

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2019
(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 2019			31 December 2018		
			TRY	FC	TOTAL	TRY	FC	TOTAL
I.	FINANCIAL ASSETS (NET)		25.330.605	37.925.134	63.255.739	21.452.260	39.789.022	61.241.282
1.1	Cash and Cash Equivalents		4.357.517	33.715.425	38.072.942	4.215.704	36.559.750	40.775.454
1.1.1	Cash and Balances with Central Bank	(1)	3.430.458	31.196.498	34.626.956	3.983.094	31.596.630	35.579.724
1.1.2	Banks	(3)	133.435	2.520.549	2.653.984	181.392	4.964.779	5.146.171
1.1.3	Money Markets		812.880	-	812.880	65.318	-	65.318
1.1.4	Expected Loss Provision (-)		19.256	1.622	20.878	14.100	1.659	15.759
1.2	Financial Assets at Fair Value Through Profit or Loss	(2)	14.490.772	28.764	14.519.536	14.516.355	22.580	14.538.935
1.2.1	Government Debt Securities		14.421.380	21.176	14.442.556	14.415.482	21.455	14.436.937
1.2.2	Equity Instruments		-	7.588	7.588	74	1.125	1.199
1.2.3	Other Financial Assets		69.392	-	69.392	100.799	-	100.799
1.3	Financial Assets at Fair Value Through Other Comprehensive Income	(4)	6.482.288	2.861.430	9.343.718	2.720.192	2.144.620	4.864.812
1.3.1	Government Debt Securities		6.340.185	2.756.248	9.096.433	2.579.303	2.058.759	4.638.062
1.3.2	Equity Instruments		27.854	105.182	133.036	24.793	85.861	110.654
1.3.3	Other Financial Assets		114.249	-	114.249	116.096	-	116.096
1.4	Derivative Financial Assets	(2)(11)	28	1.319.515	1.319.543	9	1.062.072	1.062.081
1.4.1	Derivative Financial Assets at Fair Value Through Profit or Loss		28	1.319.515	1.319.543	9	1.062.072	1.062.081
1.4.2	Derivative Financial Assets at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
II.	FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		234.075.346	108.055.603	342.130.949	212.632.972	102.399.552	315.032.524
2.1	Loans	(5)	192.217.485	93.759.770	285.977.255	173.737.859	89.093.926	262.831.785
2.2	Lease Receivables	(10)	974.369	2.433.436	3.407.805	1.021.724	2.465.872	3.487.596
2.3	Factoring Receivables		1.141.614	114.995	1.256.609	1.277.726	139.535	1.417.261
2.4	Other Financial Assets Measured at Amortised Cost	(6)	48.975.600	12.238.251	61.213.851	45.172.546	11.158.799	56.331.345
2.4.1	Government Debt Securities		48.908.974	12.238.251	61.147.225	45.110.909	11.158.799	56.269.708
2.4.2	Other Financial Assets		66.626	-	66.626	61.637	-	61.637
2.5	Expected Credit Loss (-)		9.233.722	490.849	9.724.571	8.576.883	458.580	9.035.463
III.	PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(14)	2.693	-	2.693	9.593	-	9.593
3.1	Held for Sale Purpose		2.693	-	2.693	9.593	-	9.593
3.2	Related to Discontinued Operations		-	-	-	-	-	-
IV.	EQUITY INVESTMENTS		85.050	456.976	542.026	84.321	431.547	515.868
4.1	Investments in Associates (Net)	(7)	27.904	456.976	484.880	27.175	431.547	458.722
4.1.1	Associates Valued Based on Equity Method		18.552	456.976	475.528	17.823	431.547	449.370
4.1.2	Unconsolidated Associates		9.352	-	9.352	9.352	-	9.352
4.2	Subsidiaries (Net)	(8)	57.146	-	57.146	57.146	-	57.146
4.2.1	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2	Unconsolidated Non- Financial Subsidiaries		57.146	-	57.146	57.146	-	57.146
4.3	Joint Ventures (Net)	(9)	-	-	-	-	-	-
4.3.1	Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2	Unconsolidated Joint Ventures		-	-	-	-	-	-
V.	PROPERTY AND EQUIPMENT (Net)		5.178.586	199.460	5.378.046	4.514.930	124.956	4.639.886
VI.	INTANGIBLE ASSETS (Net)		143.845	34.421	178.266	149.098	34.313	183.411
6.1	Goodwill		-	-	-	-	-	-
6.2	Other		143.845	34.421	178.266	149.098	34.313	183.411
VII.	INVESTMENT PROPERTIES (Net)	(12)	1.003.595	6.195	1,009.790	967.406	5.995	973.401
VIII.	CURRENT TAX ASSET		14.238	1.248	15.486	19.860	6.183	26.043
IX.	DEFERRED TAX ASSET	(13)	89.473	3.144	92.617	95.326	3.019	98.345
X.	OTHER ASSETS	(15)	3.896.383	1.193.237	5,089.620	4,406.874	1,094.449	5,501.323
TOTAL ASSETS			269.819.814	147.875.418	417.695.232	244.332.640	143.889.036	388.221.676

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2019
(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		
		TRY	FC	TOTAL	TRY	FC	TOTAL
		31 March 2019			31 December 2018		
I. DEPOSITS	(1)	131.929.607	139.651.673	271.581.280	137.508.551	113.070.969	250.579.520
II. FUNDS BORROWED	(3)	1.117.564	13.489.425	14.606.989	1.286.624	13.987.856	15.274.480
III. MONEY MARKETS		43.361.583	3.329.004	46.690.587	32.815.996	5.402.273	38.218.269
IV. SECURITIES ISSUED (Net)	(4)	4.842.573	12.636.331	17.478.904	4.321.374	12.024.839	16.346.213
4.1 Bills		2.621.965	-	2.621.965	2.164.993	-	2.164.993
4.2 Assets Backed Securities		2.011.913	-	2.011.913	1.951.469	-	1.951.469
4.3 Bonds		208.695	12.636.331	12.845.026	204.912	12.024.839	12.229.751
V. FUNDS		2.852.574	-	2.852.574	2.874.121	-	2.874.121
5.1 Borrower Funds		38	-	38	42	-	42
5.2 Other		2.852.536	-	2.852.536	2.874.079	-	2.874.079
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL ASSETS	(2)(7)	39	321.124	321.163	16	410.323	410.339
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss		39	321.124	321.163	16	410.323	410.339
7.2 Derivative Financial Liabilities at Fair Value Through Other		-	-	-	-	-	-
7.2 Comprehensive Income		-	-	-	-	-	-
VIII. FACTORING LIABILITIES		1.728	332	2.060	2.310	107	2.417
IX. LEASE LIABILITIES	(6)	511.260	172.855	684.115	85	-	85
X. PROVISIONS	(8)	4.387.663	54.699	4.442.362	4.153.786	13.000	4.166.786
10.1 Restructuring Provisions		-	-	-	-	-	-
10.2 Reserve for Employee Benefits		1.057.589	13.740	1.071.329	915.732	10.886	926.618
10.3 Insurance for Technical Provision (Net)		2.327.592	38.540	2.366.132	2.215.153	-	2.215.153
10.4 Other Provisions		1.002.482	2.419	1.004.901	1.022.901	2.114	1.025.015
XI. CURRENT TAX LIABILITY	(9)	1.081.366	2.442	1.083.808	729.532	8.140	737.672
XII. DEFERRED TAX LIABILITIES	(9)	198.444	2.152	200.596	453.608	2.152	455.760
XIII. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)		-	-	-	2.030	-	2.030
13.1 Held for Sale Purpose		-	-	-	2.030	-	2.030
13.2 Related to Discontinued Operations		-	-	-	-	-	-
XIV. SUBORDINATED DEBT INSTRUMENTS	(10)	6.014.112	-	6.014.112	6.182.084	-	6.182.084
14.1 Loans		-	-	-	-	-	-
14.2 Other Debt Instruments		6.014.112	-	6.014.112	6.182.084	-	6.182.084
XV. OTHER LIABILITIES	(5)	21.063.761	1.143.005	22.206.766	22.367.642	1.063.018	23.430.660
XVI. SHAREHOLDERS' EQUITY	(11)	29.177.382	352.534	29.529.916	29.098.151	443.089	29.541.240
16.1 Paid-in Capital		1.250.000	-	1.250.000	1.250.000	-	1.250.000
16.2 Capital Reserves		1.268.645	-	1.268.645	1.267.795	-	1.267.795
16.2.1 Share Premium		39.740	-	39.740	39.740	-	39.740
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Other Capital Reserves		1.228.905	-	1.228.905	1.228.055	-	1.228.055
16.3 Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		2.468.404	3.787	2.472.191	2.468.324	(105)	2.468.219
16.4 Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		(177.110)	(174.438)	(351.548)	(20.981)	(154.979)	(175.960)
16.5 Profit Reserves		20.542.847	344.302	20.887.149	20.490.940	329.114	20.820.054
16.5.1 Legal Reserves		2.061.943	8.871	2.070.814	2.009.871	8.868	2.018.739
16.5.2 Status Reserves		-	-	-	-	-	-
16.5.3 Extraordinary Reserves		18.433.762	104.574	18.538.336	18.433.927	104.574	18.538.501
16.5.4 Other Profit Reserves		47.142	230.857	277.999	47.142	215.672	262.814
16.6 Income or (Loss)		3.578.437	173.617	3.752.054	3.400.708	263.783	3.664.491
16.6.1 Prior Periods' Income or (Loss)		3.437.161	142.132	3.579.293	808.240	199.604	1.007.844
16.6.2 Current Period Income or (Loss)		141.276	31.485	172.761	2.592.468	64.179	2.656.647
16.7 Minority Shares		246.159	5.266	251.425	241.365	5.276	246.641
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		246.539.656	171.155.576	417.695.232	241.795.910	146.425.766	388.221.676

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 2019

(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 2019			31 December 2018		
OFF-BALANCE SHEET	Note	TRY	FC	TOTAL	TRY	FC	TOTAL
A.	COMMITMENTS AND CONTINGENCIES (I+II+III)	91.363.247	113.487.482	204.850.729	70.479.149	89.431.738	159.910.887
I.	GUARANTEES AND WARRANTIES	38.396.859	49.968.929	88.365.788	36.985.278	46.684.697	83.669.975
1.1	Letters of guarantee	36.156.273	39.078.084	75.234.357	34.982.709	36.415.106	71.397.815
1.1.1	Guarantees subject to public procurement law	1.888.759	12.026.696	13.915.455	1.982.722	12.444.947	14.427.669
1.1.2	Guarantees given for foreign trade operations	-	85.712	85.712	-	64.120	64.120
1.1.3	Other letters of guarantee	34.267.514	26.965.676	61.233.190	32.999.987	23.906.039	56.906.026
1.2	Bank loans	9.194	7.575.079	7.584.273	11.845	7.038.415	7.050.260
1.2.1	Import acceptances	-	85.413	85.413	-	94.572	94.572
1.2.2	Other bank acceptances	9.194	7.489.666	7.498.860	11.845	6.943.843	6.955.688
1.3	Letters of credit	124.877	3.195.578	3.320.455	119.895	3.110.315	3.230.210
1.3.1	Documentary letters of credit	124.877	3.195.578	3.320.455	119.895	3.110.315	3.230.210
1.3.2	Other letters of credit	-	-	-	-	-	-
1.4	Guaranteed refinancing	-	-	-	-	-	-
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	2.106.515	120.188	2.226.703	1.870.829	120.861	1.991.690
1.9	Other sureties	-	-	-	-	-	-
II.	COMMITMENTS	23.916.794	4.053.154	27.969.948	24.243.741	3.598.496	27.842.237
2.1	Irrevocable commitments	23.675.500	2.552.303	26.227.803	24.091.603	2.105.823	26.197.426
2.1.1	Forward asset purchase commitments	996.044	1.740.265	2.736.309	807.737	1.228.932	2.036.669
2.1.2	Forward deposit purchase and sale commitments	-	-	-	-	-	-
2.1.3	Capital commitments to subsidiaries and associates	-	-	-	-	-	-
2.1.4	Loan granting commitments	2.240.793	556.875	2.797.668	4.159.896	530.684	4.690.580
2.1.5	Securities underwriting commitments	-	-	-	-	-	-
2.1.6	Payment commitments for reserve deposits	-	-	-	-	-	-
2.1.7	Payment commitments for Cheques	3.287.913	-	3.287.913	2.661.413	-	2.661.413
2.1.8	Tax and fund liabilities from export commitments	65.210	-	65.210	65.280	-	65.280
2.1.9	Commitments for credit card expenditure limits	13.252.914	56.744	13.309.658	12.674.648	54.296	12.728.944
2.1.10	Commitments for credit cards and banking services promotions	31.582	-	31.582	31.409	-	31.409
2.1.11	Receivables from short sale commitments	-	-	-	-	-	-
2.1.12	Payables for short sale commitments	-	-	-	-	-	-
2.1.13	Other irrevocable commitments	3.801.044	198.419	3.999.463	3.691.220	291.911	3.983.131
2.2	Revocable commitments	241.294	1.500.851	1.742.145	152.138	1.492.673	1.644.811
2.2.1	Revocable loan granting commitments	-	1.094.543	1.094.543	-	1.137.584	1.137.584
2.2.2	Other revocable commitments	241.294	406.308	647.602	152.138	355.089	507.227
III.	DERIVATIVE FINANCIAL INSTRUMENTS	29.049.594	59.465.399	88.514.993	9.250.130	39.148.545	48.398.675
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	29.049.594	59.465.399	88.514.993	9.250.130	39.148.545	48.398.675
3.2.1	Forward foreign currency buy/sell transactions	2.804.767	6.868.413	9.673.180	1.805.572	5.242.539	7.048.111
3.2.1.1	Forward foreign currency transactions-buy	2.195.191	3.608.217	5.803.408	1.553.375	3.067.752	4.621.127
3.2.1.2	Forward foreign currency transactions-sell	609.576	3.260.196	3.869.772	252.197	2.174.787	2.426.984
3.2.2	Currency and interest rate swaps	17.541.079	40.072.890	57.613.969	5.146.767	28.105.082	33.251.849
3.2.2.1	Currency swap-buy	1.069.141	18.820.463	19.889.604	1.012.983	7.070.935	8.083.918
3.2.2.2	Currency swap-sell	16.471.938	2.930.495	19.402.433	4.133.784	3.641.263	7.775.047
3.2.2.3	Interest rate swap-buy	-	9.160.966	9.160.966	-	8.696.442	8.696.442
3.2.2.4	Interest Rate swap-sell	-	9.160.966	9.160.966	-	8.696.442	8.696.442
3.2.3	Currency, interest rate and marketable securities options	5.093.565	6.596.236	11.689.801	2.297.791	3.561.455	5.859.246
3.2.3.1	Currency call options	1.208.351	4.662.933	5.871.284	1.148.905	1.780.728	2.929.633
3.2.3.2	Currency put options	3.885.214	1.933.303	5.818.517	1.148.886	1.780.727	2.929.613
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	3.610.183	3.381.647	6.991.830	-	-	-
3.2.4.1	Currency futures-buy	682.693	2.746.667	3.429.360	-	-	-
3.2.4.2	Currency futures-sell	2.927.490	634.980	3.562.470	-	-	-
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	-	2.546.213	2.546.213	-	2.239.469	2.239.469
B.	CUSTODY AND PLEDGED ASSETS (IV+V+VI)	1.010.697.731	329.456.227	1.340.153.958	957.578.147	312.632.590	1.270.210.737
IV.	CUSTODIES	501.444.796	49.217.954	550.662.750	435.748.450	42.655.486	478.403.936
4.1	Assets under management	-	-	-	-	-	-
4.2	Custody marketable securities	186.546.748	1.212.304	187.759.052	164.714.542	1.017.194	165.731.736
4.3	Cheques in collection process	16.555.469	28.446.133	45.001.602	15.459.699	26.465.087	41.924.786
4.4	Commercial notes in collection process	257.044.060	6.548.436	263.592.496	239.248.814	5.578.699	244.827.513
4.5	Other assets in collection process	-	-	-	-	-	-
4.6	Underwritten securities	-	-	-	-	-	-
4.7	Other custodies	1.754.540	338.768	2.093.308	4.281.053	486.438	4.767.491
4.8	Custodians	39.543.979	12.672.313	52.216.292	12.044.342	9.108.668	21.152.410
V.	PLEDGED ASSETS	509.252.935	280.238.273	789.491.208	521.829.697	269.977.104	791.806.801
5.1	Marketable securities	6.264.835	821.706	7.086.541	5.910.919	772.952	6.683.871
5.2	Collateral notes	7.941.993	1.314.444	9.256.437	7.602.929	1.172.031	8.774.960
5.3	Commodity	25.812	-	25.812	25.812	-	25.812
5.4	Warranty	-	-	-	-	-	-
5.5	Land and buildings	400.253.698	237.095.086	637.348.784	384.296.983	225.968.770	610.265.753
5.6	Other pledged assets	77.221.877	40.297.676	117.519.553	76.479.920	39.614.525	116.094.445
5.7	Pledges	17.544.720	709.361	18.254.081	47.513.134	2.448.826	49.961.960
VI.	ACCEPTED BILL GUARANTEES AND SURETIES	-	-	-	-	-	-
TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)		1.102.060.978	442.943.709	1.545.004.687	1.028.057.296	402.064.328	1.430.121.624

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD ENDED 31 MARCH
2019

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

III. CONSOLIDATED STATEMENT OF PROFIT OR LOSS

INCOME AND EXPENSES		Note	Reviewed	Reviewed
			Current Period	Prior Period
			1 January- 31 March 2019	1 January- 31 March 2018
I.	INTEREST INCOME	(1)	10.983.378	7.110.766
1.1	Interest on Loans		8.476.533	5.764.492
1.2	Interest on Reserve Requirements		26.149	36.493
1.3	Interest on Banks		145.402	100.207
1.4	Interest on Money Market Transactions		453	11.388
1.5	Interest on Marketable Securities Portfolio		2.152.821	1.075.146
1.5.1	Fair Value Through Profit or Loss		5.886	2.623
1.5.2	Fair Value Through Other Comprehensive Income		277.840	434.792
1.5.3	Measured at Amortized Cost		1.869.095	637.731
1.6	Financial Lease Interest Income		78.554	57.339
1.7	Other Interest Income		103.466	65.701
II.	INTEREST EXPENSE (-)	(2)	9.010.382	4.966.637
2.1	Interest on Deposits		6.133.728	3.704.123
2.2	Interest on Funds Borrowed		124.195	161.105
2.3	Interest Expense on Money Market Transactions		2.106.148	787.569
2.4	Interest on Securities Issued		547.357	250.617
2.5	Interest on Leases		26.178	-
2.6	Other Interest Expenses		72.776	63.223
III.	NET INTEREST INCOME (I - II)		1.972.996	2.144.129
IV.	NET FEES AND COMMISSIONS INCOME		591.413	395.941
4.1	Fees and Commissions Received		886.264	553.290
4.1.1	Non – cash Loans		219.404	118.669
4.1.2	Other	(11)	666.860	434.621
4.2	Fees and Commissions Paid (-)		294.851	157.349
4.2.1	Non – cash Loans		1.343	840
4.2.2	Other	(11)	293.508	156.509
V.	DIVIDEND INCOME		9.993	85
VI.	TRADING INCOME / LOSS (Net)	(3)	(407.191)	37.061
6.1	Trading Gains / (Losses) on Securities		18.132	11.025
6.2	Gains / (Losses) on Derivate Financial Transactions		475.797	61.152
6.3	Foreign Exchange Gains / (Losses)		(901.120)	(35.116)
VII.	OTHER OPERATING INCOME	(4)	916.988	583.284
VIII.	GROSS OPERATING INCOME (III+IV+V+VI+VII)		3.084.199	3.160.500
IX.	EXPECTED LOSS PROVISIONS (-)	(5)	1.108.465	402.769
X.	OTHER PROVISION EXPENSES (-)	(5)	34.554	71.170
XI.	PERSONNEL EXPENSE (-)		774.972	599.376
XII.	OTHER OPERATING EXPENSES (-)	(6)	1.139.319	915.324
XIII.	NET OPERATING INCOME /LOSS (VIII-IX-X-XI-XII)		26.889	1.171.861
XIV.	INCOME AFTER MERGER		-	-
XV.	INCOME / (LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD		9.361	6.522
XVI.	INCOME / (LOSS) ON NET MONETARY POSITION		-	-
XVII.	PROFIT / LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII+...+XVI)	(7)	36.250	1.178.383
XVIII.	TAX PROVISIONS FOR CONTINUED OPERATIONS (±)	(8)	141.450	(233.586)
18.1	Current Tax Provision		45.106	101.988
18.2	Deferred Tax Income Effect (+)		694.614	198.177
18.3	Deferred Tax Expense Effect (-)		881.170	66.579
XIX.	CURRENT PERIOD PROFIT / LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)	(9)	177.700	944.797
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-
20.1	Income from non- Current Assets Held for Sale		-	-
20.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures		-	-
20.3	Income from Other Discontinued Operations		-	-
XXI.	EXPENSES FOR DISCONTINUED OPERATIONS (-)		-	-
21.1	Expenses for Non-current Assets Held for Sale		-	-
21.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-
21.3	Expenses for Other Discontinued Operations		-	-
XXII.	PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XX-XXI)		-	-
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
23.1	Current Tax Provision		-	-
23.2	Deferred Tax Expense Effect (+)		-	-
23.3	Deferred Tax Income Effect (-)		-	-
XXIV.	PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XIX±XXII)		-	-
XXV.	NET PROFIT/(LOSS) (XVIII+XXIV)	(10)	177.700	944.797
25.1	Profit / (Loss) of Group		172.761	941.903
25.2	Profit / (Loss) of Minority Shares (-)		4.939	2.894
	Profit / (Loss) Per Share		0,1382088	0,7535224

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 PERIOD ENDED 31 MARCH 2019
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

IV. CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Reviewed	Reviewed
	Current Period	Prior Period
	1 January - 31 March 2019	1 January - 31 March 2018
STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY		
I. CURRENT PERIOD INCOME/LOSS	177.700	944.797
II. OTHER COMPREHENSIVE INCOME	(175.588)	(343.951)
2.1 Not Reclassified Through Profit or Loss	-	(4.486)
2.1.1 Property and Equipment Revaluation Increase/Decrease	-	(4.984)
2.1.2 Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3 Defined Benefit Pension Plan Remeasurement Gain/Loss	-	-
2.1.4 Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	-
2.1.5 Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	498
2.2 Reclassified Through Profit or Loss	(175.588)	(339.465)
2.2.1 Foreign Currency Translation Differences	1.855	23.790
2.2.2 Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	(240.323)	(330.789)
2.2.3 Cash Flow Hedge Income/Loss	-	-
2.2.4 Foreign Net Investment Hedge Income/Loss	-	-
2.2.5 Other Comprehensive Income Items Reclassified Through Profit or Losses	-	-
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	62.880	(32.466)
III. TOTAL COMPREHENSIVE INCOME (I+II)	2.112	600.846

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 PERIOD ENDED 31 MARCH 2019
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss							Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss							Current Period Profit or (Loss)	Total Equity Expect Minority Shares	Minority Shares	Total Equity
	Paid in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	Accumulated Revaluation Increase/Decrease of Fixed Assets	Accumulated Remeasurement Gain/Loss of Defined Benefit Pension Plan	Other(Shares of Investments Valued by Equity Method in Other Comprehensive Income Not Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Reclassified Through Other Profit or Loss)	Foreign Currency Translation Differences	Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income	Other (Cash Flow Hedge Gain/Loss, Shares of Investments Valued by Equity Method in Other Comprehensive Income Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Reclassified Through Other Profit or Loss)	Profit Reserves	Prior Period Profit or (Loss)						
Reviewed (1 January– 31 March 2018)																		
I. Prior Period End Balance	1.250.000	39.737	-	1.173.214	2.253.646	(10.744)	-	52.631	(660.392)	-	17.081.403	4.139.070	-	25.318.565	210.124	25.528.689		
II. Corrections and Accounting Policy Changes Made According to TAS 8	-	-	-	-	-	-	-	-	-	-	-	670.851	-	670.851	4	670.855		
2.1 Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2.2 Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	670.851	-	670.851	4	670.855		
III. Adjusted Beginning Balance (I-II)	1.250.000	39.737	-	1.173.214	2.253.646	(10.744)	-	52.631	(660.392)	-	17.081.403	4.809.921	-	25.989.416	210.128	26.199.544		
IV. Total Comprehensive Income	-	-	-	-	(4.486)	-	-	23.790	(363.266)	-	-	-	941.903	597.941	2.905	600.846		
V. Capital Increase by Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
VI. Capital Increase by Internal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
VII. Paid in Capital Inflation Adjustment Difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
VIII. Convertible Bonds to Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
IX. Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
X. Increase / Decrease by Other Changes	-	-	-	(112.578)	-	-	-	-	-	-	20.024	270	-	(92.284)	9	(92.275)		
XI. Profit Distribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
11.1 Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
11.2 Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Period End Balance (III+IV+.....+X+XI)	1.250.000	39.737	-	1.060.636	2.249.160	(10.744)	-	76.421	(1.023.658)	-	17.101.427	4.810.191	941.903	26.495.073	213.042	26.708.115		
Reviewed (1 January – 31 March 2019)																		
I. Prior Period End Balance	1.250.000	39.740	-	1.228.055	2.459.595	8.624	-	(1.454)	(174.506)	-	20.820.054	1.007.844	2.656.647	29.294.599	246.641	29.541.240		
II. Corrections and Accounting Policy Changes Made According to TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2.1 Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2.2 Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
III. Adjusted Beginning Balance (I-II)	1.250.000	39.740	-	1.228.055	2.459.595	8.624	-	(1.454)	(174.506)	-	20.820.054	1.007.844	2.656.647	29.294.599	246.641	29.541.240		
IV. Total Comprehensive Income	-	-	-	-	-	-	-	1.855	(177.443)	-	-	-	172.761	(2.827)	4.939	2.112		
V. Capital Increase by Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
VI. Capital Increase by Internal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
VII. Paid in Capital Inflation Adjustment Difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
VIII. Convertible Bonds to Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
IX. Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
X. Increase / Decrease by Other Changes	-	-	-	850	3.972	-	-	-	-	-	13.042	2.625.502	(2.656.647)	(13.281)	(155)	(13.436)		
XI. Profit Distribution	-	-	-	-	-	-	-	-	-	-	54.053	(54.053)	-	-	-	-		
11.1 Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
11.2 Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	54.053	(54.053)	-	-	-	-		
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Period End Balance (III+IV+.....+X+XI)	1.250.000	39.740	-	1.228.905	2.463.567	8.624	-	401	(351.949)	-	20.887.149	3.579.293	172.761	29.278.491	251.425	29.529.916		

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

TÜRKİYE HALK BANKASI AŞ
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH
2019

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

VI. CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Reviewed	Reviewed
		Current Period	Prior Period
		1 January- 31 March 2019	1 January- 31 March 2018
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities		(3.667.642)	(3.327.976)
1.1.1 Interest received		9.897.986	6.303.014
1.1.2 Interest paid		(9.170.579)	(4.726.733)
1.1.3 Dividend received		9.993	85
1.1.4 Fees and commissions received		886.264	558.624
1.1.5 Other income		735.000	405.770
1.1.6 Collections from previously written off loans		371.215	387.646
1.1.7 Cash payments to personnel and service suppliers		(787.037)	(606.242)
1.1.8 Taxes paid		(566.009)	(367.272)
1.1.9 Other		(5.044.475)	(5.282.868)
1.2 Assets and Liabilities Subject to Banking Operations		287.992	1.916.192
1.2.1 Net Increase / decrease in Financial assets at fair value through profit or loss		18.433	(108.779)
1.2.2 Net (increase) / decrease in due from banks		(10.681)	(1.631)
1.2.3 Net (increase) / decrease in loans		(21.137.594)	(14.066.516)
1.2.4 Net (increase) / decrease in other assets		(6.470.111)	(2.059.060)
1.2.5 Net increase / (decrease) in bank deposits		3.747.188	322.750
1.2.6 Net increase / (decrease) in other deposits		17.248.730	6.605.429
1.2.7 Net Increase / (decrease) in financial liabilities at fair value through profit or loss		-	-
1.2.8 Net increase / (decrease) in funds borrowed		(651.802)	(1.422.552)
1.2.9 Net increase / (decrease) in matured payables		-	-
1.2.10 Net increase / (decrease) in other liabilities		7.543.829	12.646.551
I. Net cash provided from banking operations		(3.379.650)	(1.411.784)
B. CASH FLOWS FROM INVESTMENT ACTIVITIES			
II. Net cash provided from/ (used in) investing activities		(8.223.511)	(992.323)
2.1 Cash paid for purchase of joint ventures, associates and subsidiaries		(109.320)	(88.788)
2.2 Cash obtained from sale of entities joint ventures, associates and subsidiaries		39.375	-
2.3 Fixed assets purchases		(292.695)	(570.785)
2.4 Fixed assets sales		106.637	69.309
2.5 Cash paid for purchase of financial assets at fair value through other comprehensive income		(9.732.076)	(2.005.756)
2.6 Cash obtained from sale of financial assets at fair value through other comprehensive income		5.732.398	1.333.185
2.7 Cash paid for purchase of investment securities		(5.131.911)	(595.057)
2.8 Cash obtained from sale of investment securities		1.159.445	858.117
2.9 Other		4.636	7.452
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash used in financing activities		454.005	820.484
3.1 Cash obtained from loans borrowed and securities issued		2.737.485	3.166.169
3.2 Cash used for repayment of loans borrowed and securities issued		(2.233.851)	(2.345.685)
3.3 Bonds issued		-	-
3.4 Dividends paid		-	-
3.5 Payments for finance leases		(49.629)	-
3.6 Other		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents		819.626	497.996
V. Net increase / (decrease) in cash and cash equivalents		(10.329.530)	(1.085.627)
VI. Cash and cash equivalents at beginning of the period		23.448.586	27.122.191
VII. Cash and cash equivalents at end of the period		13.119.056	26.036.564

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