

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2012
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

ASSETS	Note	Audited Current period			Audited Prior period		
		31 December 2012			31 December 2011		
		TRY	FC	Total	TRY	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK	(1)	1.606.841	10.910.237	12.517.078	2.511.197	4.776.536	7.287.733
II. FINANCIAL ASSETS AT FV THROUGH PROFIT AND LOSS (Net)	(2)	53.997	95.750	149.747	39.599	109.900	149.499
2.1 Trading financial assets		53.997	95.750	149.747	39.599	109.900	149.499
2.1.1 Public sector debt securities		41.068	10.532	51.600	22.435	10.413	32.848
2.1.2 Share certificates		1.435	-	1.435	-	-	-
2.1.3 Financial assets held for trading		5	82.807	82.812	37	92.902	92.939
2.1.4 Other marketable securities		11.489	2.411	13.900	17.127	6.585	23.712
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)	208.068	2.380.369	2.588.437	38.568	1.500.137	1.538.705
IV. MONEY MARKET PLACEMENTS		160.206	2.328	162.534	33.313	-	33.313
4.1 Interbank money market placements		10.027	2.328	12.355	-	-	-
4.2 Istanbul Stock Exchange Money Market placements		150.055	-	150.055	32.394	-	32.394
4.3 Receivables from reverse repurchase agreements		124	-	124	919	-	919
V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(4)	8.777.685	877.980	9.655.665	7.770.489	1.619.931	9.390.420
5.1 Share certificates		12.506	3.521	16.027	5.476	10.095	15.571
5.2 Public sector debt securities		8.759.105	874.459	9.633.564	7.765.013	1.609.836	9.374.849
5.3 Other marketable securities		6.074	-	6.074	-	-	-
VI. LOANS AND RECEIVABLES	(5)	47.978.449	17.940.792	65.919.241	38.597.858	17.685.745	56.283.603
6.1 Loans and receivables		47.635.441	17.938.757	65.574.198	38.330.900	17.682.932	56.013.832
6.1.1 Loans extended to risk group of the Bank		-	-	-	-	-	-
6.1.2 Public sector debt securities		-	-	-	-	-	-
6.1.3 Other		47.635.441	17.938.757	65.574.198	38.330.900	17.682.932	56.013.832
6.2 Loans under follow-up		1.959.646	14.427	1.974.073	1.668.695	12.189	1.680.884
6.3 Specific provisions (-)		1.616.638	12.392	1.629.030	1.401.737	9.376	1.411.113
VII. FACTORING RECEIVABLES		463	-	463	-	-	-
VIII. HELD TO MATURITY INVESTMENTS (Net)	(6)	12.181.601	1.461.490	13.643.091	12.019.233	2.045.225	14.064.458
8.1 Public sector debt securities		12.174.516	1.461.490	13.636.006	12.019.233	2.045.225	14.064.458
8.2 Other marketable securities		7.085	-	7.085	-	-	-
IX. INVESTMENTS IN ASSOCIATES (Net)	(7)	20.978	155.676	176.654	24.215	131.273	155.488
9.1 Accounted under equity method		14.324	155.676	170.000	14.344	131.273	145.617
9.2 Unconsolidated associates		6.654	-	6.654	9.871	-	9.871
9.2.1 Financial investments		-	-	-	8.819	-	8.819
9.2.2 Non-financial investments		6.654	-	6.654	1.052	-	1.052
X. INVESTMENTS IN SUBSIDIARIES (Net)	(8)	-	-	-	-	-	-
10.1 Unconsolidated financial subsidiaries		-	-	-	-	-	-
10.2 Unconsolidated non-financial subsidiaries		-	-	-	-	-	-
XI. JOINT VENTURES (Net)	(9)	-	-	-	-	-	-
11.1 Accounted under equity method		-	-	-	-	-	-
11.2 Unconsolidated joint ventures		-	-	-	-	-	-
11.2.1 Financial joint ventures		-	-	-	-	-	-
11.2.2 Non-financial joint ventures		-	-	-	-	-	-
XII. FINANCE LEASE RECEIVABLES (Net)	(10)	138.722	935.495	1.074.217	124.961	764.572	889.533
12.1 Finance lease receivables		168.939	1.078.830	1.247.769	159.285	889.299	1.048.584
12.2 Operating lease receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned income (-)		30.217	143.335	173.552	34.324	124.727	159.051
XIII. DERIVATIVE FIN. ASSETS HELD FOR RISK MANAGEMENT	(11)	-	-	-	-	-	-
13.1 Fair value risk hedging		-	-	-	-	-	-
13.2 Cash flow risk hedging		-	-	-	-	-	-
13.3 Net foreign investment risk hedging		-	-	-	-	-	-
XIV. TANGIBLE ASSETS (Net)	(12)	1.488.288	29.053	1.517.341	1.292.527	22.334	1.314.861
XV. INTANGIBLE ASSETS (Net)	(13)	40.796	15.211	56.007	29.508	16.035	45.543
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		40.796	15.211	56.007	29.508	16.035	45.543
XVI. INVESTMENT PROPERTIES (Net)	(14)	28.156	-	28.156	-	-	-
XVII. TAX ASSET	(15)	236.438	39	236.477	106.486	97	106.583
17.1 Current tax asset		216	39	255	12.815	97	12.912
17.2 Deferred tax asset		236.222	-	236.222	93.671	-	93.671
XVIII. ASSETS HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)	(16)	6.009	-	6.009	85.623	-	85.623
18.1 Held for sale purpose		6.009	-	6.009	85.623	-	85.623
18.2 Held from discontinued operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(17)	1.247.121	76.494	1.323.615	744.739	70.556	815.295
TOTAL ASSETS		74.173.818	34.880.914	109.054.732	63.418.316	28.742.341	92.160.657

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2012

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

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

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	Audited			Audited		
		Current period			Prior period		
		31 December 2012			31 December 2011		
		TRY	FC	Total	TRY	FC	Total
I. DEPOSITS	(1)	53.632.847	26.166.676	79.799.523	44.029.636	22.198.874	66.228.510
1.1 Deposits Held by the Risk Group of the Bank		23.690	-	23.690	69.408	14.622	84.030
1.2 Other		53.609.157	26.166.676	79.775.833	43.960.228	22.184.252	66.144.480
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)	14	50.268	50.282	44	65.314	65.358
III. FUNDS BORROWED	(3)	585.053	7.446.017	8.031.070	435.310	6.575.035	7.010.345
IV. MONEY MARKET BALANCES		405.054	310.222	715.276	4.093.779	847.930	4.941.709
4.1 Interbank money market borrowings		-	-	-	-	-	-
4.2 Istanbul Stock Exchange Takasbank borrowings		297.857	-	297.857	37.177	-	37.177
4.3 Funds from repurchase agreements	(3)	107.197	310.222	417.419	4.056.602	847.930	4.904.532
V. MARKETABLE SECURITIES ISSUED (Net)	(4)	772.811	1.346.168	2.118.979	495.611	-	495.611
5.1 Treasury bills		685.137	-	685.137	495.611	-	495.611
5.2 Asset-backed securities		-	-	-	-	-	-
5.3 Bonds		87.674	1.346.168	1.433.842	-	-	-
VI. FUNDS	(5)	1.407.887	-	1.407.887	1.345.234	-	1.345.234
6.1 Borrower Funds		27.221	-	27.221	32.847	-	32.847
6.2 Other		1.380.666	-	1.380.666	1.312.387	-	1.312.387
VII. SUNDRY CREDITORS		1.194.903	78.773	1.273.676	1.084.441	86.946	1.171.387
VIII. OTHER LIABILITIES	(6)	1.148.634	193.519	1.342.153	397.572	184.256	581.828
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. FINANCE LEASE PAYABLES	(7)	-	-	-	-	-	-
10.1 Finance lease payables		-	-	-	-	-	-
10.2 Operating lease payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance lease expenses (-)		-	-	-	-	-	-
DERIVATIVE FINANCIAL LIABILITIES HELD FOR RISK MANAGEMENT	(8)	-	-	-	-	-	-
11.1 Fair value risk hedging		-	-	-	-	-	-
11.2 Cash flow risk hedging		-	-	-	-	-	-
11.3 Net foreign investment risk hedging		-	-	-	-	-	-
XII. PROVISIONS	(9)	2.276.332	21.186	2.297.518	1.547.395	19.890	1.567.285
12.1 General loan provisions		972.148	4.067	976.215	656.783	3.131	659.914
12.2 Restructuring provisions		-	-	-	-	-	-
12.3 Employee benefits provisions		405.522	143	405.665	320.290	-	320.290
12.4 Insurance technical reserves (Net)		460.154	-	460.154	309.277	-	309.277
12.5 Other provisions		438.508	16.976	455.484	261.045	16.759	277.804
XIII. TAX LIABILITY	(10)	516.105	2.007	518.112	190.674	1.846	192.520
13.1 Current tax liability		515.652	4	515.656	190.674	23	190.697
13.2 Deferred tax liability		453	2.003	2.456	-	1.823	1.823
XIV. LIABILITIES FOR ASSET HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)	(11)	-	-	-	-	-	-
14.1 Held for sale purpose		-	-	-	-	-	-
14.2 Held from discontinued operations		-	-	-	-	-	-
XV. SUBORDINATED CAPITAL	(12)	-	-	-	-	-	-
XVI. SHAREHOLDERS' EQUITY	(13)	11.378.918	121.338	11.500.256	8.848.336	(287.466)	8.560.870
16.1 Paid-in capital		1.250.000	-	1.250.000	1.250.000	-	1.250.000
16.2 Capital reserves		1.577.835	49.710	1.627.545	1.297.443	(354.964)	942.479
16.2.1 Share Premium		-	-	-	-	-	-
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Marketable securities revaluation fund		357.153	49.710	406.863	76.761	(354.964)	(278.203)
16.2.4 Tangible assets revaluation reserves		-	-	-	-	-	-
16.2.5 Intangible assets revaluation reserves		-	-	-	-	-	-
16.2.6 Revaluation reserves of real estate for investment purpose		-	-	-	-	-	-
16.2.7 Bonus shares of subsidiaries, associates and joint ventures		231	-	231	231	-	231
16.2.8 Hedging Funds (effective portion)		-	-	-	-	-	-
16.2.9 Value Increase on Assets Held for Sale		-	-	-	-	-	-
16.2.10 Other capital reserves		1.220.451	-	1.220.451	1.220.451	-	1.220.451
16.3 Profit reserves		5.927.553	12.069	5.939.622	4.260.209	19.859	4.280.068
16.3.1 Legal reserves		914.952	-	914.952	765.200	-	765.200
16.3.2 Statutory reserves		-	-	-	-	-	-
16.3.3 Extraordinary reserves		4.957.790	-	4.957.790	3.447.828	-	3.447.828
16.3.4 Other profit reserves		54.811	12.069	66.880	47.181	19.859	67.040
16.4 Profit/Loss		2.620.256	58.071	2.678.327	2.035.430	46.053	2.081.483
16.4.1 Prior years income/loss		(10.483)	46.463	35.980	8.731	45.373	54.104
16.4.2 Period profit/loss		2.630.739	11.608	2.642.347	2.026.699	680	2.027.379
16.5 Minority shares	(14)	3.274	1.488	4.762	5.254	1.586	6.840
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		73.318.558	35.736.174	109.054.732	62.468.032	29.692.625	92.160.657

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS
AS OF 31 DECEMBER 2012

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

II. CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS

		Audited			Audited		
		Current period			Prior period		
		31 December 2012			31 December 2011		
OFF BALANCE SHEET	Note	TRY	FC	Total	TRY	FC	Total
A.	COMMITMENTS AND CONTINGENCIES (I+II+III)	84.907.740	20.116.776	105.024.516	80.613.586	16.627.863	97.241.449
I.	GUARANTEES AND SURETYSHIPS	9.759.258	9.999.607	19.758.865	8.825.107	9.030.170	17.855.277
1.1	Letters of guarantee	9.448.123	5.765.736	15.213.859	7.625.151	5.097.170	12.722.321
1.1.1	Guarantees subject to public procurement law	613.927	4.505.391	5.119.318	543.113	4.062.660	4.605.773
1.1.2	Guarantees given for foreign trade operations	-	-	-	-	-	-
1.1.3	Other letters of guarantee	8.834.196	1.260.345	10.094.541	7.082.038	1.034.510	8.116.548
1.2	Bank loans	31.047	1.152.260	1.183.307	5.620	622.372	627.992
1.2.1	Import acceptances	-	198.974	198.974	-	147.772	147.772
1.2.2	Other bank acceptances	31.047	953.286	984.333	5.620	474.600	480.220
1.3	Letters of credit	1.661	2.808.076	2.809.737	988.711	3.093.197	4.081.908
1.3.1	Documentary letters of credit	1.661	2.808.076	2.809.737	988.711	3.093.197	4.081.908
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	278.197	273.535	551.732	205.395	217.431	422.826
1.9	Other suretyships	230	-	230	230	-	230
II.	COMMITMENTS	74.062.004	1.627.404	75.689.408	70.356.620	893.328	71.249.948
2.1	Irrevocable commitments	12.923.651	1.507.949	14.431.600	10.371.656	893.328	11.264.984
2.1.1	Forward asset purchase commitments	114.683	1.194.372	1.309.055	154.699	522.386	677.085
2.1.2	Forward deposit purchase and sale commitments	-	-	-	-	-	-
2.1.3	Capital commitments to subsidiaries and associates	-	-	-	1.000	-	1.000
2.1.4	Loan granting commitments	820.602	232.840	1.053.442	528.010	362.025	890.035
2.1.5	Securities underwriting commitments	-	-	-	-	-	-
2.1.6	Payment commitments for reserve deposits	-	-	-	-	-	-
2.1.7	Payment commitments for cheques	4.575.929	-	4.575.929	3.976.513	-	3.976.513
2.1.8	Tax and fund liabilities from export commitments	13.903	-	13.903	11.389	-	11.389
2.1.9	Commitments for credit card expenditure limits	6.013.182	8.223	6.021.405	4.614.215	4.369	4.618.584
2.1.10	Commitments for credit cards and banking services promotions	30.707	-	30.707	26.857	-	26.857
2.1.11	Receivables from short sale commitments	-	-	-	-	-	-
2.1.12	Payables for short sale commitments	-	-	-	-	-	-
2.1.13	Other irrevocable commitments	1.354.645	72.514	1.427.159	1.058.973	4.548	1.063.521
2.2	Revocable commitments	61.138.353	119.455	61.257.808	59.984.964	-	59.984.964
2.2.1	Revocable loan granting commitments	61.138.353	119.455	61.257.808	59.984.964	-	59.984.964
2.2.2	Other revocable commitments	-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS	1.086.478	8.489.765	9.576.243	1.431.859	6.704.365	8.136.224
3.1	Derivative financial instruments held for risk management	-	-	-	-	-	-
3.1.1	Fair value risk hedging transactions	-	-	-	-	-	-
3.1.2	Cash flow risk hedging transactions	-	-	-	-	-	-
3.1.3	Net foreign investment risk hedging transactions	-	-	-	-	-	-
3.2	Transactions for trading	1.086.478	8.489.765	9.576.243	1.431.859	6.704.365	8.136.224
3.2.1	Forward foreign currency buy/sell transactions	290.326	1.090.474	1.380.800	253.014	1.947.025	2.200.039
3.2.1.1	Forward foreign currency transactions-buy	137.840	507.551	645.391	107.162	222.569	329.731
3.2.1.2	Forward foreign currency transactions-sell	152.486	582.923	735.409	145.852	1.724.456	1.870.308
3.2.2	Currency and interest rate swaps	594.655	6.634.821	7.229.476	907.911	2.904.372	3.812.283
3.2.2.1	Currency swap-buy	-	3.633.289	3.633.289	37.792	1.878.713	1.916.505
3.2.2.2	Currency swap-sell	594.655	3.001.532	3.596.187	870.119	1.025.659	1.895.778
3.2.2.3	Interest rate swap-buy	-	-	-	-	-	-
3.2.2.4	Interest rate swap-sell	-	-	-	-	-	-
3.2.3	Currency, interest rate and marketable securities options	142.397	138.737	281.134	72.864	65.896	138.760
3.2.3.1	Currency call options	71.195	69.373	140.568	36.410	32.970	69.380
3.2.3.2	Currency put options	71.202	69.364	140.566	36.454	32.926	69.380
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	59.100	625.733	684.833	198.070	1.787.072	1.985.142
B.	CUSTODY AND PLEDGED ASSETS (IV+V+VI)	704.741.097	371.861.692	1.076.602.789	468.439.063	257.727.659	726.166.722
IV.	CUSTODIES	104.502.284	7.950.683	112.452.967	86.517.071	9.065.031	95.582.102
4.1	Assets under management	-	-	-	-	-	-
4.2	Custody marketable securities	35.132.148	261.407	35.393.555	30.685.555	300.524	30.986.079
4.3	Cheques in collection process	6.836.403	5.949.001	12.785.404	5.914.701	5.311.108	11.225.809
4.4	Commercial notes in collection process	44.209.012	264.451	44.473.463	32.414.352	274.624	32.688.976
4.5	Other assets in collection process	71	-	71	613	-	613
4.6	Underwritten securities	279	-	279	640	-	640
4.7	Other custodies	49.901	3.280	53.181	2.245	3.418	5.663
4.8	Custodians	18.274.470	1.472.544	19.747.014	17.498.965	3.175.357	20.674.322
V.	PLEDGED ASSETS	600.238.813	363.911.009	964.149.822	381.921.992	248.662.628	630.584.620
5.1	Marketable securities	1.944.632	89.705	2.034.337	1.528.764	221.573	1.750.337
5.2	Collateral notes	5.302.288	391.834	5.694.122	4.491.731	413.970	4.905.701
5.3	Commodity	25.830	-	25.830	25.830	-	25.830
5.4	Warranty	-	-	-	-	-	-
5.5	Land and buildings	119.592.505	37.487.018	157.079.523	78.511.399	35.516.868	114.028.267
5.6	Other pledged assets	470.862.982	325.350.131	796.213.113	294.494.533	212.035.121	506.529.654
5.7	Pledges	2.510.576	592.321	3.102.897	2.869.735	475.096	3.344.831
VI.	ACCEPTED BILL GUARANTEES AND SURETIES	-	-	-	-	-	-
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		789.648.837	391.978.468	1.181.627.305	549.052.649	274.355.522	823.408.171

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDED 31 DECEMBER 2012
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

III. CONSOLIDATED STATEMENT OF INCOME

		Audited	
		Current period	Prior period
INCOME AND EXPENSES	Note	1 January-31 December 2012	1 January-31 December 2011
I. INTEREST INCOME	(1)	9.122.181	7.339.262
1.1 Interest on loans		6.741.181	5.250.985
1.2 Interest received from reserve deposits		586	222
1.3 Interest received from banks		12.306	10.076
1.4 Interest received from money market placements		10.720	245
1.5 Interest income on marketable securities		2.268.015	2.033.640
1.5.1 Financial assets held for trading		3.845	5.751
1.5.2 Financial assets at fair value through profit and loss		-	-
1.5.3 Financial assets available-for-sale		826.555	735.228
1.5.4 Investments held-to-maturity		1.437.615	1.292.661
1.6 Finance lease income		80.301	33.526
1.7 Other interest income		9.072	10.568
II. INTEREST EXPENSE	(2)	4.537.510	3.805.504
2.1 Interest on deposits		4.064.058	3.152.749
2.2 Interest on borrowings		183.578	140.845
2.3 Interest on money market borrowings		137.742	458.659
2.4 Interest on bonds issued		98.290	17.308
2.5 Other interest expense		53.842	35.943
III. NET INTEREST INCOME [I – II]		4.584.671	3.533.758
IV. NET FEES AND COMMISSIONS INCOME		810.733	703.029
4.1 Fees and commissions income		1.006.174	828.526
4.1.1 Non-cash loans		120.487	112.284
4.1.2 Other	(11)	885.687	716.242
4.2 Fees and commissions expenses		195.441	125.497
4.2.1 Non-cash loans		3.427	853
4.2.2 Other		192.014	124.644
V. DIVIDEND INCOME	(3)	758	5.673
VI. NET TRADING PROFIT (NET)	(4)	555.891	210.259
6.1 Profit/loss from capital market operations		388.914	95.747
6.2 Profit/loss from financial derivative transactions		(207.052)	154.339
6.3 Foreign exchange gains/losses		374.029	(39.827)
VII. OTHER OPERATING INCOME	(5)	733.262	818.732
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)		6.685.315	5.271.451
IX. LOANS AND OTHER RECEIVABLES IMPAIRMENT LOSS PROVISIONS (-)	(6)	900.899	691.716
X. OTHER OPERATING EXPENSES(-)	(7)	2.396.633	1.945.093
XI. NET OPERATING INCOME/(LOSS) (VIII-IX-X)		3.387.783	2.634.642
XII. AMOUNT RECORDED IN EXCESS AS GAIN AFTER MERGER		-	-
XIII. PROFIT/LOSSES FROM EQUITY METHOD APPLIED SUBSIDIARIES		11.978	905
XIV. GAIN / (LOSS) ON NET MONETARY POSITION		-	-
XV. INCOME/(LOSS) BEFORE TAXES (XI+XII+XIII+XIV)	(8)	3.399.761	2.635.547
XVI. TAX INCOME PROVISION (±)	(9)	(756.717)	(608.848)
16.1 Current tax provision		(1.034.121)	(381.227)
16.2 Deferred tax provision		277.404	(227.621)
XVII. NET OPERATING INCOME AFTER TAX (XV±XVI)	(10)	2.643.044	2.026.699
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		-	-
INCOME/EXPENSE BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)		-	-
XX. PROVISION FOR TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)	(8)	-	-
XXI. OPERATIONS (±)	(9)	-	-
21.1 Current tax provision		-	-
21.2 Deferred tax provision		-	-
XXII. NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI)	(10)	-	-
XXIII. NET PROFIT/(LOSS) (XVII+XXII)	(11)	2.643.044	2.026.699
Group's profit/loss		2.642.347	2.027.379
Minority shares profit/loss		697	(680)
Earnings/losses per share (Full TRY)		2,11388	1,62190

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2012

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

IV. CONSOLIDATED STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY

	Audited	
	Current period	Prior period
	1 January-31 December 2012	1 January-31 December 2011
STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY		
I. ADDITIONS TO MARKETABLE SECURITIES REVALUATION DIFFERENCES FOR AVAILABLE FOR SALE FINANCIAL ASSETS	820.571	(468.026)
II. TANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	(191)	19.859
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)	-	-
VII. THE EFFECT OF CORRECTIONS OF ERRORS AND CHANGES IN ACCOUNTING POLICIES	-	-
VIII. OTHER PROFIT LOSS ITEMS ACCOUNTED UNDER EQUITY DUE TO TAS	-	170
IX. DEFERRED TAX OF VALUATION DIFFERENCES	(135.486)	76.279
X. TOTAL NET PROFIT/LOSS ACCOUNTED UNDER EQUITY (I+II+...+IX)	684.894	(371.718)
XI. PROFIT/LOSS	2.643.044	2.026.699
11.1 Change in fair value of marketable securities (Transfer to profit/loss)	406.175	69.655
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	2.236.869	1.957.044
XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE PERIOD (X±XI)	3.327.938	1.654.981

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED 31 DECEMBER 2012
(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 cancellations on 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	Bonus shares from shareholders	Hedging funds	Value change in pro. and equip. held for sale purp./term. op.	Total equity excluding minority shares	Minority shares	Total equity
I January 2011 – 31 December 2011																			
I.		1.250.000	1.220.451	-	-	620.349	-	2.225.576	47.181	1.842.695	45.998	113.530	-	61	-	-	7.365.841	6.484	7.372.325
II.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.		1.250.000	1.220.451	-	-	620.349	-	2.225.576	47.181	1.842.695	45.998	113.530	-	61	-	-	7.365.841	6.484	7.372.325
Changes within the period																			
IV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.586	1.586
V.		-	-	-	-	-	-	-	-	-	-	(391.733)	-	-	-	-	(391.733)	(14)	(391.747)
VI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonus shares from investment and associates, subsidiaries and joint ventures (business partners).																			
IX.		-	-	-	-	-	-	-	-	-	-	-	-	170	-	-	170	-	170
X.		-	-	-	-	-	-	-	19.859	-	-	-	-	-	-	-	19.859	-	19.859
XI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effect of changes in shareholders equity of investments and associates to bank's shareholders equity																			
XIII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX.		-	-	-	-	-	-	-	-	2.027.379	-	-	-	-	-	-	2.027.379	(680)	2.026.699
XX.		-	-	-	-	144.851	-	1.222.252	-	(1.842.695)	8.106	-	-	-	-	-	(467.486)	(536)	(468.022)
20.1		-	-	-	-	-	-	-	-	-	(467.486)	-	-	-	-	-	(467.486)	(536)	(468.022)
20.2		-	-	-	-	144.851	-	1.222.252	-	-	(1.367.103)	-	-	-	-	-	-	-	-
20.3		-	-	-	-	-	-	-	-	(1.842.695)	1.842.695	-	-	-	-	-	-	-	-
		1.250.000	1.220.451	-	-	765.200	-	3.447.828	67.040	2.027.379	54.104	(278.203)	-	231	-	-	8.554.030	6.840	8.560.870
I January 2012 – 31 December 2012																			
I.		1.250.000	1.220.451	-	-	765.200	-	3.447.828	67.040	2.027.379	54.104	(278.203)	-	231	-	-	8.554.030	6.840	8.560.870
Changes within the period																			
II.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.		-	-	-	-	-	-	-	-	-	-	685.066	-	-	-	-	685.066	19	685.085
IV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonus shares from investment and associates, subsidiaries and joint ventures (business partners).																			
VII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.		-	-	-	-	-	-	-	(160)	-	-	-	-	-	-	-	(160)	(31)	(191)
IX.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effect of changes in shareholders equity of investments and associates to bank's shareholders equity																			
XI.		-	-	-	-	139	-	842	-	-	-	-	-	-	-	-	981	(2.763)	(1.782)
XII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.		-	-	-	-	-	-	-	-	2.642.347	-	-	-	-	-	-	2.642.347	697	2.643.044
XVIII.		-	-	-	-	149.613	-	1.509.120	-	(2.027.379)	(18.124)	-	-	-	-	-	(386.770)	-	(386.770)
18.1		-	-	-	-	-	-	-	-	-	(386.770)	-	-	-	-	-	(386.770)	-	(386.770)
18.2		-	-	-	-	149.613	-	1.509.120	-	-	(1.658.733)	-	-	-	-	-	-	-	-
18.3		-	-	-	-	-	-	-	-	(2.027.379)	2.027.379	-	-	-	-	-	-	-	-
		1.250.000	1.220.451	-	-	914.952	-	4.957.790	66.880	2.642.347	35.980	406.863	-	231	-	-	11.495.494	4.762	11.500.256

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31
DECEMBER 2012

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

VI. CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Audited	Audited
		Current period	Prior period
		31 December 2012	31 December 2011
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities		4.078.095	1.093.990
1.1.1 Interest received		9.376.616	6.931.011
1.1.2 Interest paid		(4.455.076)	(3.697.639)
1.1.3 Dividend received		758	4.604
1.1.4 Fees and commissions received		1.006.174	828.526
1.1.5 Other income		560.961	537.486
1.1.6 Collections from previously written off loans		480.428	470.888
1.1.7 Cash payments to personnel and service suppliers		(918.017)	(1.014.250)
1.1.8 Taxes paid		(800.795)	(528.535)
1.1.9 Other	(1)	(1.172.954)	(2.438.101)
1.2 Assets and Liabilities Subject to Banking Operations		(5.203.576)	1.486.901
1.2.1 Net decrease in financial assets held for sale		(9.643)	4.537
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		-	-
1.2.4 Net (increase) decrease in loans		(9.804.510)	(11.473.185)
1.2.5 Net (increase) decrease in other assets		(6.546.665)	(3.283.302)
1.2.6 Net increase (decrease) in bank deposits		446.329	3.517.613
1.2.7 Net increase (decrease) in other deposits		13.073.266	7.870.751
1.2.8 Net increase (decrease) in loans borrowed		1.019.854	2.606.309
1.2.9 Net increase (decrease) in matured payables		-	-
1.2.10 Net increase (decrease) in other liabilities	(1)	(3.382.207)	2.244.178
I. Net cash provided from banking operations		(1.125.481)	2.580.891
B. CASH FLOWS FROM INVESTMENT ACTIVITIES			
II. Net cash provided from/ (used in) investing activities		822.769	(3.174.677)
2.1 Cash paid for purchase of joint ventures, associates and subsidiaries		(31.078)	(39.133)
2.2 Cash obtained from sale of entities joint ventures, associates and subsidiaries		1.512	-
2.3 Fixed assets purchases		(494.110)	(512.305)
2.4 Fixed assets sales		242.486	355.074
2.5 Cash paid for purchase of financial assets available for sale		(4.036.358)	(4.569.024)
2.6 Cash obtained from sale of financial assets available for sale		4.882.876	3.052.009
2.7 Cash paid for purchase of investment securities		(2.191.545)	(1.725.718)
2.8 Cash obtained from sale of investment securities		2.461.322	273.824
2.9 Other		(12.336)	(9.404)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash used in financing activities		1.294.485	31.185
3.1 Cash obtained from loans borrowed and securities issued		2.916.575	498.671
3.2 Cash used for repayment of loans borrowed and securities issued		(1.235.320)	-
3.3 Bonds issued		-	-
3.4 Dividends paid		(386.770)	(467.486)
3.5 Payments for finance leases		-	-
3.6 Other		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents	(1)	(521.045)	788.962
V. Net increase / (decrease) in cash and cash equivalents		470.728	226.361
VI. Cash and cash equivalents at beginning of the period	(4)	4.783.966	4.557.605
VII. Cash and cash equivalents at end of the period	(5)	5.254.694	4.783.966

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

TÜRKİYE HALK BANKASI AŞ
STATEMENT OF PROFIT DISTRIBUTION FOR THE YEAR ENDED 31 DECEMBER 2012
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

VII. STATEMENT OF PROFIT DISTRIBUTION TABLE⁽¹⁾

	Audited	Audited
	Current period	Prior period
	31 December 2012	31 December 2011
I. DISTRIBUTION OF CURRENT YEAR PROFIT		
1.1. Current Period Profit	3.329.139	2.636.696
1.2. Taxes and Legal Duties Payables (-)	733.928	591.562
1.2.1. Corporate Tax (Income Tax)	1.021.768	366.556
1.2.2. Withholding Tax	-	-
1.2.3. Other Taxes and Duties	(287.840)	225.006
A. Net Profit For The Period (1.1-1.2)	2.595.211	2.045.134
1.3. Accumulated Losses (-)	-	-
1.4. First Legal Reserves (-)	-	102.257
1.5. Other Statutory Reserves (-)	-	-
B. Net Profit Available for Distribution [(A-(1.3+1.4+1.5))]	-	1.942.877
1.6. First Dividend to shareholders (-)	-	62.500
1.6.1. To Owners of Ordinary Shares	-	62.500
1.6.2. To Owners of Privileged Shares	-	-
1.6.3. To Owners of Redeemed Shares	-	-
1.6.4. To Profit Sharing Bonds	-	-
1.6.5. To Holders of Profit and Loss Sharing Certificates	-	-
1.7. Dividends to personnel (-)	-	80.000
1.8. Dividends to Board of Directors (-)	-	-
1.9. Second Dividend to Shareholders (-)	-	244.270
1.9.1. To Owners of Ordinary Shares	-	244.270
1.9.2. To Owners of Privileged Shares	-	-
1.9.3. To Owners of Redeemed Shares	-	-
1.9.4. To Profit Sharing Bonds	-	-
1.9.5. To Holders Of Profit And Loss Sharing Certificates	-	-
1.10. Second Legal Reserves (-)	-	32.427
1.11. Status Reserves (-)	-	-
1.12. Extraordinary Reserves	-	1.523.680
1.13. Other Reserves	-	-
1.14. Special Funds	-	-
II. Distribution of Reserves		
2.1. Appropriated Reserves	-	-
2.2. Second Legal Reserves (-)	-	-
2.3. Dividends to Shareholders (-)	-	-
2.3.1. To Owners of Ordinary Shares	-	-
2.3.2. To Owners of Privileged Shares	-	-
2.3.3. To Owners of Redeemed Shares	-	-
2.3.4. To Profit Sharing Bonds	-	-
2.3.5. To Holders of Profit and Loss Sharing Certificates	-	-
2.4. Dividends to Personnel (-)	-	-
2.5. Dividends to Board of Directors (-)	-	-
III. Earnings per Share		
3.1. To Owners of Ordinary Shares	2,07617	1,63611
3.2. To Owners of Ordinary Shares (%)	%207,6	%163,6
3.3. To Owners of Privileged Shares	-	-
3.4. To Owners of Privileged Shares (%)	-	-
IV. Dividend per Share		
4.1. To Owners of Ordinary Shares	-	0,24542
4.2. To Owners of Ordinary Shares (%)	-	%24,54
4.3. To Owners of Privileged Shares	-	-
4.4. To Owners of Privileged Shares (%)	-	-

⁽¹⁾ Due to regulations in Turkey, profit is not distributed over consolidated figures. Therefore, above table only includes the profit distribution of the Parent Bank. Profit distribution decisions are only made by Parent Bank's general assembly. General assembly has not been held yet as of the date when the Parent Bank's financial statements are formed.

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