

**TÜRKİYE HALK BANKASI AŞ**  
**CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2014**  
(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		
			31 March 2014			31 December 2013		
		TRY	FC	Total	TRY	FC	Total	
<b>I.</b>	<b>CASH AND BALANCES WITH THE CENTRAL BANK</b>	(1)	<b>3,329.662</b>	<b>16.252.072</b>	<b>19.581.734</b>	<b>2.801.122</b>	<b>17.220.273</b>	<b>20.021.395</b>
<b>II.</b>	<b>FINANCIAL ASSETS AT FV THROUGH PROFIT AND LOSS (Net)</b>	(2)	<b>64.126</b>	<b>121.234</b>	<b>185.360</b>	<b>33.681</b>	<b>151.639</b>	<b>185.320</b>
2.1	Trading financial assets		64.126	121.234	185.360	33.681	151.639	185.320
2.1.1	Public sector debt securities		47.225	11.753	58.978	23.019	11.843	34.862
2.1.2	Share certificates		2.845	-	2.845	2.285	-	2.285
2.1.3	Financial assets held for trading		408	109.344	109.752	3	139.661	139.664
2.1.4	Other marketable securities		13.648	137	13.785	8.374	135	8.509
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		-	-	-	-	-	-
<b>III.</b>	<b>BANKS</b>	(3)	<b>91.458</b>	<b>2.225.136</b>	<b>2.316.594</b>	<b>162.649</b>	<b>1.746.126</b>	<b>1.908.775</b>
<b>IV.</b>	<b>MONEY MARKET PLACEMENTS</b>		<b>232.419</b>	<b>-</b>	<b>232.419</b>	<b>230.684</b>	<b>-</b>	<b>230.684</b>
4.1	Interbank money market placements		-	-	-	-	-	-
4.2	Istanbul Stock Exchange Money Market placements		227.444	-	227.444	226.561	-	226.561
4.3	Receivables from reverse repurchase agreements		4.975	-	4.975	4.123	-	4.123
<b>V.</b>	<b>FINANCIAL ASSETS AVAILABLE FOR SALE (Net)</b>	(4)	<b>8.585.110</b>	<b>2.311.072</b>	<b>10.896.182</b>	<b>7.681.406</b>	<b>2.146.543</b>	<b>9.827.949</b>
5.1	Share certificates		13.728	3.862	17.590	12.759	3.850	16.609
5.2	Public sector debt securities		8.557.167	2.307.210	10.864.377	7.658.640	2.142.693	9.801.333
5.3	Other marketable securities		14.215	-	14.215	10.007	-	10.007
<b>VI.</b>	<b>LOANS AND RECEIVABLES</b>	(5)	<b>63.949.064</b>	<b>25.040.662</b>	<b>88.989.726</b>	<b>59.943.579</b>	<b>25.025.348</b>	<b>84.968.927</b>
6.1	Loans and receivables		63.402.026	25.039.028	88.441.054	59.508.730	25.023.517	84.532.247
6.1.1	Loans extended to risk group of the Bank		-	-	-	-	-	-
6.1.2	Public sector debt securities		-	-	-	-	-	-
6.1.3	Other		63.402.026	25.039.028	88.441.054	59.508.730	25.023.517	84.532.247
6.2	Loans under follow-up		2.425.180	19.353	2.444.533	2.245.176	19.032	2.264.208
6.3	Specific provisions (-)		1.878.142	17.719	1.895.861	1.810.327	17.201	1.827.528
<b>VII.</b>	<b>FACTORING RECEIVABLES</b>		<b>399.255</b>	<b>-</b>	<b>399.255</b>	<b>325.332</b>	<b>-</b>	<b>325.332</b>
<b>VIII.</b>	<b>HELD TO MATURITY INVESTMENTS (Net)</b>	(6)	<b>17.955.358</b>	<b>1.363.677</b>	<b>19.319.035</b>	<b>17.830.196</b>	<b>1.143.402</b>	<b>18.973.598</b>
8.1	Public sector debt securities		17.950.089	1.363.677	19.313.766	17.822.902	1.143.402	18.966.304
8.2	Other marketable securities		5.269	-	5.269	7.294	-	7.294
<b>IX.</b>	<b>INVESTMENTS IN ASSOCIATES (Net)</b>	(7)	<b>20.749</b>	<b>209.203</b>	<b>229.952</b>	<b>20.703</b>	<b>206.348</b>	<b>227.051</b>
9.1	Accounted under equity method		14.430	209.203	223.633	14.384	206.348	220.732
9.2	Unconsolidated associates		6.319	-	6.319	6.319	-	6.319
9.2.1	Financial investments		-	-	-	-	-	-
9.2.2	Non-financial investments		6.319	-	6.319	6.319	-	6.319
<b>X.</b>	<b>INVESTMENTS IN SUBSIDIARIES (Net)</b>	(8)	<b>30.604</b>	<b>-</b>	<b>30.604</b>	<b>30.604</b>	<b>-</b>	<b>30.604</b>
10.1	Unconsolidated financial subsidiaries		-	-	-	-	-	-
10.2	Unconsolidated non-financial subsidiaries		30.604	-	30.604	30.604	-	30.604
<b>XI.</b>	<b>JOINT VENTURES (Net)</b>	(9)	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
11.1	Accounted under equity method		-	-	-	-	-	-
11.2	Unconsolidated joint ventures		-	-	-	-	-	-
11.2.1	Financial joint ventures		-	-	-	-	-	-
11.2.2	Non-financial joint ventures		-	-	-	-	-	-
<b>XII.</b>	<b>FINANCE LEASE RECEIVABLES (Net)</b>	(10)	<b>225.598</b>	<b>1.608.504</b>	<b>1.834.102</b>	<b>213.634</b>	<b>1.480.122</b>	<b>1.693.756</b>
12.1	Finance lease receivables		270.404	1.853.473	2.123.877	257.566	1.708.375	1.965.941
12.2	Operating lease receivables		-	-	-	-	-	-
12.3	Other		-	-	-	-	-	-
12.4	Unearned income (-)		44.806	244.969	289.775	43.932	228.253	272.185
<b>XIII.</b>	<b>DERIVATIVE FIN. ASSETS HELD FOR RISK MANAGEMENT</b>	(11)	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
13.1	Fair value risk hedging		-	-	-	-	-	-
13.2	Cash flow risk hedging		-	-	-	-	-	-
13.3	Net foreign investment risk hedging		-	-	-	-	-	-
<b>XIV.</b>	<b>TANGIBLE ASSETS (Net)</b>	(12)	<b>1.460.714</b>	<b>37.670</b>	<b>1,498.384</b>	<b>1,426.005</b>	<b>37.297</b>	<b>1,463.302</b>
<b>XV.</b>	<b>INTANGIBLE ASSETS (Net)</b>	(13)	<b>52.119</b>	<b>16.952</b>	<b>69.071</b>	<b>50.567</b>	<b>16.472</b>	<b>67.039</b>
15.1	Goodwill		-	-	-	-	-	-
15.2	Other		52.119	16.952	69.071	50.567	16.472	67.039
<b>XVI.</b>	<b>INVESTMENT PROPERTIES (Net)</b>	(14)	<b>36.324</b>	<b>-</b>	<b>36.324</b>	<b>36.344</b>	<b>-</b>	<b>36.344</b>
<b>XVII.</b>	<b>TAX ASSET</b>	(15)	<b>43.995</b>	<b>14</b>	<b>44.009</b>	<b>16.771</b>	<b>-</b>	<b>16.771</b>
17.1	Current tax asset		9.838	14	9.852	-	-	-
17.2	Deferred tax asset		34.157	-	34.157	16.771	-	16.771
<b>XVIII.</b>	<b>ASSETS HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)</b>	(16)	<b>6.840</b>	<b>-</b>	<b>6,840</b>	<b>6,971</b>	<b>-</b>	<b>6,971</b>
18.1	Held for sale purpose		6.840	-	6.840	6.971	-	6.971
18.2	Held from discontinued operations		-	-	-	-	-	-
<b>XIX.</b>	<b>OTHER ASSETS</b>	(17)	<b>1,625.370</b>	<b>145.004</b>	<b>1,770.374</b>	<b>1,412.132</b>	<b>140.332</b>	<b>1,552.464</b>
<b>TOTAL ASSETS</b>			<b>98.108.765</b>	<b>49.331.200</b>	<b>147.439.965</b>	<b>92.222.380</b>	<b>49.313.902</b>	<b>141.536.282</b>

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

**TÜRKİYE HALK BANKASI AŞ**  
**CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2014**  
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

	Note	Reviewed			Audited		
		Current period			Prior period		
		31 March 2014			31 December 2013		
LIABILITIES AND SHAREHOLDERS' EQUITY		TRY	FC	Total	TRY	FC	Total
<b>I. DEPOSITS</b>	(1)	<b>63.466.194</b>	<b>36.525.687</b>	<b>99.991.881</b>	<b>64.388.562</b>	<b>36.006.617</b>	<b>100.395.179</b>
1.1 Deposits Held by the Risk Group of the Bank		37.600	25	37.625	34.628	23	34.651
1.2 Other		63.428.594	36.525.662	99.954.256	64.353.934	36.006.594	100.360.528
<b>II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING</b>	(2)	<b>539</b>	<b>172.493</b>	<b>173.032</b>	<b>34</b>	<b>53.458</b>	<b>53.492</b>
<b>III. FUNDS BORROWED</b>	(3)	<b>1.138.562</b>	<b>14.365.817</b>	<b>15.504.379</b>	<b>1.145.123</b>	<b>13.941.229</b>	<b>15.086.352</b>
<b>IV. MONEY MARKET BALANCES</b>	(3)	<b>5.729.792</b>	-	<b>5.729.792</b>	<b>1.261.476</b>	-	<b>1.261.476</b>
4.1 Interbank money market borrowings		-	-	-	-	-	-
4.2 Istanbul Stock Exchange Takasbank borrowings		363.525	-	363.525	481.944	-	481.944
4.3 Funds from repurchase agreements		5.366.267	-	5.366.267	779.532	-	779.532
<b>V. MARKETABLE SECURITIES ISSUED (Net)</b>	(4)	<b>867.935</b>	<b>3.214.618</b>	<b>4.082.553</b>	<b>933.279</b>	<b>3.218.387</b>	<b>4.151.666</b>
5.1 Treasury bills		780.287	-	780.287	845.573	-	845.573
5.2 Asset-backed securities		-	-	-	-	-	-
5.3 Bonds		87.648	3.214.618	3.302.266	87.706	3.218.387	3.306.093
<b>VI. FUNDS</b>	(5)	<b>1.470.476</b>	-	<b>1.470.476</b>	<b>1.488.542</b>	-	<b>1.488.542</b>
6.1 Borrower Funds		12.075	-	12.075	24.702	-	24.702
6.2 Other		1.458.401	-	1.458.401	1.463.840	-	1.463.840
<b>VII. SUNDRY CREDITORS</b>		<b>1.642.857</b>	<b>80.996</b>	<b>1.723.853</b>	<b>1.572.133</b>	<b>121.032</b>	<b>1.693.165</b>
<b>VIII. OTHER LIABILITIES</b>	(6)	<b>1.455.335</b>	<b>518.862</b>	<b>1.974.197</b>	<b>1.028.232</b>	<b>328.445</b>	<b>1.356.677</b>
<b>IX. FACTORING PAYABLES</b>		-	-	-	-	-	-
<b>X. FINANCE LEASE PAYABLES</b>	(7)	-	-	-	-	-	-
10.1 Finance lease payables		-	-	-	-	-	-
10.2 Operating lease payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance lease expenses (-)		-	-	-	-	-	-
<b>DERIVATIVE FINANCIAL LIABILITIES HELD FOR RISK</b>		-	-	-	-	-	-
<b>XI. MANAGEMENT</b>	(8)	-	-	-	-	-	-
11.1 Fair value risk hedging		-	-	-	-	-	-
11.2 Cash flow risk hedging		-	-	-	-	-	-
11.3 Net foreign investment risk hedging		-	-	-	-	-	-
<b>XII. PROVISIONS</b>	(9)	<b>2.566.472</b>	<b>11.592</b>	<b>2.578.064</b>	<b>2.446.264</b>	<b>11.297</b>	<b>2.457.561</b>
12.1 General loan provisions		1.164.052	7.656	1.171.708	1.134.717	7.696	1.142.413
12.2 Restructuring provisions		-	-	-	-	-	-
12.3 Employee benefits provisions		572.992	693	573.685	525.157	389	525.546
12.4 Insurance technical reserves (Net)		559.480	-	559.480	536.283	-	536.283
12.5 Other provisions		269.948	3.243	273.191	250.107	3.212	253.319
<b>XIII. TAX LIABILITY</b>	(10)	<b>324.639</b>	<b>2.298</b>	<b>326.937</b>	<b>218.928</b>	<b>2.229</b>	<b>221.157</b>
13.1 Current tax liability		323.834	146	323.980	210.243	77	210.320
13.2 Deferred tax liability		805	2.152	2.957	8.685	2.152	10.837
<b>XIV. LIABILITIES FOR ASSET HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)</b>	(11)	-	-	-	-	-	-
14.1 Held for sale purpose		-	-	-	-	-	-
14.2 Held from discontinued operations		-	-	-	-	-	-
<b>XV. SUBORDINATED CAPITAL</b>	(12)	-	-	-	-	-	-
<b>XVI. SHAREHOLDERS' EQUITY</b>	(13)	<b>13.798.071</b>	<b>86.730</b>	<b>13.884.801</b>	<b>13.349.116</b>	<b>21.899</b>	<b>13.371.015</b>
16.1 Paid-in capital		1.250.000	-	1.250.000	1.250.000	-	1.250.000
16.2 Capital reserves		1.077.776	(86.164)	991.612	1.120.017	(143.043)	976.974
16.2.1 Share Premium		39.009	-	39.009	39.009	-	39.009
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Marketable securities revaluation fund		(185.719)	(86.164)	(271.883)	(141.626)	(143.043)	(284.669)
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		4.035	-	4.035	2.183	-	2.183
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		7.979.053	93.535	8.072.588	7.973.360	90.487	8.063.847
16.3.1 Legal reserves		1.077.980	3.020	1.081.000	1.072.926	3.020	1.075.946
16.3.2 Statutory reserves		-	-	-	-	-	-
16.3.3 Extraordinary reserves		6.839.003	-	6.839.003	6.838.498	-	6.838.498
16.3.4 Other profit reserves		62.070	90.515	152.585	61.936	87.467	149.403
16.4 Profit/Loss		3.327.098	77.332	3.404.430	2.844.782	72.465	2.917.247
16.4.1 Prior years income/loss		2.839.224	72.464	2.911.688	19.497	55.052	74.549
16.4.2 Period profit/loss		487.874	4.868	492.742	2.825.285	17.413	2.842.698
16.5 Minority shares	(14)	164.144	2.027	166.171	160.957	1.990	162.947
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>92.460.872</b>	<b>54.979.093</b>	<b>147.439.965</b>	<b>87.831.689</b>	<b>53.704.593</b>	<b>141.536.282</b>

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 MARCH 2014**

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

**II. CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS**

		Reviewed			Audited		
		Current period			Prior period		
		31 March 2014			31 December 2013		
OFF BALANCE SHEET	Note	TRY	FC	Total	TRY	FC	Total
<b>A.</b>	<b>COMMITMENTS AND CONTINGENCIES (I+II+III)</b>	<b>37.706.486</b>	<b>36.197.835</b>	<b>73.904.321</b>	<b>36.152.140</b>	<b>31.547.845</b>	<b>67.699.985</b>
<b>I.</b>	<b>GUARANTEES AND SURETYSHIPS</b>	<b>(1) 13.082.733</b>	<b>13.633.351</b>	<b>26.716.084</b>	<b>12.812.483</b>	<b>14.307.946</b>	<b>27.120.429</b>
1.1	Letters of guarantee	12.501.136	7.588.560	20.089.696	12.237.139	8.156.797	20.393.936
1.1.1	Guarantees subject to public procurement law	1.030.253	5.870.926	6.901.179	1.070.118	6.452.989	7.523.107
1.1.2	Guarantees given for foreign trade operations	-	-	-	-	-	-
1.1.3	Other letters of guarantee	11.470.883	1.717.634	13.188.517	11.167.021	1.703.808	12.870.829
1.2	Bank loans	166.329	2.121.132	2.287.461	90.489	1.854.314	1.944.803
1.2.1	Import acceptances	-	134.089	134.089	-	165.770	165.770
1.2.2	Other bank acceptances	166.329	1.987.043	2.153.372	90.489	1.688.544	1.779.033
1.3	Letters of credit	2.878	3.495.770	3.498.648	2.062	3.823.197	3.825.259
1.3.1	Documentary letters of credit	2.878	3.495.770	3.498.648	2.062	3.823.197	3.825.259
1.3.2	Other letters of credit	-	-	-	-	-	-
1.4	Guaranteed prefinancings	-	10.841	10.841	-	-	-
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	412.160	417.048	829.208	482.563	473.638	956.201
1.9	Other suretyships	230	-	230	230	-	230
<b>II.</b>	<b>COMMITMENTS</b>	<b>(1) 18.044.075</b>	<b>901.873</b>	<b>18.945.948</b>	<b>18.187.773</b>	<b>1.341.029</b>	<b>19.528.802</b>
2.1	Irrevocable commitments	18.044.075	701.498	18.745.573	18.187.773	1.175.935	19.363.708
2.1.1	Forward asset purchase commitments	86.415	353.385	439.800	619.400	842.453	1.461.853
2.1.2	Forward deposit purchase and sale commitments	-	-	-	-	-	-
2.1.3	Capital commitments to subsidiaries and associates	-	-	-	-	-	-
2.1.4	Loan granting commitments	1.337.530	294.790	1.632.320	1.280.418	291.840	1.572.258
2.1.5	Securities underwriting commitments	-	-	-	-	-	-
2.1.6	Payment commitments for reserve deposits	-	-	-	-	-	-
2.1.7	Payment commitments for cheques	5.014.993	-	5.014.993	4.670.295	-	4.670.295
2.1.8	Tax and fund liabilities from export commitments	13.816	-	13.816	13.413	-	13.413
2.1.9	Commitments for credit card expenditure limits	10.014.042	15.253	10.029.295	9.883.048	13.672	9.896.720
2.1.10	Commitments for credit cards and banking services promotions	33.413	-	33.413	37.663	-	37.663
2.1.11	Receivables from short sale commitments	-	-	-	-	-	-
2.1.12	Payables for short sale commitments	-	-	-	-	-	-
2.1.13	Other irrevocable commitments	1.543.866	38.070	1.581.936	1.683.536	27.970	1.711.506
2.2	Revocable commitments	-	200.375	200.375	-	165.094	165.094
2.2.1	Revocable loan granting commitments	-	200.375	200.375	-	165.094	165.094
2.2.2	Other revocable commitments	-	-	-	-	-	-
<b>III.</b>	<b>DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>6.579.678</b>	<b>21.662.611</b>	<b>28.242.289</b>	<b>5.151.884</b>	<b>15.898.870</b>	<b>21.050.754</b>
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	6.579.678	21.662.611	28.242.289	5.151.884	15.898.870	21.050.754
3.2.1	Forward foreign currency buy/sell transactions	1.370.351	2.389.441	3.759.792	787.780	1.115.702	1.903.482
3.2.1.1	Forward foreign currency transactions-buy	653.197	1.663.417	2.316.614	405.623	621.465	1.027.088
3.2.1.2	Forward foreign currency transactions-sell	717.154	726.024	1.443.178	382.157	494.237	876.394
3.2.2	Currency and interest rate swaps	4.856.534	17.846.003	22.702.537	4.251.671	14.489.241	18.740.912
3.2.2.1	Currency swap-buy	-	10.616.308	10.616.308	-	8.732.436	8.732.436
3.2.2.2	Currency swap-sell	4.856.534	5.860.095	10.716.629	4.251.671	4.400.005	8.651.676
3.2.2.3	Interest rate swap-buy	-	684.800	684.800	-	678.400	678.400
3.2.2.4	Interest Rate swap-sell	-	684.800	684.800	-	678.400	678.400
3.2.3	Currency, interest rate and marketable securities options	352.793	485.221	838.014	112.433	138.604	251.037
3.2.3.1	Currency call options	167.667	251.236	418.903	56.220	69.298	125.518
3.2.3.2	Currency put options	185.126	233.985	419.111	56.213	69.306	125.519
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	-	941.946	941.946	-	155.323	155.323
<b>B.</b>	<b>CUSTODY AND PLEDGED ASSETS (IV+V+VI)</b>	<b>335.484.449</b>	<b>73.334.992</b>	<b>408.819.441</b>	<b>322.143.546</b>	<b>72.531.854</b>	<b>394.675.400</b>
<b>IV.</b>	<b>CUSTODIES</b>	<b>142.708.520</b>	<b>11.217.417</b>	<b>153.925.937</b>	<b>135.991.685</b>	<b>10.912.202</b>	<b>146.903.887</b>
4.1	Assets under management	-	-	-	-	-	-
4.2	Custody marketable securities	46.371.246	297.411	46.668.657	44.041.971	355.831	44.397.802
4.3	Cheques in collection process	10.141.941	8.276.687	18.418.628	9.638.204	8.067.551	17.705.755
4.4	Commercial notes in collection process	63.133.157	263.567	63.396.724	59.338.391	309.893	59.648.284
4.5	Other assets in collection process	-	-	-	-	-	-
4.6	Underwritten securities	15	-	15	15	-	15
4.7	Other custodies	15.819	1.707	17.526	11.509	1.691	13.200
4.8	Custodians	23.046.342	2.378.045	25.424.387	22.961.595	2.177.236	25.138.831
<b>V.</b>	<b>PLEDGED ASSETS</b>	<b>192.775.929</b>	<b>62.117.575</b>	<b>254.893.504</b>	<b>186.151.861</b>	<b>61.619.652</b>	<b>247.771.513</b>
5.1	Marketable securities	2.684.915	10.154	2.695.069	2.612.367	112.204	2.724.571
5.2	Collateral notes	6.049.918	581.765	6.631.683	5.646.399	533.530	6.179.929
5.3	Commodity	25.830	-	25.830	-	-	25.830
5.4	Warranty	-	-	-	-	-	-
5.5	Land and buildings	147.869.220	47.575.313	195.444.533	142.679.459	47.405.559	190.085.018
5.6	Other pledged assets	32.154.016	12.961.260	45.115.276	32.207.115	12.594.731	44.801.846
5.7	Pledges	3.992.030	989.083	4.981.113	2.980.691	973.628	3.954.319
<b>VI.</b>	<b>ACCEPTED BILL GUARANTEES AND SURETIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)</b>		<b>373.190.935</b>	<b>109.532.827</b>	<b>482.723.762</b>	<b>358.295.686</b>	<b>104.079.699</b>	<b>462.375.385</b>

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

**TÜRKİYE HALK BANKASI AŞ**  
**CONSOLIDATED STATEMENT OF INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2014**

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

**III. CONSOLIDATED STATEMENT OF INCOME**

INCOME AND EXPENSES	Note	Reviewed	Reviewed
		Current period	Prior period
		1 January-31 March 2014	1 January-31 March 2013
<b>I. INTEREST INCOME</b>	(1)	<b>2.804.453</b>	<b>2.289.307</b>
1.1 Interest on loans		2.024.732	1.731.529
1.2 Interest received from reserve deposits		152	167
1.3 Interest received from banks		7.710	3.926
1.4 Interest received from money market placements		50	1.682
1.5 Interest income on marketable securities		724.117	526.378
1.5.1 Financial assets held for trading		1.285	882
1.5.2 Financial assets at fair value through profit and loss		-	-
1.5.3 Financial assets available-for-sale		230.979	219.708
1.5.4 Investments held-to-maturity		491.853	305.788
1.6 Finance lease income		31.366	21.678
1.7 Other interest income		16.326	3.947
<b>II. INTEREST EXPENSE</b>	(2)	<b>1.587.214</b>	<b>1.013.143</b>
2.1 Interest on deposits		1.304.816	899.399
2.2 Interest on borrowings		86.281	50.651
2.3 Interest on money market borrowings		113.229	8.741
2.4 Interest on bonds issued		60.552	36.195
2.5 Other interest expense		22.336	18.157
<b>III. NET INTEREST INCOME [ I – II ]</b>		<b>1.217.239</b>	<b>1.276.164</b>
<b>IV. NET FEES AND COMMISSIONS INCOME</b>		<b>212.601</b>	<b>198.085</b>
4.1 Fees and commissions income		311.556	261.818
4.1.1 Non-cash loans		42.468	35.444
4.1.2 Other		269.088	226.374
4.2 Fees and commissions expenses		98.955	63.733
4.2.1 Non-cash loans		743	1.155
4.2.2 Other		98.212	62.578
<b>V. DIVIDEND INCOME</b>	(3)	<b>11.152</b>	<b>2</b>
<b>VI. NET TRADING PROFIT (NET)</b>	(4)	<b>(78.470)</b>	<b>182.728</b>
6.1 Profit/loss from capital market operations		2.254	118.423
6.2 Profit/loss from financial derivative transactions		(128.182)	(61.398)
6.3 Foreign exchange gains/losses		47.458	125.703
<b>VII. OTHER OPERATING INCOME</b>	(5)	<b>227.042</b>	<b>248.496</b>
<b>VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)</b>		<b>1.589.564</b>	<b>1.905.475</b>
<b>IX. LOANS AND OTHER RECEIVABLES IMPAIRMENT LOSS PROVISIONS (-)</b>	(6)	<b>238.806</b>	<b>192.765</b>
<b>X. OTHER OPERATING EXPENSES(-)</b>	(7)	<b>739.227</b>	<b>760.547</b>
<b>XI. NET OPERATING INCOME/(LOSS) (VIII-IX-X)</b>		<b>611.531</b>	<b>952.163</b>
<b>XII. AMOUNT RECORDED IN EXCESS AS GAIN AFTER MERGER</b>		-	-
<b>XIII. PROFIT/LOSSES FROM EQUITY METHOD APPLIED SUBSIDIARIES</b>		<b>2.932</b>	<b>2.987</b>
<b>XIV. GAIN / (LOSS) ON NET MONETARY POSITION</b>		-	-
<b>XV. INCOME/(LOSS) BEFORE TAXES (XI+XII+XIII+XIV)</b>	(8)	<b>614.463</b>	<b>955.150</b>
<b>XVI. TAX INCOME PROVISION (±)</b>	(9)	<b>(118.602)</b>	<b>(213.547)</b>
16.1 Current tax provision		(166.823)	(203.443)
16.2 Deferred tax provision		48.221	(10.104)
<b>XVII. NET OPERATING INCOME AFTER TAX (XV±XVI)</b>	(10)	<b>495.861</b>	<b>741.603</b>
<b>XVIII. INCOME FROM DISCONTINUED OPERATIONS</b>		-	-
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		-	-
<b>XIX. EXPENSES FROM DISCONTINUED OPERATIONS (-)</b>		-	-
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		-	-
<b>INCOME/EXPENSE BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)</b>		-	-
<b>XX. PROVISION FOR TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)</b>	(8)	-	-
<b>XXI. NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI)</b>	(9)	-	-
21.1 Current tax provision		-	-
21.2 Deferred tax provision		-	-
<b>XXII. NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI)</b>	(10)	-	-
<b>XXIII. NET PROFIT/(LOSS) (XVII+XXII)</b>	(11)	<b>495.861</b>	<b>741.603</b>
Group's profit/loss		492.742	740.547
Minority shares profit/loss		3.119	1.056
Earnings/losses per share (Full TRY)		0,39419	0,59244

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 THREE-MONTH PERIOD ENDED 31 MARCH 2014**

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

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

	Reviewed	Reviewed
	Current period	Prior period
	1 January-31	1 January-31
STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY	March 2014	March 2013
<b>I. ADDITIONS TO MARKETABLE SECURITIES REVALUATION DIFFERENCES FOR AVAILABLE FOR SALE FINANCIAL ASSETS</b>	<b>35.773</b>	<b>(66.774)</b>
<b>II. TANGIBLE ASSETS REVALUATION DIFFERENCES</b>	-	-
<b>III. INTANGIBLE ASSETS REVALUATION DIFFERENCES</b>	-	-
<b>IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS</b>	<b>3.045</b>	<b>(3.172)</b>
<b>V. PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR CASH FLOW HEDGE PURPOSES (Effective portion of fair value differences)</b>	-	-
<b>VI. PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGE OF NET INVESTMENTS IN FOREIGN OPERATIONS (Effective portion of fair value differences)</b>	-	-
<b>VII. THE EFFECT OF CORRECTIONS OF ERRORS AND CHANGES IN ACCOUNTING POLICIES</b>	-	-
<b>VIII. OTHER PROFIT LOSS ITEMS ACCOUNTED UNDER EQUITY DUE TO TAS</b>	<b>2.062</b>	-
<b>IX. DEFERRED TAX OF VALUATION DIFFERENCES</b>	<b>(22.955)</b>	<b>(8.277)</b>
<b>X. TOTAL NET PROFIT/LOSS ACCOUNTED UNDER EQUITY (I+II+...+IX)</b>	<b>17.925</b>	<b>(78.223)</b>
<b>XI. PROFIT/LOSS</b>	<b>495.861</b>	<b>741.603</b>
11.1 Change in fair value of marketable securities (Transfer to profit/loss)	1.990	96.410
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	493.871	645.193
<b>XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE PERIOD (X±XI)</b>	<b>513.786</b>	<b>663.380</b>

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 THREE-MONTH PERIOD ENDED 31 MARCH 2014**

(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 cancellation 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
<b>1 January 2013 – 31 March 2013</b>																			
I.		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
II.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.		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
IV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.		-	-	-	-	-	-	-	-	-	-	(75.074)	-	-	-	-	(75.074)	23	(75.051)
VI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.		-	-	-	-	-	-	-	(3.082)	-	-	-	-	-	-	-	(3.082)	(90)	(3.172)
XI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.		-	-	35.959	-	(427)	-	(6.570)	-	-	-	-	-	-	-	-	28.962	188.600	217.562
XIV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX.		-	-	-	-	-	-	-	-	740.547	-	-	-	-	-	-	740.547	1.056	741.603
XX.		-	-	-	-	-	-	-	-	(2.642.347)	2.642.347	-	-	-	-	-	-	-	-
20.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.3		-	-	-	-	-	-	-	-	(2.642.347)	2.642.347	-	-	-	-	-	-	-	-
		<b>1.250.000</b>	<b>1.220.451</b>	<b>35.959</b>	<b>-</b>	<b>914.525</b>	<b>-</b>	<b>4.951.220</b>	<b>63.798</b>	<b>740.547</b>	<b>2.678.327</b>	<b>331.789</b>	<b>-</b>	<b>231</b>	<b>-</b>	<b>-</b>	<b>12.186.847</b>	<b>194.351</b>	<b>12.381.198</b>
<b>1 January 2014 – 31 March 2014</b>																			
I.		1.250.000	1.220.451	39.009	-	1.075.946	-	6.838.498	149.403	2.842.698	74.549	(284.669)	-	2.183	-	-	13.208.068	162.947	13.371.015
II.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.		-	-	-	-	-	-	-	-	-	-	12.786	-	-	-	-	12.786	74	12.860
IV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.		-	-	-	-	-	-	-	-	-	-	-	-	1.852	-	-	1.852	-	1.852
VIII.		-	-	-	-	-	-	-	3.032	-	-	-	-	-	-	-	3.032	13	3.045
IX.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.		-	-	-	-	-	-	-	150	-	-	-	-	-	-	-	-	-	-
XVII.		-	-	-	-	-	-	-	-	492.742	-	-	-	-	-	-	492.742	18	495.861
XVIII.		-	-	-	-	-	-	-	-	(2.842.698)	2.837.139	-	-	-	-	-	-	-	-
18.1		-	-	-	-	5.054	-	505	-	-	-	-	-	-	-	-	-	-	-
18.2		-	-	-	-	5.054	-	505	-	-	(5.559)	-	-	-	-	-	-	-	-
18.3		-	-	-	-	-	-	-	-	(2.842.698)	2.842.698	-	-	-	-	-	-	-	-
		<b>1.250.000</b>	<b>1.220.451</b>	<b>39.009</b>	<b>-</b>	<b>1.081.000</b>	<b>-</b>	<b>6.839.003</b>	<b>152.585</b>	<b>492.742</b>	<b>2.911.688</b>	<b>(271.883)</b>	<b>-</b>	<b>4.035</b>	<b>-</b>	<b>-</b>	<b>13.718.630</b>	<b>166.171</b>	<b>13.884.801</b>

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

**TÜRKİYE HALK BANKASI AŞ**  
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE-MONTH PERIOD**  
**ENDED 31 MARCH 2014**

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

**VI. CONSOLIDATED STATEMENT OF CASH FLOWS**

		Reviewed	Reviewed
		Current period	Prior period
		31 March 2014	31 March 2013
		Note	
<b>A.</b>	<b>CASH FLOWS FROM BANKING OPERATIONS</b>		
<b>1.1</b>	<b>Operating profit before changes in operating assets and liabilities</b>	<b>694.645</b>	<b>498.235</b>
1.1.1	Interest received	2.673.347	2.257.349
1.1.2	Interest paid	(1.527.554)	(1.006.258)
1.1.3	Dividend received	-	2
1.1.4	Fees and commissions received	311.556	261.818
1.1.5	Other income	144.128	184.392
1.1.6	Collections from previously written off loans	136.041	145.264
1.1.7	Cash payments to personnel and service suppliers	(327.939)	(289.698)
1.1.8	Taxes paid	(90.657)	(428.248)
1.1.9	Other	(624.277)	(626.386)
		(1)	
<b>1.2</b>	<b>Assets and Liabilities Subject to Banking Operations</b>	<b>1.252.269</b>	<b>(3.117.024)</b>
1.2.1	Net decrease in financial assets held for sale	(30.060)	3.602
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	(3.963.952)	(3.253.608)
1.2.5	Net (increase) decrease in other assets	205.172	(1.316.082)
1.2.6	Net increase (decrease) in bank deposits	1.931.919	968.521
1.2.7	Net increase (decrease) in other deposits	(2.395.424)	(720.658)
1.2.8	Net increase (decrease) in loans borrowed	411.936	1.038.044
1.2.9	Net increase (decrease) in matured payables	-	-
1.2.10	Net increase (decrease) in other liabilities	5.092.678	163.157
		(1)	
<b>I.</b>	<b>Net cash provided from banking operations</b>	<b>1.946.914</b>	<b>(2.618.789)</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>		
<b>II.</b>	<b>Net cash provided from/ (used in) investing activities</b>	<b>(1.215.898)</b>	<b>54.953</b>
2.1	Cash paid for purchase of joint ventures, associates and subsidiaries	-	-
2.2	Cash obtained from sale of entities joint ventures, associates and subsidiaries	-	-
2.3	Fixed assets purchases	(111.828)	(74.299)
2.4	Fixed assets sales	39.597	97.141
2.5	Cash paid for purchase of financial assets available for sale	(1.359.900)	(2.115.423)
2.6	Cash obtained from sale of financial assets available for sale	409.433	1.982.447
2.7	Cash paid for purchase of investment securities	(1.660.195)	(531.474)
2.8	Cash obtained from sale of investment securities	1.470.306	698.783
2.9	Other	(3.311)	(2.222)
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III.</b>	<b>Net cash used in financing activities</b>	<b>(31.095)</b>	<b>1.319.128</b>
3.1	Cash obtained from loans borrowed and securities issued	-	2.037.860
3.2	Cash used for repayment of loans borrowed and securities issued	(31.095)	(750.000)
3.3	Bonds issued	-	-
3.4	Dividends paid	-	-
3.5	Payments for finance leases	-	-
3.6	Other	-	31.268
<b>IV.</b>	<b>Effect of change in foreign exchange rate on cash and cash equivalents</b>	<b>(1)</b>	<b>34.330</b>
<b>V.</b>	<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>734.251</b>	<b>(1.106.567)</b>
<b>VI.</b>	<b>Cash and cash equivalents at beginning of the period</b>	<b>(4)</b>	<b>6.519.581</b>
<b>VII.</b>	<b>Cash and cash equivalents at end of the period</b>	<b>(5)</b>	<b>7.253.832</b>
			<b>4.148.127</b>

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