

TÜRKİYE HALK BANKASI AŞ
UNCONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2017
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

ASSETS	Note	Reviewed			Audited		
		Current period			Prior period		
		30 June 2017	31 December 2016		31 December 2016		Total
		TRY	FC	Total	TRY	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK	(1)	4.218.366	31.039.588	35.257.954	3.534.232	26.464.928	29.999.160
II. FINANCIAL ASSETS AT FV THROUGH PROFIT AND LOSS (Net)	(2)	44.475	371.317	415.792	70.105	359.993	430.098
2.1 Trading financial assets		44.475	371.317	415.792	70.105	359.993	430.098
2.1.1 Public sector debt securities		34.111	-	34.111	62.177	-	62.177
2.1.2 Share certificates		-	-	-	-	-	-
2.1.3 Financial assets held for trading		-	371.124	371.124	4	359.807	359.811
2.1.4 Other marketable securities		10.364	193	10.557	7.924	186	8.110
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)	78.604	2.732.149	2.810.753	196.308	1.464.722	1.661.030
IV. MONEY MARKET PLACEMENTS		-	-	-	-	-	-
4.1 Interbank money market placements		-	-	-	-	-	-
4.2 Istanbul Stock Exchange Money Market placements		-	-	-	-	-	-
4.3 Receivables from reverse repurchase agreements		-	-	-	-	-	-
V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(4)	11.886.056	4.883.042	16.769.098	10.770.662	4.219.265	14.989.927
5.1 Share certificates		74.830	40.810	115.640	66.434	34.160	100.594
5.2 Public sector debt securities		11.811.226	4.842.232	16.653.458	10.704.228	4.185.105	14.889.333
5.3 Other marketable securities		-	-	-	-	-	-
VI. LOANS AND RECEIVABLES	(5)	122.606.334	57.849.786	180.456.120	103.502.394	54.851.939	158.354.333
6.1 Loans and receivables		121.250.692	57.849.786	179.100.478	102.326.357	54.851.939	157.178.296
6.1.1 Loans extended to risk group of the Bank		297.230	894.672	1.191.902	250.131	828.283	1.078.414
6.1.2 Public sector debt securities		-	-	-	-	-	-
6.1.3 Other		120.953.462	56.955.114	177.908.576	102.076.226	54.023.656	156.099.882
6.2 Loans under follow-up		5.736.359	-	5.736.359	5.140.082	-	5.140.082
6.3 Specific provisions (-)		4.380.717	-	4.380.717	3.964.045	-	3.964.045
VII. FACTORING RECEIVABLES		-	-	-	-	-	-
VIII. HELD TO MATURITY INVESTMENTS (Net)	(6)	17.790.819	2.336.654	20.127.473	15.823.514	2.332.668	18.156.182
8.1 Public sector debt securities		17.790.819	2.336.654	20.127.473	15.823.514	2.332.668	18.156.182
8.2 Other marketable securities		-	-	-	-	-	-
IX. INVESTMENTS IN ASSOCIATES (Net)	(7)	19.083	271.087	290.170	19.083	249.574	268.657
9.1 Accounted under equity method		-	-	-	-	-	-
9.2 Unconsolidated associates		19.083	271.087	290.170	19.083	249.574	268.657
9.2.1 Financial investments		12.763	271.087	283.850	12.763	249.574	262.337
9.2.2 Non-financial investments		6.320	-	6.320	6.320	-	6.320
X. INVESTMENTS IN SUBSIDIARIES (Net)	(8)	2.594.229	394.490	2.988.719	2.514.639	363.185	2.877.824
10.1 Unconsolidated financial subsidiaries		2.552.986	394.490	2.947.476	2.473.396	363.185	2.836.581
10.2 Unconsolidated non-financial subsidiaries		41.243	-	41.243	41.243	-	41.243
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)	-	-	-	-	-	-
12.1 Finance lease receivables		-	-	-	-	-	-
12.2 Operating lease receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned income (-)		-	-	-	-	-	-
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)	2.335.550	102	2.335.652	2.313.905	102	2.314.007
XV. INTANGIBLE ASSETS (Net)	(13)	81.879	-	81.879	88.593	-	88.593
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		81.879	-	81.879	88.593	-	88.593
XVI. INVESTMENT PROPERTIES (Net)	(14)	361.713	-	361.713	363.321	-	363.321
XVII. TAX ASSET	(15)	-	-	-	-	-	-
17.1 Current tax asset		-	-	-	-	-	-
17.2 Deferred tax asset		-	-	-	-	-	-
XVIII. ASSETS HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)	(16)	740	-	740	740	-	740
18.1 Held for sale purpose		740	-	740	740	-	740
18.2 Held from discontinued operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(17)	2.695.172	216.294	2.911.466	1.517.081	419.865	1.936.946
TOTAL ASSETS		164.713.020	100.094.509	264.807.529	140.714.577	90.726.241	231.440.818

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

TÜRKİYE HALK BANKASI AŞ
UNCONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2017
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

	Note	Reviewed			Audited		
		Current period			Prior period		
		30 June 2017	FC	Total	31 December 2016	FC	Total
LIABILITIES AND SHAREHOLDERS' EQUITY		TRY	FC	Total	TRY	FC	Total
I. DEPOSITS	(1)	100.061.260	72.225.548	172.286.808	88.217.130	62.045.709	150.262.839
1.1 Deposits Held by the Risk Group of the Bank		2.416.074	64.807	2.480.881	1.676.769	56.764	1.733.533
1.2 Other		97.645.186	72.160.741	169.805.927	86.540.361	61.988.945	148.529.306
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)	14	156.211	156.225	59	211.789	211.848
III. FUNDS BORROWED	(3)	461.547	17.123.731	17.585.278	440.955	18.527.149	18.968.104
IV. MONEY MARKET BALANCES		23.020.821	1.906.251	24.927.072	16.473.192	1.373.871	17.847.063
4.1 Interbank money market borrowings		22.907.717	-	22.907.717	7.003.306	-	7.003.306
4.2 Istanbul Stock Exchange money market takings		-	-	-	-	-	-
4.3 Funds from repurchase agreements		113.104	1.906.251	2.019.355	9.469.886	1.373.871	10.843.757
V. MARKETABLE SECURITIES ISSUED (Net)	(4)	2.687.964	10.719.789	13.407.753	1.749.034	10.684.708	12.433.742
5.1 Treasury bills		2.687.964	-	2.687.964	1.749.034	-	1.749.034
5.2 Asset-backed securities		-	-	-	-	-	-
5.3 Bonds		-	10.719.789	10.719.789	-	10.684.708	10.684.708
VI. FUNDS	(5)	2.365.406	-	2.365.406	2.339.808	-	2.339.808
6.1 Borrower Funds		5.764	-	5.764	36.600	-	36.600
6.2 Other		2.359.642	-	2.359.642	2.303.208	-	2.303.208
VII. SUNDRY CREDITORS		2.826.549	92.484	2.919.033	2.621.256	79.420	2.700.676
VIII. OTHER LIABILITIES	(6)	2.599.062	498.094	3.097.156	1.289.999	401.861	1.691.860
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. FINANCE LEASE PAYABLES	(7)	39	-	39	99	-	99
10.1 Finance lease payables		46	-	46	123	-	123
10.2 Operating lease payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance lease expenses (-)		7	-	7	24	-	24
XI. 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)	3.129.221	5.240	3.134.461	3.046.236	5.286	3.051.522
12.1 General loan provisions		2.154.859	-	2.154.859	2.027.964	-	2.027.964
12.2 Restructuring provisions		-	-	-	-	-	-
12.3 Employee benefits provisions		697.242	-	697.242	713.732	-	713.732
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions		277.120	5.240	282.360	304.540	5.286	309.826
XIII. TAX LIABILITY	(10)	1.106.875	23	1.106.898	616.298	13	616.311
13.1 Current tax liability		769.810	23	769.833	329.626	13	329.639
13.2 Deferred tax liability		337.065	-	337.065	286.672	-	286.672
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)	23.793.326	28.074	23.821.400	21.541.122	(224.176)	21.316.946
16.1 Paid-in capital		1.250.000	-	1.250.000	1.250.000	-	1.250.000
16.2 Capital reserves		3.379.280	28.074	3.407.354	3.099.188	(224.176)	2.875.012
16.2.1 Share Premium		-	-	-	-	-	-
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Marketable securities revaluation fund		885.038	28.074	913.112	706.929	(224.176)	482.753
16.2.4 Tangible assets revaluation reserves		1.283.879	-	1.283.879	1.284.522	-	1.284.522
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		8.711	-	8.711	8.711	-	8.711
16.2.8 Hedging Funds (effective portion)		-	-	-	-	-	-
16.2.9 Value Increase on Assets Held for Sale		-	-	-	-	-	-
16.2.10 Other capital reserves		1.201.652	-	1.201.652	1.099.026	-	1.099.026
16.3 Profit reserves		16.936.107	-	16.936.107	14.633.669	-	14.633.669
16.3.1 Legal reserves		1.645.649	-	1.645.649	1.482.358	-	1.482.358
16.3.2 Statutory reserves		-	-	-	-	-	-
16.3.3 Extraordinary reserves		15.243.277	-	15.243.277	13.104.130	-	13.104.130
16.3.4 Other profit reserves		47.181	-	47.181	47.181	-	47.181
16.4 Profit/Loss		2.227.939	-	2.227.939	2.558.265	-	2.558.265
16.4.1 Prior years income/loss		-	-	-	-	-	-
16.4.2 Period profit/loss		2.227.939	-	2.227.939	2.558.265	-	2.558.265
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		162.052.084	102.755.445	264.807.529	138.335.188	93.105.630	231.440.818

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

TÜRKİYE HALK BANKASI AŞ
UNCONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS
AS OF 30 JUNE 2017

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

II. STATEMENT OF OFF-BALANCE SHEET ITEMS

		Reviewed			Audited		
		Current period			Prior period		
		30 June 2017			31 December 2016		
OFF BALANCE SHEET	Note	TRY	FC	Total	TRY	FC	Total
A.	COMMITMENTS AND CONTINGENCIES (I-II+III)	51.179.151	50.997.003	102.176.154	45.771.117	50.441.206	96.212.323
I.	GUARANTEES AND SURETYSHIPS	(1) 23.470.083	27.350.250	50.820.333	21.073.620	26.687.208	47.760.828
1.1	Letters of guarantee	22.545.227	20.999.326	43.544.553	20.268.441	19.699.090	39.967.531
1.1.1	Guarantees subject to public procurement law	1.096.487	10.819.773	11.916.260	1.049.993	11.366.716	12.416.709
1.1.2	Guarantees given for foreign trade operations	-	-	-	-	-	-
1.1.3	Other letters of guarantee	21.448.740	10.179.553	31.628.293	19.218.448	8.332.374	27.550.822
1.2	Bank loans	25.876	2.141.116	2.166.992	12.876	2.812.590	2.825.466
1.2.1	Import acceptances	168	228.667	228.835	-	320.953	320.953
1.2.2	Other bank acceptances	25.708	1.912.449	1.938.157	12.876	2.491.637	2.504.513
1.3	Letters of credit	8.318	4.032.358	4.040.676	18.091	3.993.217	4.011.308
1.3.1	Documentary letters of credit	8.318	4.032.358	4.040.676	18.091	3.993.217	4.011.308
1.3.2	Other letters of credit	-	-	-	-	-	-
1.4	Guaranteed prefinancings	-	-	-	-	-	-
1.5	Endorsements	-	-	-	-	-	-
1.5.1	Endorsements to Central Bank of the Republic of Turkey	-	-	-	-	-	-
1.5.2	Other Endorsements	-	-	-	-	-	-
1.6	Purchase guarantees on marketable security issuance	-	-	-	-	-	-
1.7	Factoring guarantees	-	-	-	-	-	-
1.8	Other guarantees	890.662	177.450	1.068.112	774.212	182.311	956.523
1.9	Other surety ships	-	-	-	-	-	-
II.	COMMITMENTS	(1) 24.589.214	1.028.212	25.617.426	22.842.226	674.455	23.516.681
2.1	Irrevocable commitments	24.589.214	1.028.212	25.617.426	22.842.226	674.455	23.516.681
2.1.1	Forward asset purchase commitments	275.779	626.602	902.381	112.735	304.715	417.450
2.1.2	Forward deposit purchase and sale commitments	-	-	-	-	-	-
2.1.3	Capital commitments to subsidiaries and associates	-	-	-	-	-	-
2.1.4	Loan granting commitments	3.649.997	401.610	4.051.607	3.182.164	369.740	3.551.904
2.1.5	Securities underwriting commitments	-	-	-	-	-	-
2.1.6	Payment commitments for reserve deposits	-	-	-	-	-	-
2.1.7	Payment commitments for cheques	6.119.896	-	6.119.896	5.805.008	-	5.805.008
2.1.8	Tax and fund liabilities from export commitments	32.895	-	32.895	28.864	-	28.864
2.1.9	Commitments for credit card expenditure limits	11.248.687	-	11.248.687	10.794.813	-	10.794.813
2.1.10	Commitments for credit cards and banking services promotions	39.708	-	39.708	44.328	-	44.328
2.1.11	Receivables from short sale commitments	-	-	-	-	-	-
2.1.12	Payables for short sale commitments	-	-	-	-	-	-
2.1.13	Other irrevocable commitments	3.222.252	-	3.222.252	2.874.314	-	2.874.314
2.2	Revocable commitments	-	-	-	-	-	-
2.2.1	Revocable loan granting commitments	-	-	-	-	-	-
2.2.2	Other revocable commitments	-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS	3.119.854	22.618.541	25.738.395	1.855.271	23.079.543	24.934.814
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	3.119.854	22.618.541	25.738.395	1.855.271	23.079.543	24.934.814
3.2.1	Forward foreign currency buy/sell transactions	1.762.331	5.926.816	7.689.147	1.162.609	5.842.371	7.004.980
3.2.1.1	Forward foreign currency transactions-buy	895.512	3.793.995	4.689.507	564.492	3.958.120	4.522.612
3.2.1.2	Forward foreign currency transactions-sell	866.819	2.132.821	2.999.640	598.117	1.884.251	2.482.368
3.2.2	Currency and interest rate swaps	609.158	14.257.270	14.866.428	433.093	14.634.799	15.067.892
3.2.2.1	Currency swap-buy	2.921	2.475.434	2.478.355	-	2.707.908	2.707.908
3.2.2.2	Currency swap-sell	606.237	1.779.007	2.385.244	433.093	2.182.361	2.615.454
3.2.2.3	Interest rate swap-buy	-	5.001.414	5.001.414	-	4.872.265	4.872.265
3.2.2.4	Interest Rate swap-sell	-	5.001.415	5.001.415	-	4.872.265	4.872.265
3.2.3	Currency, interest rate and marketable securities options	748.365	778.635	1.527.000	259.569	420.684	680.253
3.2.3.1	Currency call options	374.156	389.343	763.499	129.783	210.341	340.124
3.2.3.2	Currency put options	374.209	389.292	763.501	129.786	210.343	340.129
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	-	1.655.820	1.655.820	-	2.181.689	2.181.689
B.	CUSTODY AND PLEDGED ASSETS (IV+V+VI)	728.683.915	175.275.974	903.959.889	660.197.757	154.850.365	815.048.122
IV.	CUSTODIES	354.036.418	26.100.368	380.136.786	342.844.925	23.694.435	366.539.360
4.1	Assets under management	-	-	-	-	-	-
4.2	Custody marketable securities	165.533.200	682.926	166.216.126	166.136.992	728.810	166.865.802
4.3	Cheques in collection process	13.068.996	19.311.167	32.380.163	12.428.736	17.253.652	29.682.388
4.4	Commercial notes in collection process	164.520.015	492.996	165.013.011	137.515.100	517.259	138.032.359
4.5	Other assets in collection process	1	-	1	-	-	-
4.6	Underwritten securities	-	-	-	-	-	-
4.7	Other custodies	3.893.823	106.981	4.000.804	3.485.883	98.721	3.584.604
4.8	Custodians	7.020.383	5.506.298	12.526.681	23.278.214	5.095.993	28.374.207
V.	PLEDGED ASSETS	374.647.497	149.175.606	523.823.103	317.352.832	131.155.930	448.508.762
5.1	Marketable securities	4.109.229	498.122	4.607.351	4.037.694	473.880	4.511.574
5.2	Collateral notes	6.538.496	776.595	7.315.091	7.292.482	820.012	8.112.494
5.3	Commodity	25.813	-	25.813	25.813	-	25.813
5.4	Warranty	-	-	-	-	-	-
5.5	Land and buildings	287.407.646	128.533.935	415.941.581	259.321.832	116.459.706	375.781.538
5.6	Other pledged assets	53.874.916	17.995.792	71.870.708	42.614.826	12.035.647	54.650.473
5.7	Pledges	22.691.397	1.371.162	24.062.559	4.060.185	1.366.685	5.426.870
VI.	ACCEPTED BILL GUARANTEES AND SURETIES	-	-	-	-	-	-
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		779.863.066	226.272.977	1.006.136.043	705.968.874	205.291.571	911.260.445

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

TÜRKİYE HALK BANKASI AŞ
UNCONSOLIDATED STATEMENT OF INCOME AS OF 30 JUNE 2017
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

III. STATEMENT OF INCOME

			Reviewed	Reviewed	Reviewed	Reviewed
			Current period	Prior period	Current period	Prior period
			1 January- 30 June 2017	1 January- 30 June 2016	1 April- 30 June 2017	1 April- 30 June 2016
INCOME AND EXPENSES	Note					
I.	INTEREST INCOME	(1)	10.573.035	7.966.077	5.401.630	4.020.891
1.1	Interest on loans		8.438.624	6.678.956	4.375.046	3.460.785
1.2	Interest received from reserve deposits		51.730	29.872	29.885	15.002
1.3	Interest received from banks		90.588	40.846	51.554	20.141
1.4	Interest received from money market placements		23.079	-	11.030	-
1.5	Interest income on marketable securities		1.957.095	1.212.001	930.000	523.217
1.5.1	Financial assets held for trading		352	2.521	192	1.545
1.5.2	Financial assets at fair value through profit and loss		-	-	-	-
1.5.3	Financial assets available-for-sale		784.959	480.435	383.011	229.154
1.5.4	Investments held-to-maturity		1.171.784	729.045	546.797	292.518
1.6	Finance lease income		-	-	-	-
1.7	Other interest income		11.919	4.402	4.115	1.746
II.	INTEREST EXPENSE	(2)	6.363.484	4.868.396	3.473.705	2.449.169
2.1	Interest on deposits		4.701.358	4.005.437	2.564.346	2.001.818
2.2	Interest on borrowings		187.761	174.057	88.308	86.623
2.3	Interest on money market borrowings		1.037.049	391.260	609.045	215.423
2.4	Interest on bonds issued		372.713	251.288	185.073	128.134
2.5	Other interest expense		64.603	46.354	26.933	17.171
III.	NET INTEREST INCOME [I – II]		4.209.551	3.097.681	1.927.925	1.571.722
IV.	NET FEES AND COMMISSIONS INCOME		1.046.252	616.456	508.829	324.370
4.1	Fees and commissions income		1.252.323	794.658	614.778	418.359
4.1.1	Non-cash loans		185.750	137.617	94.220	74.353
4.1.2	Other		1.066.573	657.041	520.558	344.006
4.2	Fees and commissions expenses		206.071	178.202	105.949	93.989
4.2.1	Non-cash loans		28	31	19	21
4.2.2	Other		206.043	178.171	105.930	93.968
V.	DIVIDEND INCOME	(3)	22.165	196.162	22.113	196.162
VI.	NET TRADING PROFIT (NET)	(4)	102.842	37.122	33.065	16.351
6.1	Profit/loss from capital market operations		18.264	6.908	9.512	3.623
6.2	Profit/loss from financial derivative transactions		(189.004)	(413.803)	(49.828)	(202.525)
6.3	Foreign exchange gains/losses		273.582	444.017	73.381	215.253
VII.	OTHER OPERATING INCOME	(5)	294.194	402.777	144.874	170.772
VIII.	TOTAL OPERATING INCOME (III+IV+V+VI+VII)		5.675.004	4.350.198	2.636.806	2.279.377
IX.	LOANS AND OTHER RECEIVABLES IMPAIRMENT LOSS PROVISIONS (-)	(6)	730.284	539.748	259.597	268.669
X.	OTHER OPERATING EXPENSES(-)	(7)	2.133.681	1.892.671	1.112.664	931.068
XI.	NET OPERATING INCOME/(LOSS) (VIII-IX-X)		2.811.039	1.917.779	1.264.545	1.079.640
XII.	AMOUNT RECORDED IN EXCESS AS GAIN AFTER MERGER		-	-	-	-
XIII.	PROFIT/LOSSES FROM EQUITY METHOD APPLIED SUBSIDIARIES		-	-	-	-
XIV.	GAIN / (LOSS) ON NET MONETARY POSITION		-	-	-	-
XV.	INCOME/(LOSS) BEFORE TAXES (XI+XII+XIII+XIV)	(8)	2.811.039	1.917.779	1.264.545	1.079.640
XVI.	TAX INCOME PROVISION (±)	(9)	(583.100)	(352.099)	(255.774)	(194.043)
16.1	Current tax provision		(554.475)	(407.507)	(271.529)	(225.845)
16.2	Deferred tax provision		(28.625)	55.408	15.755	31.802
XVII.	NET OPERATING INCOME AFTER TAX (XV±XVI)	(10)	2.227.939	1.565.680	1.008.771	885.597
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)		-	-	-	-
XXI.	PROVISION FOR TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)		-	-	-	-
21.1	Current tax provision		-	-	-	-
21.2	Deferred tax provision		-	-	-	-
XXII.	NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI)		-	-	-	-
XXIII.	NET PROFIT/(LOSS) (XVII+XXII)	(11)	2.227.939	1.565.680	1.008.771	885.597
	Earnings/losses per share (Full TRY)		1,78235	1,25254	0,80702	0,70848

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

TÜRKİYE HALK BANKASI AŞ
UNCONSOLIDATED STATEMENT OF INCOME AND EXPENSE ITEMS
ACCOUNTED UNDER SHAREHOLDERS' EQUITY AS OF 30 JUNE 2017
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

	Reviewed	Reviewed
	Current period	Prior period
STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY	1 January-30 June 2017	1 January-30 June 2016
I. ADDITIONS TO MARKETABLE SECURITIES REVALUATION DIFFERENCES FOR AVAILABLE FOR SALE FINANCIAL ASSETS	452.162	225.267
II. TANGIBLE ASSETS REVALUATION DIFFERENCES	(677)	(316)
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	102.626	45.586
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	-	-
IX. DEFERRED TAX OF VALUATION DIFFERENCES	(21.768)	(48.060)
X. TOTAL NET PROFIT/LOSS ACCOUNTED UNDER EQUITY (I+II+...+IX)	532.343	222.477
XI. PROFIT/LOSS	2.227.939	1.565.680
11.1 Change in fair value of marketable securities (Transfer to profit/loss)	18.260	3.772
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	2.209.679	1.561.908
XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE PERIOD (X±XI)	2.760.282	1.788.157

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

TÜRKİYE HALK BANKASI AŞ
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 30 JUNE 2017
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Reviewed	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	Bonus shares from shareholders	Hedging funds	Value change in pro. and equip. held for sale purp./term. op.	Total shareholders' equity
I. 1 January 2016 – 30 June 2016																	
Balance at end of prior period		1.250.000	1.220.451	-	-	1.335.865	-	11.166.841	31.892	2.315.313	-	966.835	1.128.435	8.711	-	-	19.424.343
Changes within the period																	
II. Increase/decrease generated by merger		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Valuation changes in marketable securities		-	-	-	-	-	-	-	-	-	-	177.192	-	-	-	-	177.192
IV. Hedging funds (effective portion)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1 Cash-flow hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2 Hedges for investment made in foreign countries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Revaluation changes of property and equipment		-	-	-	-	-	-	-	-	-	-	-	(301)	-	-	-	(301)
VI. Revaluation changes of intangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Bonus shares from investment and associates, subsidiaries and joint ventures (business partners).		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Foreign exchange differences		-	-	-	-	-	-	-	45.586	-	-	-	-	-	-	-	45.586
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		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	1.565.680	-	-	-	-	-	-	1.565.680
XVIII. Profit distribution		-	-	-	-	146.493	-	1.937.289	-	(2.315.313)	-	-	-	-	-	-	(231.531)
18.1 Dividends distributed		-	-	-	-	-	-	-	-	-	(231.531)	-	-	-	-	-	(231.531)
18.2 Transfers to legal reserves		-	-	-	-	146.493	-	1.937.289	-	-	(2.083.782)	-	-	-	-	-	-
18.3 Other		-	-	-	-	-	-	-	-	(2.315.313)	2.315.313	-	-	-	-	-	-
Closing balance		1.250.000	1.220.451	-	-	1.482.358	-	13.104.130	77.478	1.565.680	-	1.144.027	1.128.134	8.711	-	-	20.980.969
I. 1 January 2017 – 30 June 2017																	
Balance at end of prior period		1.250.000	1.220.451	-	-	1.482.358	-	13.104.130	(74.244)	2.558.265	-	482.753	1.284.522	8.711	-	-	21.316.946
Changes within the period																	
II. Increase or decrease generated by merger		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Valuation changes in marketable securities		-	-	-	-	-	-	-	-	-	-	430.359	-	-	-	-	430.359
IV. Hedging Funds (effective portion)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1 Cash flow hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2 Hedges for investments made in foreign countries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Revaluation changes of property and equipment		-	-	-	-	-	-	-	-	-	-	-	(643)	-	-	-	(643)
VI. Revaluation changes of intangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Bonus shares from investment and associates, subsidiaries and joint ventures (business partners).		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Foreign exchange differences		-	-	-	-	-	-	-	102.626	-	-	-	-	-	-	-	102.626
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		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	2.227.939	-	-	-	-	-	-	2.227.939
XVIII. Profit distribution		-	-	-	-	163.291	-	2.139.147	-	(2.558.265)	-	-	-	-	-	-	(255.827)
18.1 Dividends distributed		-	-	-	-	-	-	-	-	-	(255.827)	-	-	-	-	-	(255.827)
18.2 Transfers to legal reserves		-	-	-	-	163.291	-	2.139.147	-	-	(2.302.438)	-	-	-	-	-	-
18.3 Other		-	-	-	-	-	-	-	-	(2.558.265)	2.558.265	-	-	-	-	-	-
Closing balance		1.250.000	1.220.451	-	-	1.645.649	-	15.243.277	28.382	2.227.939	-	913.112	1.283.879	8.711	-	-	23.821.400

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

TÜRKİYE HALK BANKASI AŞ
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS
OF 30 JUNE 2017

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

VI. STATEMENT OF CASH FLOWS

	Reviewed	Reviewed
	Current period	Prior period
	1 January- 30 June 2017	1 January- 30 June 2017
A. CASH FLOWS FROM BANKING OPERATIONS		
1.1 Operating profit before changes in operating assets and liabilities	3.425.984	1.950.643
1.1.1 Interest received	10.630.177	7.763.379
1.1.2 Interest paid	(5.693.938)	(4.851.301)
1.1.3 Dividend received	22.165	55.815
1.1.4 Fees and commissions received	1.252.323	794.658
1.1.5 Other income	124.445	282.873
1.1.6 Collections from previously written off loans	275.921	235.424
1.1.7 Cash payments to personnel and service suppliers	(966.899)	(887.398)
1.1.8 Taxes paid	(261.654)	(196.814)
1.1.9 Other	(1.956.556)	(1.245.993)
1.2 Assets and Liabilities Subject to Banking Operations	2.332.760	(5.292.222)
1.2.1 Net decrease in financial assets held for sale	25.256	(66.813)
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	5.763	(1.144.108)
1.2.4 Net (increase) decrease in loans	(22.268.921)	(12.083.595)
1.2.5 Net (increase) decrease in other assets	(3.985.644)	(2.536.835)
1.2.6 Net increase (decrease) in bank deposits	(5.990.014)	3.070.036
1.2.7 Net increase (decrease) in other deposits	27.390.763	5.153.505
1.2.8 Net increase (decrease) in loans borrowed	(1.381.989)	(1.538.929)
1.2.9 Net increase (decrease) in matured payables	-	-
1.2.10 Net increase (decrease) in other liabilities	8.537.546	3.854.517
I. Net cash provided from banking operations	5.758.744	(3.341.579)
B. CASH FLOWS FROM INVESTMENT ACTIVITIES		
II. Net cash provided from/(used in) investing activities	(3.746.959)	(326.263)
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	(143.876)	(172.789)
2.4 Fixed assets sales	66.930	88.151
2.5 Cash paid for purchase of financial assets available for sale	(3.689.038)	(1.513.553)
2.6 Cash obtained from sale of financial assets available for sale	2.675.429	367.348
2.7 Cash paid for purchase of investment securities	(2.974.241)	(266.329)
2.8 Cash obtained from sale of investment securities	316.770	1.177.756
2.9 Other	1.067	(6.847)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
III. Net cash used in financing activities	717.615	(127.952)
3.1 Cash obtained from loans borrowed and securities issued	3.059.860	1.854.340
3.2 Cash used for repayment of loans borrowed and securities issued	(2.086.358)	(1.750.000)
3.3 Bonds issued	-	-
3.4 Dividends paid	(255.827)	(231.531)
3.5 Payments for finance leases	(60)	(67)
3.6 Other	-	(694)
IV. Effect of change in foreign exchange rate on cash and cash equivalents	16.914	(6.760)
V. Net increase / (decrease) in cash and cash equivalents	2.746.314	(3.802.554)
VI. Cash and cash equivalents at beginning of the period	14.388.793	8.874.614
VII. Cash and cash equivalents at end of the period	17.135.107	5.072.060