

**TÜRKİYE HALK BANKASI AŞ**  
**UNCONSOLIDATED BALANCE SHEET AS OF 30 SEPTEMBER 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 September 2017			31 December 2016		
		TRY	FC	Total	TRY	FC	Total
<b>I. CASH AND BALANCES WITH THE CENTRAL BANK</b>	(1)	<b>3.104.729</b>	<b>31.453.772</b>	<b>34.558.501</b>	<b>3.534.232</b>	<b>26.464.928</b>	<b>29.999.160</b>
<b>II. FINANCIAL ASSETS AT FV THROUGH PROFIT AND LOSS (Net)</b>	(2)	<b>12.759</b>	<b>389.198</b>	<b>401.957</b>	<b>70.105</b>	<b>359.993</b>	<b>430.098</b>
2.1 Trading financial assets		12.759	389.198	401.957	70.105	359.993	430.098
2.1.1 Public sector debt securities		2.394	-	2.394	62.177	-	62.177
2.1.2 Share certificates		-	-	-	-	-	-
2.1.3 Financial assets held for trading		1	389.001	389.002	4	359.807	359.811
2.1.4 Other marketable securities		10.364	197	10.561	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		-	-	-	-	-	-
<b>III. BANKS</b>	(3)	<b>96.018</b>	<b>3.888.924</b>	<b>3.984.942</b>	<b>196.308</b>	<b>1.464.722</b>	<b>1.661.030</b>
<b>IV. MONEY MARKET PLACEMENTS</b>		-	-	-	-	-	-
4.1 Interbank money market placements		-	-	-	-	-	-
4.2 Istanbul Stock Exchange Money Market placements		-	-	-	-	-	-
4.3 Receivables from reverse repurchase agreements		-	-	-	-	-	-
<b>V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)</b>	(4)	<b>11.654.419</b>	<b>5.538.166</b>	<b>17.192.585</b>	<b>10.770.662</b>	<b>4.219.265</b>	<b>14.989.927</b>
5.1 Share certificates		73.526	44.687	118.213	66.434	34.160	100.594
5.2 Public sector debt securities		11.580.893	5.493.479	17.074.372	10.704.228	4.185.105	14.889.333
5.3 Other marketable securities		-	-	-	-	-	-
<b>VI. LOANS AND RECEIVABLES</b>	(5)	<b>134.853.608</b>	<b>59.318.942</b>	<b>194.172.550</b>	<b>103.502.394</b>	<b>54.851.939</b>	<b>158.354.333</b>
6.1 Loans and receivables		133.434.255	59.318.942	192.753.197	102.326.357	54.851.939	157.178.296
6.1.1 Loans extended to risk group of the Bank		145.699	898.379	1.044.078	250.131	828.283	1.078.414
6.1.2 Public sector debt securities		-	-	-	-	-	-
6.1.3 Other		133.288.556	58.420.563	191.709.119	102.076.226	54.023.656	156.099.882
6.2 Loans under follow-up		5.943.543	-	5.943.543	5.140.082	-	5.140.082
6.3 Specific provisions (-)		4.524.190	-	4.524.190	3.964.045	-	3.964.045
<b>VII. FACTORING RECEIVABLES</b>		-	-	-	-	-	-
<b>VIII. HELD TO MATURITY INVESTMENTS (Net)</b>	(6)	<b>18.668.651</b>	<b>2.320.553</b>	<b>20.989.204</b>	<b>15.823.514</b>	<b>2.332.668</b>	<b>18.156.182</b>
8.1 Public sector debt securities		18.668.651	2.320.553	20.989.204	15.823.514	2.332.668	18.156.182
8.2 Other marketable securities		-	-	-	-	-	-
<b>IX. INVESTMENTS IN ASSOCIATES (Net)</b>	(7)	<b>19.083</b>	<b>280.604</b>	<b>299.687</b>	<b>19.083</b>	<b>249.574</b>	<b>268.657</b>
9.1 Accounted under equity method		-	-	-	-	-	-
9.2 Unconsolidated associates		19.083	280.604	299.687	19.083	249.574	268.657
9.2.1 Financial investments		12.763	280.604	293.367	12.763	249.574	262.337
9.2.2 Non-financial investments		6.320	-	6.320	6.320	-	6.320
<b>X. INVESTMENTS IN SUBSIDIARIES (Net)</b>	(8)	<b>2.581.492</b>	<b>414.686</b>	<b>2.996.178</b>	<b>2.514.639</b>	<b>363.185</b>	<b>2.877.824</b>
10.1 Unconsolidated financial subsidiaries		2.540.249	414.686	2.954.935	2.473.396	363.185	2.836.581
10.2 Unconsolidated non-financial subsidiaries		41.243	-	41.243	41.243	-	41.243
<b>XI. JOINT VENTURES (Net)</b>	(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		-	-	-	-	-	-
<b>XII. FINANCE LEASE RECEIVABLES (Net)</b>	(10)	-	-	-	-	-	-
12.1 Finance lease receivables		-	-	-	-	-	-
12.2 Operating lease receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned income (-)		-	-	-	-	-	-
<b>XIII. DERIVATIVE FIN. ASSETS HELD FOR RISK MANAGEMENT</b>	(11)	-	-	-	-	-	-
13.1 Fair value risk hedging		-	-	-	-	-	-
13.2 Cash flow risk hedging		-	-	-	-	-	-
13.3 Net foreign investment risk hedging		-	-	-	-	-	-
<b>XIV. TANGIBLE ASSETS (Net)</b>	(12)	<b>2.333.833</b>	<b>104</b>	<b>2.333.937</b>	<b>2.313.905</b>	<b>102</b>	<b>2.314.007</b>
<b>XV. INTANGIBLE ASSETS (Net)</b>	(13)	<b>96.958</b>	-	<b>96.958</b>	<b>88.593</b>	-	<b>88.593</b>
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		96.958	-	96.958	88.593	-	88.593
<b>XVI. INVESTMENT PROPERTIES (Net)</b>	(14)	<b>360.909</b>	-	<b>360.909</b>	<b>363.321</b>	-	<b>363.321</b>
<b>XVII. TAX ASSET</b>	(15)	-	-	-	-	-	-
17.1 Current tax asset		-	-	-	-	-	-
17.2 Deferred tax asset		-	-	-	-	-	-
<b>XVIII. ASSETS HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)</b>	(16)	<b>740</b>	-	<b>740</b>	<b>740</b>	-	<b>740</b>
18.1 Held for sale purpose		740	-	740	740	-	740
18.2 Held from discontinued operations		-	-	-	-	-	-
<b>XIX. OTHER ASSETS</b>	(17)	<b>2.047.818</b>	<b>290.520</b>	<b>2.338.338</b>	<b>1.517.081</b>	<b>419.865</b>	<b>1.936.946</b>
<b>TOTAL ASSETS</b>		<b>175.831.017</b>	<b>103.895.469</b>	<b>279.726.486</b>	<b>140.714.577</b>	<b>90.726.241</b>	<b>231.440.818</b>

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

**TÜRKİYE HALK BANKASI AŞ**  
**UNCONSOLIDATED BALANCE SHEET AS OF 30 SEPTEMBER 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		
		TRY	FC	Total	TRY	FC	Total
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>							
		30 September 2017			31 December 2016		
<b>I. DEPOSITS</b>	(1)	<b>105.828.937</b>	<b>80.125.409</b>	<b>185.954.346</b>	<b>88.217.130</b>	<b>62.045.709</b>	<b>150.262.839</b>
1.1 Deposits Held by the Risk Group of the Bank		2.370.196	363.332	2.733.528	1.676.769	56.764	1.733.533
1.2 Other		103.458.741	79.762.077	183.220.818	86.540.361	61.988.945	148.529.306
<b>II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING</b>	(2)	<b>11</b>	<b>183.063</b>	<b>183.074</b>	<b>59</b>	<b>211.789</b>	<b>211.848</b>
<b>III. FUNDS BORROWED</b>	(3)	<b>448.794</b>	<b>14.925.101</b>	<b>15.373.895</b>	<b>440.955</b>	<b>18.527.149</b>	<b>18.968.104</b>
<b>IV. MONEY MARKET BALANCES</b>		<b>27.032.138</b>	<b>4.364.573</b>	<b>31.396.711</b>	<b>16.473.192</b>	<b>1.373.871</b>	<b>17.847.063</b>
4.1 Interbank money market borrowings		26.918.157	-	26.918.157	7.003.306	-	7.003.306
4.2 Istanbul Stock Exchange money market takings		-	-	-	-	-	-
4.3 Funds from repurchase agreements		113.981	4.364.573	4.478.554	9.469.886	1.373.871	10.843.757
<b>V. MARKETABLE SECURITIES ISSUED (Net)</b>	(4)	<b>3.001.202</b>	<b>7.975.931</b>	<b>10.977.133</b>	<b>1.749.034</b>	<b>10.684.708</b>	<b>12.433.742</b>
5.1 Treasury bills		3.001.202	-	3.001.202	1.749.034	-	1.749.034
5.2 Asset-backed securities		-	-	-	-	-	-
5.3 Bonds		-	7.975.931	7.975.931	-	10.684.708	10.684.708
<b>VI. FUNDS</b>	(5)	<b>2.464.406</b>	<b>-</b>	<b>2.464.406</b>	<b>2.339.808</b>	<b>-</b>	<b>2.339.808</b>
6.1 Borrower Funds		1.078	-	1.078	36.600	-	36.600
6.2 Other		2.463.328	-	2.463.328	2.303.208	-	2.303.208
<b>VII. SUNDRY CREDITORS</b>		<b>3.098.744</b>	<b>112.875</b>	<b>3.211.619</b>	<b>2.621.256</b>	<b>79.420</b>	<b>2.700.676</b>
<b>VIII. OTHER LIABILITIES</b>	(6)	<b>1.117.090</b>	<b>405.508</b>	<b>1.522.598</b>	<b>1.289.999</b>	<b>401.861</b>	<b>1.691.860</b>
<b>IX. FACTORING PAYABLES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>X. FINANCE LEASE PAYABLES</b>	(7)	<b>21</b>	<b>-</b>	<b>21</b>	<b>99</b>	<b>-</b>	<b>99</b>
10.1 Finance lease payables		25	-	25	123	-	123
10.2 Operating lease payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance lease expenses (-)		4	-	4	24	-	24
<b>XI. DERIVATIVE FINANCIAL LIABILITIES HELD FOR RISK MANAGEMENT</b>	(8)	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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>3.301.049</b>	<b>5.240</b>	<b>3.306.289</b>	<b>3.046.236</b>	<b>5.286</b>	<b>3.051.522</b>
12.1 General loan provisions		2.222.538	-	2.222.538	2.027.964	-	2.027.964
12.2 Restructuring provisions		-	-	-	-	-	-
12.3 Employee benefits provisions		769.333	-	769.333	713.732	-	713.732
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions		309.178	5.240	314.418	304.540	5.286	309.826
<b>XIII. TAX LIABILITY</b>	(10)	<b>1.053.810</b>	<b>46</b>	<b>1.053.856</b>	<b>616.298</b>	<b>13</b>	<b>616.311</b>
13.1 Current tax liability		703.065	46	703.111	329.626	13	329.639
13.2 Deferred tax liability		350.745	-	350.745	286.672	-	286.672
<b>XIV. LIABILITIES FOR ASSET HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)</b>	(11)	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
14.1 Held for sale purpose		-	-	-	-	-	-
14.2 Held from discontinued operations		-	-	-	-	-	-
<b>XV. SUBORDINATED CAPITAL</b>	(12)	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XVI. SHAREHOLDERS' EQUITY</b>	(13)	<b>24.243.802</b>	<b>38.736</b>	<b>24.282.538</b>	<b>21.541.122</b>	<b>(224.176)</b>	<b>21.316.946</b>
16.1 Paid-in capital		1.250.000	-	1.250.000	1.250.000	-	1.250.000
16.2 Capital reserves		3.047.592	38.736	3.086.328	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		577.731	38.736	616.467	706.929	(224.176)	482.753
16.2.4 Tangible assets revaluation reserves		1.260.261	-	1.260.261	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		1.200.889	-	1.200.889	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		3.010.103	-	3.010.103	2.558.265	-	2.558.265
16.4.1 Prior years income/loss		-	-	-	-	-	-
16.4.2 Period profit/loss		3.010.103	-	3.010.103	2.558.265	-	2.558.265
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>171.590.004</b>	<b>108.136.482</b>	<b>279.726.486</b>	<b>138.335.188</b>	<b>93.105.630</b>	<b>231.440.818</b>

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 SEPTEMBER 2017**

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

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

	Note	Reviewed			Audited		
		Current period			Prior period		
		30 September 2017			31 December 2016		
OFF BALANCE SHEET		TRY	FC	Total	TRY	FC	Total
<b>A. COMMITMENTS AND CONTINGENCIES (I+II+III)</b>		<b>55.948.728</b>	<b>60.316.213</b>	<b>116.264.941</b>	<b>45.771.117</b>	<b>50.441.206</b>	<b>96.212.323</b>
<b>I. GUARANTEES AND SURETYSHIPS</b>	(1)	<b>25.325.921</b>	<b>28.672.847</b>	<b>53.998.768</b>	<b>21.073.620</b>	<b>26.687.208</b>	<b>47.760.828</b>
1.1 Letters of guarantee		24.319.112	21.607.001	45.926.113	20.268.441	19.699.090	39.967.531
1.1.1 Guarantees subject to public procurement law		1.110.994	10.910.169	12.021.163	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		23.208.118	10.696.832	33.904.950	19.218.448	8.332.374	27.550.822
1.2 Bank loans		21.008	2.591.173	2.612.181	12.876	2.812.590	2.825.466
1.2.1 Import acceptances		602	144.497	145.099	-	320.953	320.953
1.2.2 Other bank acceptances		20.406	2.446.676	2.467.082	12.876	2.491.637	2.504.513
1.3 Letters of credit		32.410	4.313.879	4.346.289	18.091	3.993.217	4.011.308
1.3.1 Documentary letters of credit		32.410	4.313.879	4.346.289	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		953.391	160.794	1.114.185	774.212	182.311	956.523
1.9 Other surety ships		-	-	-	-	-	-
<b>II. COMMITMENTS</b>	(1)	<b>25.356.266</b>	<b>1.412.468</b>	<b>26.768.734</b>	<b>22.842.226</b>	<b>674.455</b>	<b>23.516.681</b>
2.1 Irrevocable commitments		25.356.266	1.412.468	26.768.734	22.842.226	674.455	23.516.681
2.1.1 Forward asset purchase commitments		140.855	996.758	1.137.613	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		3.944.085	415.710	4.359.795	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		6.330.886	-	6.330.886	5.805.008	-	5.805.008
2.1.8 Tax and fund liabilities from export commitments		34.149	-	34.149	28.864	-	28.864
2.1.9 Commitments for credit card expenditure limits		11.386.929	-	11.386.929	10.794.813	-	10.794.813
2.1.10 Commitments for credit cards and banking services promotions		36.972	-	36.972	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		3.482.390	-	3.482.390	2.874.314	-	2.874.314
2.2 Revocable commitments		-	-	-	-	-	-
2.2.1 Revocable loan granting commitments		-	-	-	-	-	-
2.2.2 Other revocable commitments		-	-	-	-	-	-
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>		<b>5.266.541</b>	<b>30.230.898</b>	<b>35.497.439</b>	<b>1.855.271</b>	<b>23.079.543</b>	<b>24.934.814</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		5.266.541	30.230.898	35.497.439	1.855.271	23.079.543	24.934.814
3.2.1 Forward foreign currency buy/sell transactions		2.001.088	8.697.729	10.698.817	1.162.609	5.842.371	7.004.980
3.2.1.1 Forward foreign currency transactions-buy		1.000.977	5.806.629	6.807.606	564.492	3.958.120	4.522.612
3.2.1.2 Forward foreign currency transactions-sell		1.000.111	2.891.100	3.891.211	598.117	1.884.251	2.482.368
3.2.2 Currency and interest rate swaps		2.033.726	14.654.851	16.688.577	433.093	14.634.799	15.067.892
3.2.2.1 Currency swap-buy		-	3.344.483	3.344.483	-	2.707.908	2.707.908
3.2.2.2 Currency swap-sell		2.033.726	1.233.553	3.267.279	433.093	2.182.361	2.615.454
3.2.2.3 Interest rate swap-buy		-	5.038.407	5.038.407	-	4.872.265	4.872.265
3.2.2.4 Interest Rate swap-sell		-	5.038.408	5.038.408	-	4.872.265	4.872.265
3.2.3 Currency, interest rate and marketable securities options		1.231.727	1.688.736	2.920.463	259.569	420.684	680.253
3.2.3.1 Currency call options		615.863	844.367	1.460.230	129.783	210.341	340.124
3.2.3.2 Currency put options		615.864	844.369	1.460.233	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		-	5.189.582	5.189.582	-	2.181.689	2.181.689
<b>B. CUSTODY AND PLEDGED ASSETS (IV+V+VI)</b>		<b>783.141.801</b>	<b>183.832.718</b>	<b>966.974.519</b>	<b>660.197.757</b>	<b>154.850.365</b>	<b>815.048.122</b>
<b>IV. CUSTODIES</b>		<b>373.879.824</b>	<b>27.870.633</b>	<b>401.750.457</b>	<b>342.844.925</b>	<b>23.694.435</b>	<b>366.539.360</b>
4.1 Assets under management		-	-	-	-	-	-
4.2 Custody marketable securities		170.874.812	662.723	171.537.535	166.136.992	728.810	166.865.802
4.3 Cheques in collection process		13.865.696	20.454.868	34.320.564	12.428.736	17.253.652	29.682.388
4.4 Commercial notes in collection process		180.827.581	465.369	181.292.950	137.515.100	517.259	138.032.359
4.5 Other assets in collection process		2	-	2	-	-	-
4.6 Underwritten securities		-	-	-	-	-	-
4.7 Other custodies		4.165.402	112.456	4.277.858	3.485.883	98.721	3.584.604
4.8 Custodians		4.146.331	6.175.217	10.321.548	23.278.214	5.095.993	28.374.207
<b>V. PLEDGED ASSETS</b>		<b>409.261.977</b>	<b>155.962.085</b>	<b>565.224.062</b>	<b>317.352.832</b>	<b>131.155.930</b>	<b>448.508.762</b>
5.1 Marketable securities		4.357.603	488.768	4.846.371	4.037.694	473.880	4.511.574
5.2 Collateral notes		6.787.389	697.967	7.485.356	7.292.482	820.012	8.112.494
5.3 Commodity		25.812	-	25.812	25.813	-	25.813
5.4 Warranty		-	-	-	-	-	-
5.5 Land and buildings		308.296.325	131.383.649	439.679.974	259.321.832	116.459.706	375.781.538
5.6 Other pledged assets		63.413.742	22.167.534	85.581.276	42.614.826	12.035.647	54.650.473
5.7 Pledges		26.381.106	1.224.167	27.605.273	4.060.185	1.366.685	5.426.870
<b>VI. ACCEPTED BILL GUARANTEES AND SURETIES</b>		-	-	-	-	-	-
<b>TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)</b>		<b>839.090.529</b>	<b>244.148.931</b>	<b>1.083.239.460</b>	<b>705.968.874</b>	<b>205.291.571</b>	<b>911.260.445</b>

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

**TÜRKİYE HALK BANKASI AŞ**  
**UNCONSOLIDATED STATEMENT OF INCOME AS OF 30 SEPTEMBER 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 September 2017	1 January- 30 September 2016	1 July- 30 September 2017	1 July- 30 September 2016
INCOME AND EXPENSES		Note				
<b>I.</b>	<b>INTEREST INCOME</b>	(1)	<b>16,349.805</b>	<b>12,307.018</b>	<b>5,776.770</b>	<b>4,340.941</b>
1.1	Interest on loans		13.422.794	10.318.677	4.984.170	3.639.721
1.2	Interest received from reserve deposits		91.064	44.785	39.334	14.913
1.3	Interest received from banks		149.849	59.323	59.261	18.477
1.4	Interest received from money market placements		23.079	18	-	18
1.5	Interest income on marketable securities		2.648.517	1.876.066	691.422	664.065
1.5.1	Financial assets held for trading		573	4.031	221	1.510
1.5.2	Financial assets at fair value through profit and loss		-	-	-	-
1.5.3	Financial assets available-for-sale		1.109.572	753.162	324.613	272.727
1.5.4	Investments held-to-maturity		1.538.372	1.118.873	366.588	389.828
1.6	Finance lease income		-	-	-	-
1.7	Other interest income		14.502	8.149	2.583	3.747
<b>II.</b>	<b>INTEREST EXPENSE</b>	(2)	<b>10,586.846</b>	<b>7,328.268</b>	<b>4,223.362</b>	<b>2,459.872</b>
2.1	Interest on deposits		7.840.734	6.026.631	3.139.376	2.021.194
2.2	Interest on borrowings		269.090	267.087	81.329	93.030
2.3	Interest on money market borrowings		1.826.593	565.951	789.544	174.691
2.4	Interest on bonds issued		561.403	400.309	188.690	149.021
2.5	Other interest expense		89.026	68.290	24.423	21.936
<b>III.</b>	<b>NET INTEREST INCOME [ I – II ]</b>		<b>5,762.959</b>	<b>4,978.750</b>	<b>1,553.408</b>	<b>1,881.069</b>
<b>IV.</b>	<b>NET FEES AND COMMISSIONS INCOME</b>		<b>1,559.448</b>	<b>960.770</b>	<b>513.196</b>	<b>344.314</b>
4.1	Fees and commissions income		1.882.420	1.239.153	630.097	444.495
4.1.1	Non-cash loans		288.112	212.215	102.362	74.598
4.1.2	Other		1.594.308	1.026.938	527.735	369.897
4.2	Fees and commissions expenses		322.972	278.383	116.901	100.181
4.2.1	Non-cash loans		33	35	5	4
4.2.2	Other		322.939	278.348	116.896	100.177
<b>V.</b>	<b>DIVIDEND INCOME</b>	(3)	<b>261.896</b>	<b>267.152</b>	<b>239.731</b>	<b>70.990</b>
<b>VI.</b>	<b>NET TRADING PROFIT (NET)</b>	(4)	<b>87.364</b>	<b>98.568</b>	<b>(15.478)</b>	<b>61.446</b>
6.1	Profit/loss from capital market operations		28.581	15.761	10.317	8.853
6.2	Profit/loss from financial derivative transactions		(339.745)	(368.586)	(150.741)	45.217
6.3	Foreign exchange gains/losses		398.528	451.393	124.946	7.376
<b>VII.</b>	<b>OTHER OPERATING INCOME</b>	(5)	<b>410.307</b>	<b>470.022</b>	<b>116.113</b>	<b>67.245</b>
<b>VIII.</b>	<b>TOTAL OPERATING INCOME (III+IV+V+VI+VII)</b>		<b>8,081.974</b>	<b>6,775.262</b>	<b>2,406.970</b>	<b>2,425.064</b>
<b>IX.</b>	<b>LOANS AND OTHER RECEIVABLES IMPAIRMENT LOSS PROVISIONS (-)</b>	(6)	<b>1,050.111</b>	<b>1,170.367</b>	<b>319.827</b>	<b>630.619</b>
<b>X.</b>	<b>OTHER OPERATING EXPENSES(-)</b>	(7)	<b>3,286.003</b>	<b>2,801.199</b>	<b>1,152.322</b>	<b>908.528</b>
<b>XI.</b>	<b>NET OPERATING INCOME/(LOSS) (VIII-IX-X)</b>		<b>3,745.860</b>	<b>2,803.696</b>	<b>934.821</b>	<b>885.917</b>
<b>XII.</b>	<b>AMOUNT RECORDED IN EXCESS AS GAIN AFTER MERGER</b>		-	-	-	-
<b>XIII.</b>	<b>PROFIT/LOSSES FROM EQUITY METHOD APPLIED SUBSIDIARIES</b>		-	-	-	-
<b>XIV.</b>	<b>GAIN / (LOSS) ON NET MONETARY POSITION</b>		-	-	-	-
<b>XV.</b>	<b>INCOME/(LOSS) BEFORE TAXES (XI+XII+XIII+XIV)</b>	(8)	<b>3,745.860</b>	<b>2,803.696</b>	<b>934.821</b>	<b>885.917</b>
<b>XVI.</b>	<b>TAX INCOME PROVISION (±)</b>	(9)	<b>(735.757)</b>	<b>(608.260)</b>	<b>(152.657)</b>	<b>(256.161)</b>
16.1	Current tax provision		(683.065)	(571.976)	(128.590)	(164.469)
16.2	Deferred tax provision		(52.692)	(36.284)	(24.067)	(91.692)
<b>XVII.</b>	<b>NET OPERATING INCOME AFTER TAX (XV±XVI)</b>	(10)	<b>3,010.103</b>	<b>2,195.436</b>	<b>782.164</b>	<b>629.756</b>
<b>XVIII.</b>	<b>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.</b>	<b>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>XX.</b>	<b>INCOME/EXPENSE BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)</b>		-	-	-	-
<b>XXI.</b>	<b>PROVISION FOR TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)</b>		-	-	-	-
21.1	Current tax provision		-	-	-	-
21.2	Deferred tax provision		-	-	-	-
<b>XXII.</b>	<b>NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI)</b>		-	-	-	-
<b>XXIII.</b>	<b>NET PROFIT/(LOSS) (XVII+XXII)</b>	(11)	<b>3,010.103</b>	<b>2,195.436</b>	<b>782.164</b>	<b>629.756</b>
	Earnings/losses per share (Full TRY)		2,40808	1,75635	0,62573	0,50381

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 SEPTEMBER 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 September 2017	1 January-30 September 2016
<b>I. ADDITIONS TO MARKETABLE SECURITIES REVALUATION DIFFERENCES FOR AVAILABLE FOR SALE FINANCIAL ASSETS</b>	<b>146.372</b>	<b>1.342</b>
<b>II. TANGIBLE ASSETS REVALUATION DIFFERENCES</b>	<b>(25.538)</b>	<b>(379)</b>
<b>III. INTANGIBLE ASSETS REVALUATION DIFFERENCES</b>	<b>-</b>	<b>-</b>
<b>IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS</b>	<b>101.863</b>	<b>20.254</b>
<b>V. PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR CASH FLOW HEDGE PURPOSES (Effective portion of fair value differences)</b>	<b>-</b>	<b>-</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>-</b>	<b>-</b>
<b>VII. THE EFFECT OF CORRECTIONS OF ERRORS AND CHANGES IN ACCOUNTING POLICIES</b>	<b>-</b>	<b>-</b>
<b>VIII. OTHER PROFIT LOSS ITEMS ACCOUNTED UNDER EQUITY DUE TO TAS</b>	<b>-</b>	<b>-</b>
<b>IX. DEFERRED TAX OF VALUATION DIFFERENCES</b>	<b>(11.381)</b>	<b>(37.174)</b>
<b>X. TOTAL NET PROFIT/LOSS ACCOUNTED UNDER EQUITY (I+II+...+IX)</b>	<b>211.316</b>	<b>(15.957)</b>
<b>XI. PROFIT/LOSS</b>	<b>3.010.103</b>	<b>2.195.436</b>
11.1 Change in fair value of marketable securities (Transfer to profit/loss)	28.581	4.086
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	2.981.522	2.191.350
<b>XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE PERIOD (X±XI)</b>	<b>3.221.419</b>	<b>2.179.479</b>

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 SEPTEMBER 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
<b>1 January 2016 – 30 September 2016</b>																	
<b>I. Balance at end of prior period</b>		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																	
<b>II. Increase/decrease generated by merger</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. Valuation changes in marketable securities</b>		-	-	-	-	-	-	-	-	-	-	(35.850)	-	-	-	-	(35.850)
<b>IV. Hedging funds (effective portion)</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1 Cash-flow hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2 Hedges for investment made in foreign countries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>V. Revaluation changes of property and equipment</b>		-	-	-	-	-	-	-	-	-	-	-	(361)	-	-	-	(361)
<b>VI. Revaluation changes of intangible assets</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII. Bonus shares from investment and associates, subsidiaries and joint ventures (business partners)</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII. Foreign exchange differences</b>		-	-	-	-	-	-	-	20.254	-	-	-	-	-	-	-	20.254
<b>IX. Changes after disposal of securities</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X. Changes after reclassification of securities</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XI. Effect of changes in shareholders equity of investments and associates to bank's shareholders equity</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XII. Increase in capital</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2 From internal resources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XIII. Issuance of share certificates at end of period</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XIV. Share cancellation profits</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XV. Adjustment to paid-in capital</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XVI. Other</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XVII. Net profit or losses</b>		-	-	-	-	-	-	-	-	2.195.436	-	-	-	-	-	-	2.195.436
<b>XVIII. Profit distribution</b>		-	-	-	-	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	-	-	-	-	-	-
<b>Closing balance</b>		1.250.000	1.220.451	-	-	1.482.358	-	13.104.130	52.146	2.195.436	-	930.985	1.128.074	8.711	-	-	21.372.291
<b>1 January 2017 – 30 September 2017</b>																	
<b>I. Balance at end of prior period</b>		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																	
<b>II. Increase or decrease generated by merger</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. Valuation changes in marketable securities</b>		-	-	-	-	-	-	-	-	-	-	133.714	-	-	-	-	133.714
<b>IV. Hedging Funds (effective portion)</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1 Cash flow hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2 Hedges for investments made in foreign countries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>V. Revaluation changes of property and equipment</b>		-	-	-	-	-	-	-	-	-	-	-	(24.261)	-	-	-	(24.261)
<b>VI. Revaluation changes of intangible assets</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII. Bonus shares from investment and associates, subsidiaries and joint ventures (business partners)</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII. Foreign exchange differences</b>		-	-	-	-	-	-	-	101.863	-	-	-	-	-	-	-	101.863
<b>IX. Changes after disposal of securities</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X. Changes after reclassification of securities</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XI. Effect of changes in shareholders equity of investments and associates to bank's shareholders equity</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XII. Increase in capital</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2 From internal resources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XIII. Issuance of share certificates at end of period</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XIV. Share cancellation profits</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XV. Adjustment to paid-in capital</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XVI. Other</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XVII. Net profit or losses</b>		-	-	-	-	-	-	-	-	3.010.103	-	-	-	-	-	-	3.010.103
<b>XVIII. Profit distribution</b>		-	-	-	-	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	-	-	-	-	-	-
<b>Closing balance</b>		1.250.000	1.220.451	-	-	1.645.649	-	15.243.277	27.619	3.010.103	-	616.467	1.260.261	8.711	-	-	24.282.538

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

**TÜRKİYE HALK BANKASI AŞ**  
**EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL**  
**STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2017**

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

**VI. STATEMENT OF CASH FLOWS**

	Reviewed	
	Current period	Prior period
Note	1 January- 30 September 2017	1 January- 30 September 2016
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>		
<b>1.1 Operating profit before changes in operating assets and liabilities</b>	<b>3.066.990</b>	<b>2.161.843</b>
1.1.1 Interest received	14.866.154	11.609.925
1.1.2 Interest paid	(9.744.876)	(7.564.353)
1.1.3 Dividend received	36.945	95.592
1.1.4 Fees and commissions received	1.882.994	1.239.153
1.1.5 Other income	191.758	318.711
1.1.6 Collections from previously written off loans	419.796	314.177
1.1.7 Cash payments to personnel and service suppliers	(1.470.269)	(1.299.022)
1.1.8 Taxes paid	(372.699)	(393.486)
1.1.9 Other	(2.742.813)	(2.158.854)
<b>1.2 Assets and Liabilities Subject to Banking Operations</b>	<b>5.354.955</b>	<b>306.653</b>
1.2.1 Net decrease in financial assets held for sale	57.128	(47.511)
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	10.518	(4.224)
1.2.4 Net (increase) decrease in loans	(35.665.563)	(17.536.331)
1.2.5 Net (increase) decrease in other assets	(3.885.028)	(823.331)
1.2.6 Net increase (decrease) in bank deposits	(6.082.991)	7.139.153
1.2.7 Net increase (decrease) in other deposits	40.891.147	8.198.096
1.2.8 Net increase (decrease) in loans borrowed	(3.585.317)	(3.186.551)
1.2.9 Net increase (decrease) in matured payables	-	-
1.2.10 Net increase (decrease) in other liabilities	13.615.061	6.567.352
<b>I. Net cash provided from banking operations</b>	<b>8.421.945</b>	<b>2.468.496</b>
<b>B. CASH FLOWS FROM INVESTMENT ACTIVITIES</b>		
<b>II. Net cash provided from/(used in) investing activities</b>	<b>(3.517.383)</b>	<b>(2.984.553)</b>
2.1 Cash paid for purchase of joint ventures, associates and subsidiaries	(6.238)	(14.636)
2.2 Cash obtained from sale of entities joint ventures, associates and subsidiaries	-	-
2.3 Fixed assets purchases	(223.198)	(204.816)
2.4 Fixed assets sales	120.667	110.685
2.5 Cash paid for purchase of financial assets available for sale	(6.296.063)	(4.081.729)
2.6 Cash obtained from sale of financial assets available for sale	5.070.374	1.318.651
2.7 Cash paid for purchase of investment securities	(2.498.541)	(1.398.758)
2.8 Cash obtained from sale of investment securities	329.725	1.295.509
2.9 Other	(14.109)	(9.459)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III. Net cash used in financing activities</b>	<b>(1.607.411)</b>	<b>2.078.087</b>
3.1 Cash obtained from loans borrowed and securities issued	5.590.284	6.310.554
3.2 Cash used for repayment of loans borrowed and securities issued	(6.941.790)	(4.000.000)
3.3 Bonds issued	-	-
3.4 Dividends paid	(255.827)	(231.531)
3.5 Payments for finance leases	(78)	(79)
3.6 Other	-	(857)
<b>IV. Effect of change in foreign exchange rate on cash and cash equivalents</b>	<b>84.485</b>	<b>111.988</b>
<b>V. Net increase / (decrease) in cash and cash equivalents</b>	<b>3.381.636</b>	<b>1.674.018</b>
<b>VI. Cash and cash equivalents at beginning of the period</b>	<b>14.388.793</b>	<b>8.874.614</b>
<b>VII. Cash and cash equivalents at end of the period</b>	<b>17.770.429</b>	<b>10.548.632</b>

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