

TÜRKİYE HALK BANKASI AŞ

CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2010

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

I. CONSOLIDATED BALANCE SHEET (CONSOLIDATED STATEMENT OF FINANCIAL POSITION)

ASSETS	Note	Reviewed			Audited		
		Current period			Prior period		
		TRY	FC	Total	TRY	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK	(1)	1.940.211	1.472.103	3.412.314	2.116.679	1.299.045	3.415.724
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (Net)	(2)	34.975	47.878	82.853	27.003	28.959	55.962
2.1 Trading financial assets		34.975	47.878	82.853	27.003	28.959	55.962
2.1.1 Public sector debt securities		33.144	8.893	42.037	25.227	8.337	33.564
2.1.2 Share certificates		-	-	-	92	-	92
2.1.3 Financial assets held for trading		-	38.892	38.892	-	20.528	20.528
2.1.4 Other marketable securities		1.831	93	1.924	1.684	94	1.778
2.2 Financial assets at fair value through profit and loss		-	-	-	-	-	-
2.2.1 Public sector debt securities		-	-	-	-	-	-
2.2.2 Share certificates		-	-	-	-	-	-
2.2.3 Loans		-	-	-	-	-	-
2.2.4 Other marketable securities		-	-	-	-	-	-
III. BANKS	(3)	70.994	2.065.043	2.136.037	120.758	1.051.151	1.171.909
IV. MONEY MARKET PLACEMENTS		534	-	534	203	-	203
4.1 Interbank money market placements		265	-	265	-	-	-
4.2 Istanbul Stock Exchange Money Market placements		-	-	-	199	-	199
4.3 Receivables from reverse repurchase agreements		269	-	269	4	-	4
V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(4)	4.456.637	1.428.558	5.885.195	3.562.401	1.328.473	4.890.874
5.1 Share certificates		4.405	6.531	10.936	4.405	7.214	11.619
5.2 Public sector debt securities		4.452.232	1.422.027	5.874.259	3.557.996	1.321.259	4.879.255
5.3 Other marketable securities		-	-	-	-	-	-
VI. LOANS AND RECEIVABLES	(5)	27.440.693	10.817.370	38.258.063	23.576.324	8.881.747	32.458.071
6.1 Loans and receivables		27.150.732	10.817.370	37.968.102	23.266.840	8.881.747	32.148.587
6.1.1 Loans extended to risk group of the bank		10.327	41.732	52.059	921	57.690	58.611
6.1.2 Public sector debt securities		-	-	-	-	-	-
6.1.3 Other		27.140.405	10.775.638	37.916.043	23.265.919	8.824.057	32.089.976
6.2 Loans under follow-up		1.703.921	-	1.703.921	1.667.912	-	1.667.912
6.3 Specific provisions (-)		1.413.960	-	1.413.960	1.358.428	-	1.358.428
VII. FACTORING RECEIVABLES		-	-	-	-	-	-
VIII. HELD TO MATURITY INVESTMENTS (Net)	(6)	13.933.326	1.998.057	15.931.383	13.938.090	2.635.458	16.573.548
8.1 Public sector debt securities		13.933.326	1.998.057	15.931.383	13.938.090	2.635.458	16.573.548
8.2 Other marketable securities		-	-	-	-	-	-
IX. INVESTMENTS IN ASSOCIATES (Net)	(7)	55.004	113.739	168.743	48.743	127.922	176.665
9.1 Accounted with equity method		-	113.739	113.739	-	127.922	127.922
9.2 Unconsolidated associates		55.004	-	55.004	48.743	-	48.743
9.2.1 Financial investments		53.952	-	53.952	47.691	-	47.691
9.2.2 Non-financial investments		1.052	-	1.052	1.052	-	1.052
X. INVESTMENTS IN SUBSIDIARIES (Net)	(8)	-	-	-	-	-	-
10.1 Consolidated financial subsidiaries		-	-	-	-	-	-
10.2 Consolidated non-financial subsidiaries		-	-	-	-	-	-
XI. JOINT VENTURES (Net)	(9)	-	-	-	-	-	-
11.1 Accounted with equity method		-	-	-	-	-	-
11.2 Consolidated joint ventures		-	-	-	-	-	-
11.2.1 Financial joint ventures		-	-	-	-	-	-
11.2.2 Non-financial joint ventures		-	-	-	-	-	-
XII. FINANCE LEASE RECEIVABLES (Net)	(10)	-	-	-	-	-	-
12.1 Finance lease receivables		-	-	-	-	-	-
12.2 Operating lease receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned income (-)		-	-	-	-	-	-
XIII. DERIVATIVE FINANCIAL ASSETS FOR HEDGING PURPOSES	(11)	-	-	-	-	-	-
13.1 Fair value risk hedging		-	-	-	-	-	-
13.2 Cash flow risk hedging		-	-	-	-	-	-
13.3 Net abroad investment risk hedging		-	-	-	-	-	-
XIV. TANGIBLE ASSETS (Net)	(12)	1.175.557	50	1.175.607	1.141.486	44	1.141.530
XV. INTANGIBLE ASSETS (Net)	(13)	14.174	-	14.174	12.090	-	12.090
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		14.174	-	14.174	12.090	-	12.090
XVI. INVESTMENT PROPERTIES (Net)	(14)	481	-	481	489	-	489
XVII. TAX ASSET	(15)	174.265	-	174.265	207.562	-	207.562
17.1 Current assets for tax		-	-	-	-	-	-
17.2 Deferred assets for tax		174.265	-	174.265	207.562	-	207.562
XVIII. ASSETS HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)	(16)	95.248	-	95.248	84.091	-	84.091
18.1 Held for sale purpose		95.248	-	95.248	84.091	-	84.091
18.2 Held from discontinued operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(17)	803.207	41.225	844.432	529.156	64.917	594.073
TOTAL ASSETS		50.195.306	17.984.023	68.179.329	45.365.075	15.417.716	60.782.791

The accompanying notes are an integral part of these consolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2010

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

I. CONSOLIDATED BALANCE SHEET (CONSOLIDATED STATEMENT OF FINANCIAL POSITION)

LIABILITIES AND EQUITY		Note	Reviewed			Audited		
			Current period			Prior period		
			TRY	FC	Total	TRY	FC	Total
			30 June 2010			31 December 2009		
I.	DEPOSITS	(1)	35.446.403	15.689.828	51.136.231	29.364.171	14.515.075	43.879.246
1.1	Deposits Held by the Risk Group of the Bank		53.903	7.170	61.073	35.566	9.562	45.128
1.2	Other		35.392.500	15.682.658	51.075.158	29.328.605	14.505.513	43.834.118
II.	DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)	7	50.414	50.421	-	88.956	88.956
III.	BORROWING FUNDING LOANS	(3)	204.667	2.141.287	2.345.954	201.722	1.829.795	2.031.517
IV.	MONEY MARKET BALANCES		3.530.012	898.901	4.428.913	5.229.113	547.976	5.777.089
4.1	Interbank money market takings		-	-	-	-	-	-
4.2	Istanbul Stock Exchange Takasbank takings		18.308	-	18.308	19.422	-	19.422
4.3	Funds from repurchase agreements		3.511.704	898.901	4.410.605	5.209.691	547.976	5.757.667
V.	MARKETABLE SECURITIES ISSUED (Net)		-	-	-	-	-	-
5.1	Treasury bills		-	-	-	-	-	-
5.2	Asset-backed securities		-	-	-	-	-	-
5.3	Bonds		-	-	-	-	-	-
VI.	FUNDS	(4)	1.336.322	-	1.336.322	1.315.802	-	1.315.802
6.1	Borrower Funds		224.985	-	224.985	204.776	-	204.776
6.2	Other		1.111.337	-	1.111.337	1.111.026	-	1.111.026
VII.	SUNDRY CREDITORS		644.418	15.181	659.599	549.528	16.363	565.891
VIII.	OTHER LIABILITIES	(5)	501.212	130.330	631.542	163.850	95.988	259.838
IX.	FACTORING PAYABLES		-	-	-	-	-	-
X.	FINANCE LEASE PAYABLES	(6)	353	1	354	137	2	139
10.1	Finance lease payables		513	1	514	194	2	196
10.2	Operating lease payables		-	-	-	-	-	-
10.3	Other		-	-	-	-	-	-
10.4	Deferred finance lease expenses (-)		160	-	160	57	-	57
XI.	DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING	(7)	-	-	-	-	-	-
11.1	Fair value risk hedging		-	-	-	-	-	-
11.2	Cash flow risk hedging		-	-	-	-	-	-
11.3	Net abroad investment risk hedging		-	-	-	-	-	-
XII.	PROVISIONS	(8)	964.473	16.034	980.507	853.744	15.499	869.243
12.1	General loan provisions		343.118	-	343.118	275.695	-	275.695
12.2	Restructuring provisions		-	-	-	-	-	-
12.3	Employee benefits provisions		251.771	-	251.771	243.822	-	243.822
12.4	Insurance technical reserves (Net)		167.187	-	167.187	136.567	-	136.567
12.5	Other provisions		202.397	16.034	218.431	197.660	15.499	213.159
XIII.	TAX LIABILITY	(9)	179.456	1	179.457	218.919	1	218.920
13.1	Current tax liability		179.456	1	179.457	218.919	1	218.920
13.2	Deferred tax liability		-	-	-	-	-	-
XIV.	LIABILITIES FOR ASSET HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)	(10)	-	-	-	-	-	-
14.1	Held for sale purpose		-	-	-	-	-	-
14.2	Held from discontinued operations		-	-	-	-	-	-
XV.	SUBORDINATED CAPITAL	(11)	-	-	-	-	-	-
XVI.	SHAREHOLDERS' EQUITY	(12)	6.469.142	(39.113)	6.430.029	5.828.133	(51.983)	5.776.150
16.1	Paid-in capital		1.250.000	-	1.250.000	1.250.000	-	1.250.000
16.2	Capital Reserves		1.259.175	(39.113)	1.220.062	1.288.854	(51.983)	1.236.871
16.2.1	Share Premium		-	-	-	-	-	-
16.2.2	Share cancellation profits		-	-	-	-	-	-
16.2.3	Marketable securities revaluation fund		43.865	(39.113)	4.752	78.429	(51.983)	26.446
16.2.4	Tangible assets revaluation reserves		-	-	-	-	-	-
16.2.5	Intangible assets revaluation reserves		-	-	-	-	-	-
16.2.6	Revaluation reserves of real estates for investment purpose		-	-	-	-	-	-
16.2.7	Non-paid-up shares of subsidiaries, associates and joint ventures		61	-	61	61	-	61
16.2.8	Hedging Funds (effective portion)		(5.202)	-	(5.202)	(10.087)	-	(10.087)
16.2.9	Value Increase on Non-current Assets Held for Sale and Discontinued Operations		-	-	-	-	-	-
16.2.10	Other capital reserves		1.220.451	-	1.220.451	1.220.451	-	1.220.451
16.3	Profit reserves		2.893.071	-	2.893.071	1.610.916	-	1.610.916
16.3.1	Legal reserves		620.314	-	620.314	515.312	-	515.312
16.3.2	Statutory reserves		-	-	-	-	-	-
16.3.3	Extraordinary reserves		2.225.576	-	2.225.576	1.048.423	-	1.048.423
16.3.4	Other profit reserves		47.181	-	47.181	47.181	-	47.181
16.4	Profit/Loss		1.060.588	-	1.060.588	1.671.769	-	1.671.769
16.4.1	Prior years income/loss		30.067	-	30.067	7.104	-	7.104
16.4.2	Period profit/loss		1.030.521	-	1.030.521	1.664.665	-	1.664.665
16.5	Minority shares		6.308	-	6.308	6.594	-	6.594
TOTAL LIABILITIES AND EQUITY			49.276.465	18.902.864	68.179.329	43.725.119	17.057.672	60.782.791

The accompanying notes are an integral part of these consolidated financial statements.

TÜRKİYE HALK BANKASI AŞ
STATEMENT OF CONSOLIDATED OFF- BALANCE SHEET CONTINGENCIES AND
COMMITMENTS AS OF 30 JUNE 2010

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

II. CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET CONTINGENCIES AND
COMMITMENTS

		Reviewed			Audited		
		Current period			Prior period		
		30 June 2010			31 December 2009		
OFF BALANCE SHEET	Note	TRY	FC	Total	TRY	FC	Total
A.	COMMITMENTS AND CONTINGENCIES (I+II+III)	14.000.365	17.167.683	31.168.048	10.028.306	12.782.239	22.810.545
I.	GUARANTEES AND SURETYSHIPS	4.490.670	6.528.235	11.018.905	3.722.965	5.591.977	9.314.942
1.1	Letters of guarantee	4.427.681	3.293.985	7.721.666	3.680.889	3.094.424	6.775.313
1.1.1	Guarantees subject to public procurement law	363.935	2.559.424	2.923.359	353.921	2.375.248	2.729.169
1.1.2	Guarantees given for foreign trade operations	-	-	-	-	-	-
1.1.3	Other letters of guarantee	4.063.746	734.561	4.798.307	3.326.968	719.176	4.046.144
1.2	Bank loans	-	95.603	95.603	-	138.242	138.242
1.2.1	Import acceptances	-	61.146	61.146	-	74.508	74.508
1.2.2	Other bank acceptances	-	34.457	34.457	-	63.734	63.734
1.3	Letters of credit	-	3.021.198	3.021.198	-	2.243.228	2.243.228
1.3.1	Documentary letters of credit	-	3.021.198	3.021.198	-	2.243.228	2.243.228
1.3.2	Other letters of credit	-	-	-	-	-	-
1.4	Guaranteed prefinancings	-	-	-	-	-	-
1.5	Endorsements	-	-	-	-	-	-
1.5.1	Endorsements to Central Bank of Turkish Republic	-	-	-	-	-	-
1.5.2	Other Endorsements	-	-	-	-	-	-
1.6	Purchase guarantees on marketable security issuance	-	-	-	-	-	-
1.7	Factoring guarantees	-	-	-	-	-	-
1.8	Other guarantees	62.759	117.449	180.208	41.846	116.083	157.929
1.9	Other suretyships	230	-	230	230	-	230
II.	COMMITMENTS	8.442.529	2.899.287	11.341.816	4.988.824	828.762	5.817.586
2.1	Irrevocable commitments	8.439.310	2.899.287	11.338.597	4.985.605	828.762	5.814.367
2.1.1	Forward asset purchase commitments	86.994	2.612.502	2.699.496	169.106	510.342	679.448
2.1.2	Forward deposit purchase and sale commitments	-	-	-	-	-	-
2.1.3	Capital commitments to subsidiaries and associates	2.250	-	2.250	2.250	-	2.250
2.1.4	Loan granting commitments	235.144	286.785	521.929	722.229	318.420	1.040.649
2.1.5	Securities underwriting commitments	-	-	-	-	-	-
2.1.6	Payment commitments for reserve deposits	-	-	-	-	-	-
2.1.7	Payment commitments for cheques	3.558.333	-	3.558.333	1.255.978	-	1.255.978
2.1.8	Tax and fund liabilities from export commitments	23.963	-	23.963	11.284	-	11.284
2.1.9	Commitments for credit card expenditure limits	3.744.838	-	3.744.838	2.793.507	-	2.793.507
2.1.10	Commitments for credit cards and banking services promotions.	32.353	-	32.353	27.446	-	27.446
2.1.11	Receivables from short sale commitments	-	-	-	-	-	-
2.1.12	Payables for short sale commitments	-	-	-	-	-	-
2.1.13	Other irrevocable commitments	755.435	-	755.435	3.805	-	3.805
2.2	Revocable commitments	3.219	-	3.219	3.219	-	3.219
2.2.1	Revocable loan granting commitments	-	-	-	-	-	-
2.2.2	Other revocable commitments	3.219	-	3.219	3.219	-	3.219
III.	DERIVATIVE FINANCIAL INSTRUMENTS	1.067.166	7.740.161	8.807.327	1.316.517	6.361.500	7.678.017
3.1	Derivative financial instruments for hedging	-	-	-	-	-	-
3.1.1	Fair value risk hedging transactions	-	-	-	-	-	-
3.1.2	Cash flow risk hedging transactions	-	-	-	-	-	-
3.1.3	Net abroad investment risk hedging transactions	-	-	-	-	-	-
3.2	Transactions for trading	1.067.166	7.740.161	8.807.327	1.316.517	6.361.500	7.678.017
3.2.1	Forward foreign currency buy/sell transactions	275.689	558.722	834.411	22.859	523.002	545.861
3.2.1.1	Forward foreign currency transactions-buy	135.666	281.467	417.133	6.012	266.585	272.597
3.2.1.2	Forward foreign currency transactions-sell	140.023	277.255	417.278	16.847	256.417	273.264
3.2.2	Currency and interest rate swaps	564.485	6.377.177	6.941.662	1.095.588	5.318.678	6.414.266
3.2.2.1	Currency swap-buy	-	3.486.139	3.486.139	-	2.871.470	2.871.470
3.2.2.2	Currency swap-sell	564.485	2.891.038	3.455.523	788.498	2.129.008	2.917.506
3.2.2.3	Interest rate swap-buy	-	-	-	-	318.200	318.200
3.2.2.4	Interest Rate swap-sell	-	-	-	307.090	-	307.090
3.2.3	Currency, interest rate and marketable securities options	28.922	45.673	74.595	-	-	-
3.2.3.1	Currency call options	14.455	22.842	37.297	-	-	-
3.2.3.2	Currency put options	14.467	22.831	37.298	-	-	-
3.2.3.3	Interest rate call options	-	-	-	-	-	-
3.2.3.4	Interest rate put options	-	-	-	-	-	-
3.2.3.5	Marketable securities call options	-	-	-	-	-	-
3.2.3.6	Marketable securities put options	-	-	-	-	-	-
3.2.4	Currency futures	-	-	-	-	-	-
3.2.4.1	Currency futures-buy	-	-	-	-	-	-
3.2.4.2	Currency futures-sell	-	-	-	-	-	-
3.2.5	Interest rate buy/sell futures	-	-	-	-	-	-
3.2.5.1	Interest rate futures-buy	-	-	-	-	-	-
3.2.5.2	Interest rate futures-sell	-	-	-	-	-	-
3.2.6	Other	198.070	758.589	956.659	198.070	519.820	717.890
B.	CUSTODY AND PLEDGED ASSETS (IV+V+VI)	304.925.176	132.864.485	437.789.661	266.734.789	107.979.743	374.714.532
IV.	CUSTODIES	62.606.065	5.983.668	68.589.733	56.546.837	5.412.880	61.959.717
4.1	Assets under management	-	-	-	-	-	-
4.2	Custody marketable securities	28.343.746	266.263	28.610.009	27.988.177	271.653	28.259.830
4.3	Cheques in collection process	3.482.348	2.241.971	5.724.319	2.859.578	1.845.612	4.705.190
4.4	Commercial notes in collection process	14.539.892	213.719	14.753.611	9.685.107	178.807	9.863.914
4.5	Other assets in collection process	949	-	949	679	-	679
4.6	Underwritten securities	790	-	790	321	6.956	7.277
4.7	Other custodies	3.098	7.993	11.091	2.440	8.072	10.512
4.8	Custodians	16.235.242	3.253.722	19.488.964	16.010.535	3.101.780	19.112.315
V.	PLEDGED ASSETS	242.319.111	126.880.817	369.199.928	210.187.952	102.566.863	312.754.815
5.1	Marketable securities	1.267.933	186.022	1.453.955	802.955	209.987	1.012.942
5.2	Collateral notes	3.293.608	182.710	3.476.318	2.729.862	170.390	2.900.252
5.3	Commodity	25.831	-	25.831	25.830	-	25.830
5.4	Warranty	-	-	-	-	-	-
5.5	Land and buildings	48.363.940	14.090.376	62.454.316	40.485.819	11.866.210	52.352.029
5.6	Other pledged assets	186.610.161	112.264.338	298.874.499	164.097.650	89.571.870	253.669.520
5.7	Pledges	2.757.638	157.371	2.915.009	2.045.836	748.406	2.794.242
VI.	ACCEPTED BILL GUARANTEES AND SURETIES	-	-	-	-	-	-
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		318.925.541	150.032.168	468.957.709	276.763.095	120.761.982	397.525.077

The accompanying notes are an integral part of these consolidated financial statements.

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED INCOME STATEMENT FOR SIX-MONTH PERIOD ENDED 30
JUNE 2010

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

III. CONSOLIDATED INCOME STATEMENT

		Reviewed	Reviewed	Reviewed	Reviewed	
		Current period	Prior period	Current period	Prior period	
INCOME AND EXPENSES		1 January - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2010	1 April - 30 June 2009	
	Note					
I.	INTEREST INCOME	(1)	3.167.105	3.532.395	1.599.317	1.699.606
1.1	Interest on loans		2.037.952	2.137.450	1.036.238	1.035.783
1.2	Interest received from reserve deposits		79	225	40	42
1.3	Interest received from banks		43.279	78.045	22.702	33.661
1.4	Interest received from money market placements		13	1.013	11	489
1.5	Interest income on marketable securities		1.077.490	1.304.929	536.439	624.299
1.5.1	Financial assets held for trading		2.356	2.344	1.136	1.455
1.5.2	Financial assets at fair value through profit and loss		-	-	-	-
1.5.3	Financial assets available-for-sale		303.510	271.375	138.294	152.328
1.5.4	Investments held-to-maturity		771.624	1.031.210	397.009	470.516
1.6	Finance lease income		-	-	-	-
1.7	Other interest income		8.292	10.733	3.887	5.332
II.	INTEREST EXPENSE	(2)	1.494.566	2.074.527	770.347	925.451
2.1	Interest on deposits		1.282.424	1.860.772	667.307	820.220
2.2	Interest on borrowings		28.212	42.114	14.087	17.965
2.3	Interest on money market borrowings		162.508	139.392	79.437	72.202
2.4	Interest on marketable securities issued		-	-	-	-
2.5	Other interest expense		21.422	32.249	9.516	15.064
III.	NET INTEREST INCOME [I – II]		1.672.539	1.457.868	828.970	774.155
IV.	NET FEES AND COMMISSIONS INCOME		265.204	216.168	132.729	114.479
4.1	Fees and commissions income		312.439	247.352	158.811	134.150
4.1.1	Non-cash loans		40.270	27.790	21.176	15.254
4.1.2	Other		272.169	219.562	137.635	118.896
4.2	Fees and commissions expenses		47.235	31.184	26.082	19.671
4.2.1	Non-cash loans		25	1	23	-
4.2.2	Other		47.210	31.183	26.059	19.671
V.	DIVIDEND INCOME	(3)	6.328	6.511	1.589	2.588
VI.	NET TRADING PROFIT (NET)	(4)	75.417	5.678	14.734	10.746
6.1	Profit/loss from capital market operations		122.719	57.946	34.549	26.650
6.2	Profit/loss from financial derivative transactions		(247.784)	(2.469)	(138.735)	(48.819)
6.3	Foreign exchange gains/losses		200.482	(49.799)	118.920	32.915
VII.	OTHER OPERATING INCOME	(5)	279.235	229.356	143.530	107.673
VIII.	TOTAL OPERATING INCOME (III+IV+V+VI+VII)		2.298.723	1.915.581	1.121.552	1.009.641
IX.	LOANS AND OTHER RECEIVABLES IMPAIRMENT LOSS PROVISIONS (-)	(6)	248.055	292.908	99.320	145.772
X.	OTHER OPERATING EXPENSES(-)	(7)	759.079	622.237	395.480	322.059
XI.	NET OPERATING INCOME/(LOSS) (VIII-IX-X)		1.291.589	1.000.436	626.752	541.810
XII.	AMOUNT RECORDED IN EXCESS AS GAIN AFTER MERGER		-	-	-	-
XIII.	PROFIT/LOSSES FROM EQUITY METHOD APPLIED SUBSIDIARIES		(1.762)	1.375	(4.068)	849
XIV.	GAIN / (LOSS) ON NET MONETARY POSITION		-	-	-	-
XV.	INCOME/(LOSS) BEFORE TAXES (XI+XII+XIII+XIV)	(8)	1.289.827	1.001.811	622.684	542.659
XVI.	TAX INCOME PROVISION (±)	(9)	(258.937)	(201.489)	(121.310)	(113.572)
16.1	Current tax provision		(213.575)	(250.233)	(89.076)	(144.442)
16.2	Deferred tax provision		(45.362)	48.744	(32.234)	30.870
XVII.	NET OPERATING INCOME AFTER TAX (XV±XVI)	(10)	1.030.890	800.322	501.374	429.087
XVIII.	INCOME FROM DISCONTINUED OPERATIONS		-	-	-	-
18.1	Property and equipment income held for sale		-	-	-	-
18.2	Sale profits from associates, subsidiaries and joint ventures (business partners)		-	-	-	-
18.3	Other income from terminated operations		-	-	-	-
XIX.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-	-	-
19.1	Property and equipment expense held for sale		-	-	-	-
19.2	Sale losses from associates, subsidiaries and joint ventures (business partners)		-	-	-	-
19.3	Other expenses from discontinued operations		-	-	-	-
XX.	INCOME/EXPENSE BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)	(8)	-	-	-	-
XXI.	PROVISION FOR TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)	(9)	-	-	-	-
21.1	Current tax provision		-	-	-	-
21.2	Deferred tax provision		-	-	-	-
XXII.	NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI)	(10)	-	-	-	-
XVIII.	NET PROFIT/(LOSS) (XVII+XXII)	(11)	1.030.890	800.322	501.374	429.087
	Group's profit/loss		1.030.521	800.228	501.313	428.990
	Minority shares profit/loss		369	94	61	97
	Earnings/losses per share (Full TRY)		0,82471	0,64026	0,40110	0,34327

The accompanying notes are an integral part of these consolidated financial statements.

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED PROFIT OR LOSS ACCOUNTED FOR UNDER EQUITY FOR SIX-MONTH PERIOD ENDED 30 JUNE 2010

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

IV. CONSOLIDATED PROFIT AND LOSS ACCOUNTED FOR UNDER EQUITY

	Reviewed	Reviewed
	Current period	Prior period
	1 January -	1 January -
	30 June 2010	30 June 2009
STATEMENT OF PROFIT AND LOSS ACCOUNTED FOR UNDER EQUITY		
I. ADDITIONS TO MARKETABLE SECURITIES REVALUATION DIFFERENCES FOR AVAILABLE FOR SALE FINANCIAL ASSETS	3.117	141.810
II. TANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	-	-
V. PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR CASH FLOW HEDGE PURPOSES (Effective portion of fair value differences)	-	-
VI. PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGE OF NET INVESTMENTS IN FOREIGN OPERATIONS (Effective portion of fair value differences)	4.987	16.823
VII. THE EFFECT OF CORRECTIONS OF ERRORS AND CHANGES IN ACCOUNTING POLICIES	-	-
VIII. OTHER PROFIT LOSS ITEMS ACCOUNTED UNDER EQUITY DUE TO TAS	-	-
IX. DEFERRED TAX OF VALUATION DIFFERENCES	16.561	(13.260)
X. TOTAL NET PROFIT/LOSS ACCOUNTED UNDER EQUITY (I+II+...+IX)	24.665	145.373
XI. PROFIT/LOSS	(41.474)	(25.447)
11.1 Change in fair value of marketable securities (Transfer to profit/loss)	(34.130)	(25.447)
11.2 Reclassification and transfer of derivatives accounted for cash flow hedge purposes to income statement	-	-
11.3 Transfer of hedge of net investments in foreign operations to income statement	-	-
11.4 Other	(7.344)	-
XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE PERIOD (X±XI)	(16.809)	119.926

The accompanying notes are an integral part of these consolidated financial statements.

TÜRKİYE HALK BANKASI AŞ
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR SIX-MONTH PERIOD ENDED 30 JUNE 2010

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Note	Paid in capital	Effect of inflation adjustments on paid in capital	Share premium	Share certificate cancellation profit	Legal reserves	Statutory reserves	Extra-ordinary reserves	Other reserves	Current period net income/(loss)	Prior period net income/(loss)	Valuation changes in marketable sec.	Revaluation changes in prop. and equip. and int. assets	Free shares from shareholders	Hedging funds	Value change in pro. and equip. purp./term. op.	Total equity excluding minority shares	Minority shares	Total equity	
1 January 2009 – 30 June 2009																				
I.	Balance at the beginning of prior period	1.250.000	1.220.451	-	-	434.671	-	333.180	32.739	1.016.297	35.042	(113.037)	-	-	(18.533)	-	4.190.810	-	4.190.810	
II.	Corrections according to TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.1	The effect of corrections of errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2	The effects of changes in accounting policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III.	New balance (I + II)	1.250.000	1.220.451	-	-	434.671	-	333.180	32.739	1.016.297	35.042	(113.037)	-	-	(18.533)	-	4.190.810	-	4.190.810	
Changes within the period																				
IV.	Increase/decrease generated by merger	-	-	-	-	7.539	-	13.483	-	-	19.534	1.635	-	-	-	-	-	42.191	6.610	48.801
V.	Valuation changes in marketable securities	-	-	-	-	-	-	-	-	-	-	103.103	-	-	-	-	-	103.103	-	103.103
VI.	Hedging funds (effective portion)	-	-	-	-	-	-	-	609	-	(29.455)	-	-	-	16.823	-	-	(12.023)	-	(12.023)
6.1	Cash-flow hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2	Hedges for investment made in foreign countries	-	-	-	-	-	-	-	609	-	(29.455)	-	-	-	16.823	-	-	(12.023)	-	(12.023)
VII.	Revaluation changes of property and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Revaluation changes of intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Free shares from investment and associates, subsidiaries and joint ventures (business partners)	-	-	-	-	-	-	-	-	-	-	-	-	49	-	-	-	49	-	49
X.	Foreign exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Changes after disposal of securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Changes after reclassification of securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Effect of changes in shareholders equity of investments and associates to bank's shareholders equity	-	-	-	-	-	-	-	127	-	-	-	-	-	-	-	-	127	(693)	(566)
XIV.	Increase in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2	From internal resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Issuance of share certificates at end of period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Adjustment to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX.	Net profit or losses	-	-	-	-	-	-	-	-	800.228	-	-	-	-	-	-	-	800.228	94	800.322
XX.	Profit distribution	-	-	-	-	-	-	-	-	(1.016.297)	(40.049)	-	-	-	-	-	-	(800.228)	-	(281.579)
20.1	Dividends distributed	-	-	-	-	73.097	-	701.670	-	-	(281.579)	-	-	-	-	-	-	(281.579)	-	(281.579)
20.2	Transfers to legal reserves	-	-	-	-	73.097	-	701.670	-	-	(774.767)	-	-	-	-	-	-	-	-	-
20.3	Other	-	-	-	-	-	-	-	-	(1.016.297)	1.016.297	-	-	-	-	-	-	-	-	-
	Closing balance	1.250.000	1.220.451	-	-	515.307	-	1.048.333	33.475	800.228	(14.928)	(8.299)	-	49	(1.710)	-	4.842.906	6.011	4.848.917	
1 January 2010 – 30 June 2010																				
I.	Balance at end of prior period	1.250.000	1.220.451	-	-	515.312	-	1.048.423	47.181	1.664.576	7.104	26.446	-	61	(10.087)	-	5.769.467	6.594	5.776.061	
Changes within the period																				
II.	Increase or decrease generated by merger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Valuation changes in marketable securities	-	-	-	-	-	-	-	-	-	-	(21.126)	-	-	-	-	-	(21.126)	-	(21.126)
IV.	Hedging Funds (effective portion)	-	-	-	-	-	-	-	-	-	(1.637)	102	-	-	4.885	-	-	3.350	-	3.350
4.1	Cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Hedges for investments made in foreign countries	-	-	-	-	-	-	-	-	-	(1.637)	102	-	-	4.885	-	-	3.350	-	3.350
V.	Revaluation changes of property and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Revaluation changes of intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Free shares from investment and associates, subsidiaries and joint ventures (business partners)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Foreign exchange differences	-	-	-	-	-	-	-	-	-	-	(670)	-	-	-	-	-	(670)	-	(670)
IX.	Changes after disposal of securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Changes after reclassification of securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Effect of changes in shareholders equity of investments and associates to bank's shareholders equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(655)	(655)
XII.	Increase in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2	From internal resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Issuance of share certificates at end of period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Adjustment to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Net profit or losses	-	-	-	-	-	-	-	-	1.030.521	-	-	-	-	-	-	-	1.030.521	369	1.030.890
XVIII.	Profit distribution	-	-	-	-	105.002	-	1.177.153	-	(1.664.576)	24.600	-	-	-	-	-	-	(357.821)	-	(357.821)
18.1	Dividends distributed	-	-	-	-	105.002	-	1.177.153	-	-	(357.821)	-	-	-	-	-	-	(357.821)	-	(357.821)
18.2	Transfers to legal reserves	-	-	-	-	-	-	-	-	-	(1.282.155)	-	-	-	-	-	-	-	-	-
18.3	Other	-	-	-	-	-	-	-	-	(1.664.576)	1.664.576	-	-	-	-	-	-	-	-	-
	Closing balance	1.250.000	1.220.451	-	-	620.314	-	2.225.576	47.181	1.030.521	30.067	4.752	-	61	(5.202)	-	6.423.721	6.308	6.430.029	

The accompanying notes are an integral part of these consolidated financial statements.

TÜRKİYE HALK BANKASI AŞ
STATEMENT OF CONSOLIDATED CASH FLOWS FOR SIX-MONTH PERIOD ENDED 30
JUNE 2010

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

VI. STATEMENT OF CONSOLIDATED CASH FLOW

		Reviewed	Reviewed
		Current period	Prior period
	Note	30 June 2010	30 June 2009
A.	CASH FLOWS FROM BANKING OPERATIONS		
1.1	Operating profit before changes in operating assets and liabilities	1.110.559	968.735
1.1.1	Interest received	3.187.689	3.609.028
1.1.2	Interest paid	(1.329.683)	(2.179.721)
1.1.3	Dividend received	1.011	2.595
1.1.4	Fees and commissions received	312.439	247.352
1.1.5	Other income	276.008	78.895
1.1.6	Collections from previously written off loans	229.988	161.349
1.1.7	Cash payments to personnel and service suppliers	(344.262)	(319.649)
1.1.8	Taxes paid	(295.260)	(123.168)
1.1.9	Other	(927.371)	(507.946)
1.2	Assets and Liabilities Subject to Banking Operations	258.585	925.069
1.2.1	Net decrease in financial assets held for sale	(8.157)	11.282
1.2.2	Net (increase) decrease in financial assets at fair value through profit or loss	-	-
1.2.3	Net (increase) decrease in due from banks and other financial institutions	-	(7.064)
1.2.4	Net (increase) decrease in loans	(5.972.645)	(2.896.252)
1.2.5	Net (increase) decrease in other assets	(162.367)	(138.640)
1.2.6	Net increase (decrease) in bank deposits	1.060.974	3.241.630
1.2.7	Net increase (decrease) in other deposits	4.772.212	49.426
1.2.8	Net increase (decrease) in loans borrowed	308.659	313.835
1.2.9	Net increase (decrease) in matured payables	-	-
1.2.10	Net increase (decrease) in other liabilities	259.909	350.852
I.	Net cash provided from banking operations	1.369.144	1.893.804
B.	CASH FLOWS FROM INVESTMENT ACTIVITIES		
II.	Net cash provided from investing activities	(207.539)	(1.932.776)
2.1	Cash paid for purchase of joint ventures, associates and subsidiaries	(944)	-
2.2	Cash obtained from sale of entities joint ventures, associates and subsidiaries	-	-
2.3	Fixed assets purchases	(56.305)	(105.754)
2.4	Fixed assets sales	95.739	49.503
2.5	Cash paid for purchase of financial assets available for sale	(3.774.217)	(888.124)
2.6	Cash obtained from sale of financial assets available for sale	4.156.430	-
2.7	Cash paid for purchase of investment securities	(2.395.941)	(2.085.681)
2.8	Cash obtained from sale of investment securities	1.770.667	1.097.280
2.9	Other	(2.988)	-
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
III.	Net cash provided from financing activities	(357.606)	(281.859)
3.1	Cash obtained from loans borrowed and securities issued	-	-
3.2	Cash used for repayment of loans borrowed and securities issued	-	-
3.3	Marketable securities issued	-	-
3.4	Dividends paid	(357.821)	(281.579)
3.5	Payments for finance leases	(83)	(280)
3.6	Other	298	-
IV.	Effect of change in foreign exchange rate on cash and cash equivalents	154.213	40.973
V.	Net increase / (decrease) in cash and cash equivalents	958.212	(279.858)
VI.	Cash and cash equivalents at beginning of the period	(3) 4.568.410	5.077.497
VII.	Cash and cash equivalents at end of the period	(4) 5.526.622	4.797.639

The accompanying notes are an integral part of these consolidated financial statements.