

**TÜRKİYE HALK BANKASI AŞ**  
**UNCONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2019**  
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

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

	Note	Reviewed			Audited		
		Current Period			Prior Period		
		31 March 2019			31 December 2018		
ASSETS		TRY	FC	TOTAL	TRY	FC	TOTAL
<b>I. FINANCIAL ASSETS (NET)</b>		<b>24.342.767</b>	<b>36.503.155</b>	<b>60.845.922</b>	<b>21.189.525</b>	<b>38.439.541</b>	<b>59.629.066</b>
<b>1.1 Cash and Cash Equivalents</b>	(1)	<b>3.537.500</b>	<b>33.032.794</b>	<b>36.570.294</b>	<b>4.149.691</b>	<b>35.934.002</b>	<b>40.083.693</b>
1.1.1 Cash and Balances with Central Bank	(3)	3.430.287	30.593.805	34.024.092	3.982.876	30.974.174	34.957.050
1.1.2 Banks		126.469	2.438.989	2.565.458	180.915	4.959.828	5.140.743
1.1.3 Money Markets		-	-	-	-	-	-
1.1.4 Expected Loss Provision (-)	(2)	19.256	-	19.256	14.100	-	14.100
<b>1.2 Financial Assets at Fair Value Through Profit or Loss</b>		<b>14.473.897</b>	<b>21.176</b>	<b>14.495.073</b>	<b>14.475.244</b>	<b>21.455</b>	<b>14.496.699</b>
1.2.1 Government Debt Securities		14.407.803	21.176	14.428.979	14.409.039	21.455	14.430.494
1.2.2 Equity Instruments		-	-	-	-	-	-
1.2.3 Other Financial Assets		66.094	-	66.094	66.205	-	66.205
<b>1.3 Financial Assets at Fair Value Through Other Comprehensive Income</b>	(4)	<b>6.331.342</b>	<b>2.130.569</b>	<b>8.461.911</b>	<b>2.564.581</b>	<b>1.422.613</b>	<b>3.987.194</b>
1.3.1 Government Debt Securities		6.153.081	2.028.754	8.181.835	2.389.866	1.339.997	3.729.863
1.3.2 Equity Instruments		64.012	101.815	165.827	58.724	82.616	141.340
1.3.3 Other Financial Assets		114.249	-	114.249	115.991	-	115.991
<b>1.4 Derivative Financial Assets</b>	(2)(11)	<b>28</b>	<b>1.318.616</b>	<b>1.318.644</b>	<b>9</b>	<b>1.061.471</b>	<b>1.061.480</b>
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss		28	1.318.616	1.318.644	9	1.061.471	1.061.480
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
<b>II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)</b>		<b>232.568.375</b>	<b>101.241.313</b>	<b>333.809.688</b>	<b>210.751.960</b>	<b>95.936.717</b>	<b>306.688.677</b>
<b>2.1 Loans</b>	(5)	<b>192.769.388</b>	<b>89.212.738</b>	<b>281.982.126</b>	<b>174.099.895</b>	<b>84.974.331</b>	<b>259.074.226</b>
<b>2.2 Lease Receivables</b>	(10)	-	-	-	-	-	-
<b>2.3 Factoring Receivables</b>		-	-	-	-	-	-
<b>2.4 Other Financial Assets Measured at Amortised Cost</b>	(6)	<b>48.909.477</b>	<b>12.028.575</b>	<b>60.938.052</b>	<b>45.110.667</b>	<b>10.962.386</b>	<b>56.073.053</b>
2.4.1 Government Debt Securities		48.858.992	12.028.575	60.887.567	45.060.153	10.962.386	56.022.539
2.4.2 Other Financial Assets		50.485	-	50.485	50.514	-	50.514
<b>2.5 Expected Credit Loss (-)</b>		<b>9.110.490</b>	-	<b>9.110.490</b>	<b>8.458.602</b>	-	<b>8.458.602</b>
<b>III. PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (NET)</b>	(13)	<b>2</b>	-	<b>2</b>	<b>39.377</b>	-	<b>39.377</b>
3.1 Held for Sale Purpose		2	-	2	39.377	-	39.377
3.2 Related to Discontinued Operations		-	-	-	-	-	-
<b>IV. EQUITY INVESTMENTS</b>		<b>3.392.300</b>	<b>1.550.506</b>	<b>4.942.806</b>	<b>3.367.602</b>	<b>1.403.197</b>	<b>4.770.799</b>
<b>4.1 Investments in Associates (Net)</b>	(7)	<b>22.490</b>	<b>431.471</b>	<b>453.961</b>	<b>22.490</b>	<b>415.828</b>	<b>438.318</b>
4.1.1 Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		22.490	431.471	453.961	22.490	415.828	438.318
<b>4.2 Subsidiaries (Net)</b>	(8)	<b>3.369.810</b>	<b>1.119.035</b>	<b>4.488.845</b>	<b>3.345.112</b>	<b>987.369</b>	<b>4.332.481</b>
4.2.1 Unconsolidated Financial Subsidiaries		3.312.664	1.119.035	4.431.699	3.287.966	987.369	4.275.335
4.2.2 Unconsolidated Non- Financial Subsidiaries		57.146	-	57.146	57.146	-	57.146
<b>4.3 Joint Ventures (Net)</b>	(9)	-	-	-	-	-	-
4.3.1 Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2 Unconsolidated Joint Ventures		-	-	-	-	-	-
<b>V. PROPERTY AND EQUIPMENT (Net)</b>		<b>3.810.635</b>	<b>106</b>	<b>3.810.741</b>	<b>3.147.814</b>	<b>100</b>	<b>3.147.914</b>
<b>VI. INTANGIBLE ASSETS (Net)</b>		<b>133.371</b>	-	<b>133.371</b>	<b>140.250</b>	-	<b>140.250</b>
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		133.371	-	133.371	140.250	-	140.250
<b>VII. INVESTMENT PROPERTIES (Net)</b>	(12)	<b>356.040</b>	-	<b>356.040</b>	<b>356.848</b>	-	<b>356.848</b>
<b>VIII. CURRENT TAX ASSET</b>		<b>3.490</b>	-	<b>3.490</b>	<b>6.042</b>	-	<b>6.042</b>
<b>IX. DEFERRED TAX ASSET</b>		-	-	-	-	-	-
<b>X. OTHER ASSETS</b>	(14)	<b>2.225.221</b>	<b>906.916</b>	<b>3.132.137</b>	<b>2.742.059</b>	<b>901.023</b>	<b>3.643.082</b>
<b>TOTAL ASSETS</b>		<b>266.832.201</b>	<b>140.201.996</b>	<b>407.034.197</b>	<b>241.741.477</b>	<b>136.680.578</b>	<b>378.422.055</b>

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

**TÜRKİYE HALK BANKASI AŞ**  
**UNCONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2019**  
*(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)*

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

	Note	Reviewed			Audited		
		Current Period			Prior Period		
		31 March 2019			31 December 2018		
LIABILITIES		TRY	FC	TOTAL	TRY	FC	TOTAL
<b>I. DEPOSITS</b>	(1)	134.360.448	135.294.857	269.655.305	140.018.439	108.836.815	248.855.254
<b>II. FUNDS BORROWED</b>	(3)	389.260	10.945.795	11.335.055	372.398	11.543.629	11.916.027
<b>III. MONEY MARKETS</b>		43.156.636	3.329.004	46.485.640	32.759.788	5.402.273	38.162.061
<b>IV. SECURITIES ISSUED (Net)</b>	(4)	3.295.640	12.636.331	15.931.971	3.023.139	12.024.839	15.047.978
4.1 Bills		2.180.060	-	2.180.060	2.011.697	-	2.011.697
4.2 Assets Backed Securities		1.010.821	-	1.010.821	1.011.442	-	1.011.442
4.3 Bonds		104.759	12.636.331	12.741.090	-	12.024.839	12.024.839
<b>V. FUNDS</b>		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
<b>VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		-	-	-	-	-	-
<b>VII. DERIVATIVE FINANCIAL ASSETS</b>	(2) (7)	39	321.124	321.163	16	410.422	410.438
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss		39	321.124	321.163	16	410.422	410.438
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
<b>VIII. FACTORING LIABILITIES</b>		-	-	-	-	-	-
<b>IX. LEASE LIABILITIES</b>	(6)	497.943	110.246	608.189	-	-	-
<b>X. PROVISIONS</b>	(8)	2.011.744	-	2.011.744	1.853.914	-	1.853.914
10.1 Restructuring Provisions		-	-	-	-	-	-
10.2 Reserve for Employee Benefits		1.022.792	-	1.022.792	887.228	-	887.228
10.3 Insurance for Technical Provision (Net)		-	-	-	-	-	-
10.4 Other Provisions		988.952	-	988.952	966.686	-	966.686
<b>XI. CURRENT TAX LIABILITY</b>	(9)	1.036.763	128	1.036.891	669.903	106	670.009
<b>XII. DEFERRED TAX LIABILITIES</b>	(9)	197.800	-	197.800	452.769	-	452.769
<b>XIII. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)</b>		-	-	-	-	-	-
13.1 Held for Sale Purpose		-	-	-	-	-	-
13.2 Related to Discontinued Operations		-	-	-	-	-	-
<b>XIV. SUBORDINATED DEBT INSTRUMENTS</b>	(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
<b>XV. OTHER LIABILITIES</b>	(5)	20.483.087	932.870	21.415.957	22.085.654	891.011	22.976.665
<b>XVI. SHAREHOLDERS' EQUITY</b>	(11)	29.052.977	114.819	29.167.796	28.896.436	124.299	29.020.735
16.1 Paid-in Capital		1.250.000	-	1.250.000	1.250.000	-	1.250.000
16.2 Capital Reserves		1.231.581	-	1.231.581	1.230.674	-	1.230.674
16.2.1 Share Premium		-	-	-	-	-	-
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Other Capital Reserves		1.231.581	-	1.231.581	1.230.674	-	1.230.674
16.3 Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		1.334.345	-	1.334.345	1.334.345	-	1.334.345
16.4 Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		1.230.239	114.819	1.345.058	1.379.793	124.299	1.504.092
16.5 Profit Reserves		20.475.295	-	20.475.295	20.475.295	-	20.475.295
16.5.1 Legal Reserves		1.864.266	-	1.864.266	1.864.266	-	1.864.266
16.5.2 Status Reserves		-	-	-	-	-	-
16.5.3 Extraordinary Reserves		18.563.848	-	18.563.848	18.563.848	-	18.563.848
16.5.4 Other Profit Reserves		47.181	-	47.181	47.181	-	47.181
16.6 Income or (Loss)		3.531.517	-	3.531.517	3.226.329	-	3.226.329
16.6.1 Prior Periods' Income or (Loss)		3.226.329	-	3.226.329	704.534	-	704.534
16.6.2 Current Period Income or (Loss)		305.188	-	305.188	2.521.795	-	2.521.795
16.7 Minority Shares		-	-	-	-	-	-
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>243.349.023</b>	<b>163.685.174</b>	<b>407.034.197</b>	<b>239.188.661</b>	<b>139.233.394</b>	<b>378.422.055</b>

Accompanying notes are an integral part of these unconsolidated financial statements.



**TÜRKİYE HALK BANKASI AŞ**  
**UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED**  
**31 MARCH 2019**

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

**III. STATEMENT OF PROFIT OR LOSS**

			Reviewed Current Period	Reviewed Prior Period
			1 January- 31 March 2019	1 January- 31 March 2018
	INCOME AND EXPENSES	Note		
<b>I.</b>	<b>INTEREST INCOME</b>	<b>(1)</b>	<b>10.743.038</b>	<b>6.926.203</b>
1.1	Interest on Loans		8.440.465	5.729.854
1.2	Interest on Reserve Requirements		25.738	36.262
1.3	Interest on Banks		136.805	84.640
1.4	Interest on Money Market Transactions		-	11.363
1.5	Interest on Marketable Securities Portfolio		2.127.198	1.056.205
1.5.1	Fair Value Through Profit or Loss		4.099	1.988
1.5.2	Fair Value Through Other Comprehensive Income		269.181	424.277
1.5.3	Measured at Amortized Cost		1.853.918	629.940
1.6	Financial Lease Interest Income		-	-
1.7	Other Interest Income		12.832	7.879
<b>II.</b>	<b>INTEREST EXPENSE (-)</b>	<b>(2)</b>	<b>9.015.014</b>	<b>4.956.826</b>
2.1	Interest on Deposits		6.267.592	3.790.080
2.2	Interest on Funds Borrowed		75.583	101.674
2.3	Interest Expense on Money Market Transactions		2.069.058	767.964
2.4	Interest on Securities Issued		508.290	234.389
2.5	Interest on Leases		23.652	-
2.6	Other Interest Expenses		70.839	62.719
<b>III.</b>	<b>NET INTEREST INCOME (I - II)</b>		<b>1.728.024</b>	<b>1.969.377</b>
<b>IV.</b>	<b>NET FEES AND COMMISSIONS INCOME</b>		<b>616.235</b>	<b>406.372</b>
4.1	Fees and Commissions Received		861.773	536.313
4.1.1	Non – cash Loans		217.120	117.341
4.1.2	Other	(11)	644.653	418.972
4.2	Fees and Commissions Paid (-)		245.538	129.941
4.2.1	Non – cash Loans		47	12
4.2.2	Other	(11)	245.491	129.929
<b>V.</b>	<b>DIVIDEND INCOME</b>		<b>377.114</b>	<b>85</b>
<b>VI.</b>	<b>TRADING INCOME / LOSS (Net)</b>	<b>(3)</b>	<b>(431.225)</b>	<b>30.052</b>
6.1	Trading Gains / (Losses) on Securities		17.733	9.981
6.2	Gains / (Losses) on Derivate Financial Transactions		456.024	69.372
6.3	Foreign Exchange Gains / (Losses)		(904.982)	(49.301)
<b>VII.</b>	<b>OTHER OPERATING INCOME</b>	<b>(4)</b>	<b>431.612</b>	<b>247.712</b>
<b>VIII.</b>	<b>GROSS OPERATING INCOME (III+IV+V+VI+VII)</b>		<b>2.721.760</b>	<b>2.653.598</b>
<b>IX.</b>	<b>EXPECTED LOSS PROVISIONS (-)</b>	<b>(5)</b>	<b>1.047.074</b>	<b>392.371</b>
<b>X.</b>	<b>OTHER PROVISION EXPENSES (-)</b>	<b>(5)</b>	<b>32.309</b>	<b>70.999</b>
<b>XI.</b>	<b>PERSONNEL EXPENSE (-)</b>		<b>712.745</b>	<b>550.402</b>
<b>XII.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	<b>(6)</b>	<b>814.068</b>	<b>647.990</b>
<b>XIII.</b>	<b>NET OPERATING INCOME /LOSS (VIII-IX-X-XI-XII)</b>		<b>115.564</b>	<b>991.836</b>
<b>XIV.</b>	<b>INCOME AFTER MERGER</b>		-	-
<b>XV.</b>	<b>INCOME / (LOSS ) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD</b>		-	-
<b>XVI.</b>	<b>INCOME / (LOSS) ON NET MONETARY POSITION</b>		-	-
<b>XVII.</b>	<b>PROFIT / LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII+...+XVI)</b>		<b>115.564</b>	<b>991.836</b>
<b>XVIII.</b>	<b>TAX PROVISIONS FOR CONTINUED OPERATIONS (±)</b>	<b>(7)</b>	<b>189.624</b>	<b>(201.644)</b>
18.1	Current Tax Provision	<b>(8)</b>	2.613	(60.123)
18.2	Deferred Tax Income Effect (+)		686.287	195.893
18.3	Deferred Tax Expense Effect (-)		878.524	54.372
<b>XIX.</b>	<b>CURRENT PERIOD PROFIT / LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)</b>		<b>305.188</b>	<b>790.192</b>
<b>XX.</b>	<b>INCOME FROM DISCONTINUED OPERATIONS</b>	<b>(9)</b>	-	-
20.1	Income from non- Current Assets Held for Sale	<b>(1)</b>	-	-
20.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures		-	-
20.3	Income from Other Discontinued Operations		-	-
<b>XXI.</b>	<b>EXPENSES FOR DISCONTINUED OPERATIONS (-)</b>		-	-
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		-	-
<b>XXII.</b>	<b>PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XX-XXI)</b>		-	-
<b>XXIII.</b>	<b>TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>		-	-
23.1	Current Tax Provision		-	-
23.2	Deferred Tax Expense Effect (+)		-	-
23.3	Deferred Tax Income Effect (-)		-	-
<b>XXIV.</b>	<b>PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XIX±XXII)</b>		-	-
<b>XXV.</b>	<b>NET PROFIT/(LOSS) (XVIII+XXIV)</b>		<b>305.188</b>	<b>790.192</b>
25.1	Profit / (Loss) of Group	<b>(10)</b>	305.188	790.192
25.2	Profit / (Loss) of Minority Shares (-)		-	-
	Profit / (Loss) Per Share (full TRY)		0,2441504	0,6321536

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

**TÜRKİYE HALK BANKASI AŞ****UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2019***(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)***IV. 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
<b>STATEMENT OF PROFIT OR LOSS ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY</b>		
<b>I. CURRENT PERIOD INCOME/LOSS</b>	<b>305.188</b>	<b>790.192</b>
<b>II. OTHER COMPREHENSIVE INCOME</b>	<b>(159.034)</b>	<b>(361.275)</b>
<b>2.1 Not Reclassified Through Profit or Loss</b>	<b>-</b>	<b>(4.486)</b>
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
<b>2.2 Reclassified Through Profit or Loss</b>	<b>(159.034)</b>	<b>(356.789)</b>
2.2.1 Foreign Currency Translation Differences	1.855	112.343
2.2.2 Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	(223.621)	(499.827)
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 Loss	-	-
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	62.732	30.695
<b>III. TOTAL COMPREHENSIVE INCOME (I+II)</b>	<b>146.154</b>	<b>428.917</b>

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

**TÜRKİYE HALK BANKASI AŞ**  
**UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 31 MARCH 2019**  
(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

**V. 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 Premium s	Share Cancellat ion Profits	Other Capital Reserves	Accumulated Revaluation Increase/Decr ease of Fixed Assets	Accumulated Remeasurment 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 Remeasurment 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)						
<b>Reviewed (1 January– 31 March 2018)</b>																		
<b>I. Prior Period End Balance</b>	1.250.000	-	-	1.176.589	1.273.315	(10.263)	-	52.631	972.898	-	16.936.107	3.725.462	-	25.376.739	-	-	25.376.739	
<b>II. Corrections and Accounting Policy Changes Made According to TAS 8</b>	-	-	-	-	-	-	-	-	-	-	-	704.534	-	704.534	-	-	704.534	
2.1 Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2 Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	704.534	-	704.534	-	-	704.534	
<b>III. Adjusted Beginning Balance (I+II)</b>	1.250.000	-	-	1.176.589	1.273.315	(10.263)	-	52.631	972.898	-	16.936.107	4.429.996	-	26.081.273	-	-	26.081.273	
<b>IV. Total Comprehensive Income</b>	-	-	-	-	(4.486)	-	-	112.343	(469.132)	-	-	-	-	790.192	428.917	-	428.917	
<b>V. Capital Increase by Cash</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>VI. Capital Increase by Internal Sources</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>VII. Paid in Capital Inflation Adjustment Difference</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>VIII. Convertible Bonds to Share</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>IX. Subordinated Debt Instruments</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>X. Increase / Decrease by Other Changes</b>	-	-	-	(112.343)	-	-	-	-	-	-	-	-	-	-	(112.343)	-	(112.343)	
<b>XI. Profit Distribution</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.1 Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.2 Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Period End Balance (III+IV+.....+X+XI) (1 January – 31 March 2019)</b>	1.250.000	-	-	1.064.246	1.268.829	(10.263)	-	164.974	503.766	-	16.936.107	4.429.996	790.192	26.397.847	-	-	26.397.847	
<b>I. Prior Period End Balance</b>	1.250.000	-	-	1.230.674	1.324.802	9.543	-	(1.454)	1.505.546	-	20.475.295	704.534	2.521.795	29.020.735	-	-	29.020.735	
<b>II. Corrections and Accounting Policy Changes Made According to TAS 8</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.1 Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2 Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>III. Adjusted Beginning Balance (I+II)</b>	1.250.000	-	-	1.230.674	1.324.802	9.543	-	(1.454)	1.505.546	-	20.475.295	704.534	2.521.795	29.020.735	-	-	29.020.735	
<b>IV. Total Comprehensive Income</b>	-	-	-	-	-	-	-	1.855	(160.889)	-	-	-	305.188	146.154	-	-	146.154	
<b>V. Capital Increase by Cash</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>VI. Capital Increase by Internal Sources</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>VII. Paid in Capital Inflation Adjustment Difference</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>VIII. Convertible Bonds to Share</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>IX. Subordinated Debt Instruments</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>X. Increase / Decrease by Other Changes</b>	-	-	-	907	-	-	-	-	-	-	-	2.521.795	(2.521.795)	907	-	-	907	
<b>XI. Profit Distribution</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.1 Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.2 Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Period End Balance (III+IV+.....+X+XI)</b>	1.250.000	-	-	1.231.581	1.324.802	9.543	-	401	1.344.657	-	20.475.295	3.226.329	305.188	29.167.796	-	-	29.167.796	

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 THREE-MONTH PERIOD ENDED 31 MARCH 2019**

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

**VI. STATEMENT OF CASH FLOWS**

	Reviewed	Reviewed
	Current Period	Prior Period
Note	1 January- 31 March 2019	1 January- 31 March 2018
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>		
<b>1.1 Operating profit before changes in operating assets and liabilities</b>	<b>(2.883.748)</b>	<b>(2.529.609)</b>
1.1.1 Interest received	9.696.038	6.114.396
1.1.2 Interest paid	(9.190.995)	(4.716.922)
1.1.3 Dividend received	377.114	85
1.1.4 Fees and commissions received	863.212	534.498
1.1.5 Other income	370.124	70.198
1.1.6 Collections from previously written off loans	342.844	371.928
1.1.7 Cash payments to personnel and service suppliers	(724.810)	(557.268)
1.1.8 Taxes paid	(443.887)	(366.819)
1.1.9 Other	(4.173.388)	(3.979.705)
<b>1.2 Assets and Liabilities Subject to Banking Operations</b>	<b>(293.163)</b>	<b>2.028.483</b>
1.2.1 Net Increase / decrease in financial assets at fair value through profit or loss	660	(31.194)
1.2.2 Net (increase) / decrease in due from banks	(3.223)	(1.650)
1.2.3 Net (increase) / decrease in loans	(21.666.979)	(13.521.614)
1.2.4 Net (increase) / decrease in other assets	(6.199.486)	(1.910.345)
1.2.5 Net increase / (decrease) in bank deposits	3.627.825	325.050
1.2.6 Net increase / (decrease) in other deposits	17.179.642	6.423.884
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	(565.283)	(1.623.283)
1.2.9 Net increase / (decrease) in matured payables	-	-
1.2.10 Net increase / (decrease) in other liabilities	7.333.681	12.367.635
<b>I. Net cash provided from banking operations</b>	<b>(3.176.911)</b>	<b>(501.126)</b>
<b>B. CASH FLOWS FROM INVESTMENT ACTIVITIES</b>		
<b>II. Net cash provided from/ (used in) investing activities</b>	<b>(8.840.377)</b>	<b>(2.099.040)</b>
2.1 Cash paid for purchase of joint ventures, associates and subsidiaries	(89.974)	(88.788)
2.2 Cash obtained from sale of entities joint ventures, associates and subsidiaries	39.375	-
2.3 Fixed assets purchases	(166.991)	(520.651)
2.4 Fixed assets sales	94.278	68.988
2.5 Cash paid for purchase of financial assets at fair value through other comprehensive income	(10.500.854)	(2.999.079)
2.6 Cash obtained from sale of financial assets at fair value through other comprehensive income	5.765.227	1.196.421
2.7 Cash paid for purchase of investment securities	(4.529.304)	(119.999)
2.8 Cash obtained from sale of investment securities	541.494	354.254
2.9 Other	6.372	9.814
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III. Net cash used in financing activities</b>	<b>209.403</b>	<b>1.041.107</b>
3.1 Cash obtained from loans borrowed and securities issued	2.336.000	3.385.000
3.2 Cash used for repayment of loans borrowed and securities issued	(2.065.879)	(2.343.893)
3.3 Bonds issued	-	-
3.4 Dividends paid	-	-
3.5 Payments for leases	(60.718)	-
3.6 Other	-	-
<b>IV. Effect of change in foreign exchange rate on cash and cash equivalents</b>	<b>716.288</b>	<b>551.942</b>
<b>V. Net increase / (decrease) in cash and cash equivalents</b>	<b>(11.091.597)</b>	<b>(1.007.117)</b>
<b>VI. Cash and cash equivalents at beginning of the period</b>	<b>23.631.619</b>	<b>27.121.864</b>
<b>VII. Cash and cash equivalents at end of the period</b>	<b>12.540.022</b>	<b>26.114.747</b>

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