losses	V-IV-3		110,742	51,402
VII. OTHER OPERATING INCOME	V-IV-4		820,302	380,802
VIII. TOTAL OPERATING PROFIT (III+IV+V+VI+VII)			6,103,424	2,835,944
IX. PROVISION FOR LOSSES ON LOANS AND OTHER RECEIVABLES (-)	V-IV-5		1,351,938	618,503
X. OTHER OPERATING EXPENSES (-)	V-IV-6		2,094,222	1,077,767
XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)			2,657,264	1,139,674
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+...+XIV)	V-IV-7		2,657,264	1,139,674
XVI. CONTINUING OPERATIONS PROVISION FOR TAXES	V-IV-10		(535,854)	(243,016)
16.1 Current tax charges	V-IV-10		(453,026)	(239,974)
16.2 Deferred tax credits			(82,828)	(3,042)
XVII. NET INCOME/LOSS AFTER TAXES FROM CONTINUING OPERATIONS (XV±XVI)	V-IV-9		2,121,410	896,658
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(XVIII-XIX)			-	-
XXI. DISCONTINUED OPERATIONS PROVISION FOR TAXES(±)			-	-
21.1 Current tax charge			-	-
21.2 Deferred tax charge			-	-
XXII. NET INCOME/LOSS AFTER TAXES FROM DISCONTINUED OPERATIONS(XX±XXI)			-	-
XXIII. NET PROFIT/LOSS (XVI+XXII)	V-IV-11		2,121,410	896,658
Profit/Loss per 100 shares (full TL)			0.8486	0.3587

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

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

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

		Reviewed Current Period January 1, 2018- June 30, 2018
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
I.	PROFIT (LOSS)	2,125,261
II.	OTHER COMPREHENSIVE INCOME	2,217
2.1.	Other comprehensive income that will not be reclassified to profit or loss	157,030
2.1.1.	Gains (Losses) on Revaluation of Property, Plant and Equipment	29,488
2.1.2.	Gains (losses) on revaluation of Intangible Assets	-
2.1.3.	Gains (losses) on remeasurements of defined benefit plans	-
2.1.4.	Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	166,580
2.1.5.	Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	(39,038)
2.2.	Other Comprehensive Income That Will Be Reclassified to Profit or Loss	(154,813)
2.2.1.	Exchange Differences on Translation	-
2.2.2.	Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income	(194,823)
2.2.3.	Income (Loss) Related with Cash Flow Hedges	-
2.2.4.	Income (Loss) Related with Hedges of Net Investments in Foreign Operations	-
2.2.5.	Other Components of Other Comprehensive Income that will be Reclassified to Other Profit or Loss	-
2.2.6.	Taxes Relating To Components Of Other Comprehensive Income That Will Be Reclassified To Profit Or Loss	40,010
III.	TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)	2,127,478

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**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 JUNE 30, 2017**

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

		Reviewed Prior Period January 1, 2017- June 30, 2017
GAINS AND LOSSES RECOGNIZED IN EQUITY		
I.	VALUATION DIFFERENCES OF AVAILABLE FOR SALE FINANCIAL ASSETS RECOGNIZED IN VALUATION	
	DIFFERENCES OF MARKETABLE SECURITIES	224,384
II.	REVALUATION SURPLUS ON TANGIBLE ASSETS	(1,082)
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	206,143
IX.	DEFERRED TAXES DUE TO VALUATION DIFFERENCES	(54,440)
X.	NET GAINS/LOSSES RECOGNIZED DIRECTLY IN EQUITY (I+II+...+IX)	375,005
XI.	CURRENT PERIOD'S PROFIT/(LOSS)	2,121,410
11.1	Change in fair value of securities (transfers to the statement of income)	3,465
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	2,117,945
XII.	TOTAL GAINS AND LOSSES RECOGNIZED DURING THE PERIOD (X+XI)	2,496,415

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018**

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY						Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss						
Reviewed	Notes	Paid in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period Net Income (Loss))	Current Period Net Income (Loss)	Total Shareholders' Equity
Current Period June 30, 2018															
I.	Prior Period End Balance	2,500,000	723,918	-	91,823	873,080	(23,265)	1,149,680	80,727	(157,573)	-	14,296,045	3,723,383	-	23,257,818
II.	Corrections and Accounting Policy Changes Made According to TAS 8	-	-	-	-	-	-	-	-	161,636	-	-	570,122	-	731,758
2.1.	Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2.	Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	161,636	-	-	570,122	-	731,758
III.	Adjusted Beginning Balance (I-II)	2,500,000	723,918	-	91,823	873,080	(23,265)	1,149,680	80,727	4,063	-	14,296,045	4,293,505	-	23,989,576
3.1.	Total Comprehensive Income	-	-	-	-	1,075	-	155,955	-	(154,813)	-	-	-	2,125,261	2,127,478
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	-	-	-	-	-	-	-	-	-	-	-	(29,665)	-	(29,665)
IV.	Profit Distribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1.	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2.	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.3.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance		2,500,000	723,918	-	91,823	874,155	(23,265)	1,305,635	80,727	(150,750)	-	14,296,045	4,263,840	2,125,261	26,087,389

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.

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

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2017

			Capital Reserves from Inflation Adjustments											Revaluation Surplus on Tangible, Intangible Assets and Investment Property	Bonus Shares of Associates, Subsidiaries and Joint Ventures		Revaluation Surp. On Assets Held for Sale and Assets of		Total
	Reviewed	Notes	Paid-in Capital	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			Hedging Reserves	Discount. Op.s		Shareholders' Equity
	Prior Period June 30, 2017																		
I.	Balances at the beginning of the period		2,500,000	-	723,918	-	1,367,022	-	9,964,966	382,618	-	2,703,042	698,028	829,895	69,222	-	-	-	19,238,711
	Changes during the period		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II.	Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Associates, Subsidiaries and "Available-for-sale" securities		-	-	-	-	-	-	-	-	-	-	376,034	-	-	-	-	-	376,034
IV.	Hedges for risk management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Net cash flow hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Net foreign investment hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Revaluation surplus on tangible assets		-	-	-	-	-	-	-	-	-	-	-	(1,029)	-	-	-	-	(1,029)
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.	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Current period's net profit/loss		-	-	-	-	-	-	-	-	2,121,410	-	-	-	-	-	-	-	2,121,410
XVIII.	Profit distribution		-	-	-	-	268,310	-	2,245,347	19,941	-	(2,703,042)	-	49,444	-	-	-	-	(120,000)
18.1	Dividends		-	-	-	-	-	-	-	-	-	(120,000)	-	-	-	-	-	-	(120,000)
18.2	Transferred to reserves		-	-	-	-	268,310	-	2,245,347	19,941	-	(2,583,042)	-	49,444	-	-	-	-	-
18.3	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Ending Balance		2,500,000	-	723,918	-	1,635,332	-	12,210,313	402,559	2,121,410	-	1,074,062	878,310	69,222	-	-	-	21,615,126

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED STATEMENT OF CASH FLOW
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018**

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

	Notes	Reviewed Current Period June 30, 2018
A. CASH FLOWS FROM BANKING OPERATIONS		
1.1 Operating profit before changes in operating assets and liabilities		3,148,174
1.1.1 Interests received		12,270,973
1.1.2 Interests paid		(8,209,063)
1.1.3 Dividends received		61,282
1.1.4 Fee and commissions received		1,403,329
1.1.5 Other income		36,653
1.1.6 Collections from previously written-off loans and other receivables		960,170
1.1.7 Cash payments to personnel and service suppliers		(1,193,284)
1.1.8 Taxes paid		(872,965)
1.1.9 Other		(1,308,921)
1.2 Changes in operating assets and liabilities		(5,118,397)
1.2.1 Net (Increase) Decrease in Financial Assets at Fair Value through Profit or Loss		(6,156)
1.2.2 Net increase (decrease) in due from banks		(3,253,126)
1.2.3 Net increase (decrease) in loans		(28,057,791)
1.2.4 Net increase (decrease) in other assets		845,110
1.2.5 Net increase (decrease) in bank deposits		34,831
1.2.6 Net increase (decrease) in other deposits		14,521,841
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		9,800,298
1.2.9 Net increase (decrease) in matured payables		-
1.2.10 Net increase (decrease) in other liabilities		996,596
I. Net cash flow provided from banking operations		(1,970,223)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
II. Net cash provided from investing activities		(4,457,073)
2.1 Cash paid for the purchase of associates, subsidiaries and joint ventures		(750)
2.2 Cash obtained from the sale of associates, subsidiaries and joint ventures		-
2.3 Cash paid for the purchase of tangible and intangible asset		(128,258)
2.4 Cash obtained from the sale of tangible and intangible asset		334,822
2.5 Cash paid for the purchase of financial assets at fair value through other comprehensive income		(3,172,356)
2.6 Cash obtained from the sale of financial assets at fair value through other comprehensive income		642,042
2.7 Cash paid for the purchase of financial assets at amortized cost		(2,871,107)
2.8 Cash obtained from sale of financial assets at amortized cost		745,754
2.9 Other		(7,220)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
III. Net cash flow from financing activities		5,661,689
3.1 Cash obtained from funds borrowed and securities issued		11,435,431
3.2 Cash outflow from funds borrowed and securities issued		(5,773,742)
3.3 Equity instruments issued		-
3.4 Dividends paid		-
3.5 Payments for finance lease liabilities		-
3.6 Other		-
IV. Effect of change in foreign exchange rate on cash and cash equivalents		(47,878)
V. Net increase/decrease in cash and cash equivalents		(813,485)
VI. Cash and cash equivalents at beginning of the period		19,294,961
VII. Cash and cash equivalents at end of the period		18,481,476

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**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
UNCONSOLIDATED STATEMENT OF CASH FLOW
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2017**

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

	Reviewed Prior Period June 30, 2017
A. CASH FLOWS FROM BANKING OPERATIONS	
1.1 Operating profit before changes in operating assets and liabilities	3,284,982
1.1.1 Interests received	9,110,055
1.1.2 Interests paid	(5,203,936)
1.1.3 Dividends received	19,408
1.1.4 Fee and commissions received	909,371
1.1.5 Other income	32,243
1.1.6 Collections from previously written-off loans and other receivables	633,988
1.1.7 Payments to personnel and service suppliers	(914,150)
1.1.8 Taxes paid	(443,357)
1.1.9 Other	(858,640)
1.2 Changes in operating assets and liabilities	(3,381,163)
1.2.1 Net (increase) decrease in financial assets held for trading purpose	(6)
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	(1,247,048)
1.2.4 Net (increase) decrease in loans	(21,086,249)
1.2.5 Net (increase) decrease in other assets	(260,695)
1.2.6 Net increase (decrease) in bank deposits	(113,329)
1.2.7 Net increase (decrease) in other deposits	17,053,318
1.2.8 Net increase (decrease) in funds borrowed	1,930,812
1.2.9 Net increase (decrease) in matured payables	-
1.2.10 Net increase (decrease) in other liabilities	342,034
I. Net cash flow from banking operations	(96,181)
B. CASH FLOWS FROM INVESTING ACTIVITIES	
II. Net cash flow from investing activities	(565,466)
2.1 Cash paid for purchase of associates, subsidiaries and joint-ventures	-
2.2 Proceeds from disposal of associates, subsidiaries and joint-ventures	-
2.3 Purchases of tangible assets	(158,455)
2.4 Proceeds from disposal of tangible assets	258,007
2.5 Cash paid for purchase of available-for-sale financial assets	(2,982,315)
2.6 Proceeds from disposal of available-for-sale financial assets	2,719,155
2.7 Cash paid for purchase of held-to-maturity investments	(1,499,542)
2.8 Proceeds from disposal of held-to-maturity investments	1,123,419
2.9 Other	(25,735)
C. CASH FLOWS FROM FINANCING ACTIVITIES	
III. Net cash flow from financing activities	728,677
3.1 Cash obtained from funds borrowed and securities issued	5,801,164
3.2 Cash used for repayment of funds borrowed and securities issued	(4,952,487)
3.3 Equity instruments issued	-
3.4 Dividends paid	(120,000)
3.5 Repayments for finance leases	-
3.6 Other	-
IV. Effect of change in foreign exchange rates on cash and cash equivalents	71,711
V. Net increase in cash and cash equivalents	138,741
VI. Cash and cash equivalents at the beginning of the period	11,108,769
VII. Cash and cash equivalents at the end of the period	11,247,510

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