

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE IN NOTE I. OF SECTION THREE

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONIM ORTAKLIĞI CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS AT JUNE 30, 2021

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ASSETS	Notes	Current Period			Prior Period		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		53,963,399	143,156,705	197,120,104	53,386,866	143,243,468	196,630,334
1.1 Cash and cash equivalents	V-I-1	9,759,471	71,121,964	80,881,435	14,925,286	81,577,857	96,503,143
1.1.1 Cash and balances at Central Bank	V-I-1	8,577,930	57,600,788	66,178,718	14,662,490	78,544,752	93,207,242
1.1.2 Banks	V-I-3	1,178,467	13,521,202	14,699,669	58,997	3,033,183	3,092,180
1.1.3 Receivables from Money Markets		11,032	-	11,032	206,589	-	206,589
1.1.4 Allowance for expected credit losses (-)	V-I-16	7,958	26	7,984	2,790	78	2,868
1.2 Financial assets at fair value through profit or loss	V-I-2	316,601	11,037,678	11,354,279	297,243	7,161,038	7,458,281
1.2.1 Public debt securities		110,830	10,837,387	10,948,217	110,576	7,000,000	7,110,576
1.2.2 Equity instruments		170,588	200,291	370,879	170,609	161,038	331,647
1.2.3 Other financial assets		35,183	-	35,183	16,058	-	16,058
1.3 Financial assets at fair value through other comprehensive income	V-I-4	38,036,710	59,503,607	97,540,317	31,026,129	52,901,796	83,927,925
1.3.1 Public debt securities		37,449,417	57,592,860	95,042,277	30,422,704	51,083,898	81,506,602
1.3.2 Equity instruments		14,731	4,694	19,425	14,131	4,028	18,159
1.3.3 Other financial assets		572,562	1,906,053	2,478,615	589,294	1,813,870	2,403,164
1.4 Derivative financial assets	V-I-2	5,850,617	1,493,456	7,344,073	7,138,208	1,602,777	8,740,985
1.4.1 Derivative financial assets at fair value through profit or loss		5,850,617	1,493,456	7,344,073	7,138,208	1,602,777	8,740,985
1.4.2 Derivative financial assets at fair value through other comprehensive income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		358,255,800	167,166,019	525,421,819	343,944,228	142,525,708	486,469,936
2.1 Loans	V-I-5	330,274,989	148,931,640	479,206,629	315,239,878	125,612,148	440,852,026
2.2 Receivables from leasing transactions	V-I-10	952,459	2,633,802	3,586,261	903,110	2,367,900	3,271,010
2.3 Factoring receivables		3,934,707	192,371	4,127,078	5,481,094	270,646	5,751,740
2.4 Other financial assets measured at amortised cost	V-I-6	44,998,301	15,665,447	60,663,748	44,218,605	14,528,647	58,747,252
2.4.1 Public debt securities		44,939,350	15,448,453	60,387,803	44,159,655	14,342,399	58,502,054
2.4.2 Other financial assets		58,951	216,994	275,945	58,950	186,248	245,198
2.5 Allowance for expected credit losses (-)		21,904,656	257,241	22,161,897	21,898,459	253,633	22,152,092
III. NON-CURRENTS ASSETS OR DISPOSAL GROUPS "HELD FOR SALE" AND "FROM DISCONTINUED OPERATIONS (Net)	V-I-14	1,165,543	-	1,165,543	1,256,254	-	1,256,254
3.1 Held for sale purpose		1,165,543	-	1,165,543	1,256,254	-	1,256,254
3.2 Related to discontinued operations		-	-	-	-	-	-
IV. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES		1,905,928	3	1,905,931	1,883,825	3	1,883,828
4.1 Investments in associates (Net)	V-I-7	1,520,729	3	1,520,732	1,495,974	3	1,495,977
4.1.1 Associates accounted by using equity method		559,513	-	559,513	530,191	-	530,191
4.1.2 Unconsolidated associates		961,216	3	961,219	965,783	3	965,786
4.2 Investments in subsidiaries (Net)	V-I-8	385,199	-	385,199	387,851	-	387,851
4.2.1 Non-consolidated financial subsidiaries		-	-	-	-	-	-
4.2.2 Non-consolidated non-financial subsidiaries		385,199	-	385,199	387,851	-	387,851
4.3 Jointly Controlled Partnerships (Joint Ventures) (Net)	V-I-9	-	-	-	-	-	-
4.3.1 Jointly controlled partnerships accounted by using equity method		-	-	-	-	-	-
4.3.2 Non-consolidated jointly controlled partnerships		-	-	-	-	-	-
V. TANGIBLE ASSETS (Net)		5,069,687	16,310	5,085,997	4,882,144	14,266	4,896,410
VI. INTANGIBLE ASSETS AND GOODWILL (Net)		294,885	356	295,241	273,776	348	274,124
6.1 Goodwill		14,631	-	14,631	14,631	-	14,631
6.2 Other		280,254	356	280,610	259,145	348	259,493
VII. INVESTMENT PROPERTIES (Net)	V-I-12	659,593	-	659,593	502,143	-	502,143
VIII. CURRENT TAX ASSETS		-	-	-	-	-	-
IX. DEFERRED TAX ASSETS	V-I-13	1,180,745	-	1,180,745	1,234,832	-	1,234,832
X. OTHER ASSETS	V-I-15	7,256,403	2,303,640	9,560,043	8,005,234	10,937,422	18,942,656
TOTAL ASSETS		429,751,983	312,643,033	742,395,016	415,369,302	296,721,215	712,090,517

The accompanying explanations and notes form an integral part of these consolidated financial statements.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE IN NOTE I. OF SECTION THREE

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONIM ORTAKLIĞI CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS AT JUNE 30, 2021

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Notes	Current Period			Prior Period		
		TL	FC	Total	TL	FC	Total
LIABILITIES							
I. DEPOSITS	V-II-1	219,672,219	215,708,088	435,380,307	214,241,507	203,280,375	417,521,882
II. BORROWINGS	V-II-3	2,151,738	62,428,969	64,580,707	2,450,296	49,238,699	51,688,995
III. MONEY MARKET FUNDS		75,151,683	23,021,850	98,173,533	79,758,688	21,553,517	101,312,205
IV. MARKETABLE SECURITIES ISSUED (Net)	V-II-3	11,782,224	33,275,410	45,057,634	11,262,156	34,892,367	46,154,523
4.1 Bills		6,389,810	358,625	6,748,435	5,960,553	2,188,163	8,148,716
4.2 Asset backed securities		-	-	-	-	-	-
4.3. Bonds		5,392,414	32,916,785	38,309,199	5,301,603	32,704,204	38,005,807
V. FUNDS		3,005	-	3,005	3,053	-	3,053
5.1 Borrower funds		-	-	-	-	-	-
5.2 Other		3,005	-	3,005	3,053	-	3,053
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL LIABILITIES	V-II-2	275,674	2,213,045	2,488,719	4,061,171	2,022,130	6,083,301
7.1 Derivative financial liabilities at fair value through profit or loss		275,674	2,213,045	2,488,719	4,061,171	2,022,130	6,083,301
7.2 Derivative financial liabilities at fair value through other comprehensive income		-	-	-	-	-	-
VIII. FACTORING PAYABLES		231	-	231	672	-	672
IX. LEASE PAYABLES (Net)	V-II-5	890,689	-	890,689	978,735	-	978,735
X. PROVISIONS	V-II-7	3,212,386	63,805	3,276,191	2,980,102	70,295	3,050,397
10.1 Provision for restructuring		-	-	-	-	-	-
10.2 Reserves for employee benefits		1,459,533	7,527	1,467,060	1,555,683	5,534	1,561,217
10.3 Insurance technical reserves (Net)		-	-	-	-	-	-
10.4 Other provisions		1,752,853	56,278	1,809,131	1,424,419	64,761	1,489,180
XI. CURRENT TAX LIABILITIES	V-II-8	707,050	2,482	709,532	950,476	4,329	954,805
XII. DEFERRED TAX LIABILITIES	V-II-8	-	63,407	63,407	103	57,525	57,628
XIII. LIABILITIES RELATED TO NON-CURRENT ASSETS "HELD FOR SALE" AND "DISCONTINUED OPERATIONS" (Net)	V-II-9	-	-	-	-	-	-
13.1 Held for sale		-	-	-	-	-	-
13.2 Related to discontinued operations		-	-	-	-	-	-
XIV. SUBORDINATED DEBT	V-II-10	6,400,216	14,758,929	21,159,145	6,401,461	13,057,337	19,458,798
14.1 Loans		-	-	-	-	-	-
14.2 Other debt instruments		6,400,216	14,758,929	21,159,145	6,401,461	13,057,337	19,458,798
XV. OTHER LIABILITIES	V-II-4	15,766,443	5,941,351	21,707,794	13,798,644	3,874,792	17,673,436
XVI. SHAREHOLDERS' EQUITY	V-II-11	46,973,528	1,930,594	48,904,122	45,408,347	1,743,740	47,152,087
16.1 Paid-in capital	V-II-11	3,905,622	-	3,905,622	3,905,622	-	3,905,622
16.2 Capital reserves		6,337,205	-	6,337,205	6,265,527	-	6,265,527
16.2.1 Equity share premiums		6,303,346	-	6,303,346	6,303,347	-	6,303,347
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Other capital reserves		33,859	-	33,859	(37,820)	-	(37,820)
16.3 Other accumulated comprehensive income that will not be reclassified in profit or loss		1,589,584	-	1,589,584	1,603,596	-	1,603,596
16.4 Other accumulated comprehensive income that will be reclassified in profit or loss		(120,409)	1,432,680	1,312,271	169,087	1,210,809	1,379,896
16.5 Profit reserves		32,613,263	304,842	32,918,105	26,431,074	273,876	26,704,950
16.5.1 Legal reserves		3,444,538	17,882	3,462,420	2,811,181	17,882	2,829,063
16.5.2 Statutory reserves		6,337	-	6,337	6,337	-	6,337
16.5.3 Extraordinary reserves		26,541,337	283,345	26,824,682	21,810,638	252,379	22,063,017
16.5.4 Other profit reserves		2,621,051	3,615	2,624,666	1,802,918	3,615	1,806,533
16.6 Profit or loss		1,618,207	188,402	1,806,609	6,291,176	254,385	6,545,561
16.6.1 Prior years' profits or losses		49,508	62,388	111,896	196,734	11,374	208,108
16.6.2 Current period net profit or loss		1,568,699	126,014	1,694,713	6,094,442	243,011	6,337,453
16.7 Minority interests		1,030,056	4,670	1,034,726	742,265	4,670	746,935
TOTAL LIABILITIES AND EQUITY		382,987,086	359,407,930	742,395,016	382,295,411	329,795,106	712,090,517

The accompanying explanations and notes form an integral part of these consolidated financial statements.

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TÜRKİYE VAKIFLAR BANKASI TÜRK ANONIM ORTAKLIĞI CONSOLIDATED OFF-BALANCE SHEET ITEMS AS AT JUNE 30, 2021

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Notes	Current Period June 30, 2021			Prior Period December 31, 2020		
		TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		188,537,414	306,677,605	495,215,019	168,755,052	278,884,858	447,639,910
I. GUARANTEES AND WARRENTIES	V-III-2	48,487,090	77,861,051	126,348,141	43,928,944	58,547,258	102,476,202
1.1. Letters of guarantee	V-III-1	47,640,216	41,043,888	88,684,104	43,395,971	32,027,856	75,423,827
1.1.1. Guarantees subject to state tender law		2,600,266	12,359,011	14,959,277	2,594,448	10,005,488	12,599,936
1.1.2. Guarantees given for foreign trade operations		2,436,344	-	2,436,344	2,335,826	-	2,335,826
1.1.3. Other letters of guarantee		42,603,606	28,684,877	71,288,483	38,465,697	22,022,368	60,488,065
1.2. Bank acceptances		4,258	7,000,715	7,004,973	4,258	5,111,534	5,115,792
1.2.1. Import letter of acceptance		-	308,243	308,243	-	289,665	289,665
1.2.2. Other bank acceptances		4,258	6,692,472	6,696,730	4,258	4,821,869	4,826,127
1.3. Letters of credit		289,813	29,031,341	29,321,154	253,982	20,667,442	20,921,424
1.3.1. Documentary letters of credit		289,813	29,031,341	29,321,154	253,982	20,667,442	20,921,424
1.3.2. Other letters of credit		-	-	-	-	-	-
1.4. Pre-financings given as guarantee		-	6,903	6,903	-	5,925	5,925
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of the Republic of Turkey		-	-	-	-	-	-
1.5.2. Other endorsements		-	-	-	-	-	-
1.6. Purchase guarantees for securities issued		-	-	-	-	-	-
1.7. Factoring guarantees		217,440	647,939	865,379	1,000	474,188	475,188
1.8. Other guarantees		160,362	130,265	290,627	187,331	106,963	294,294
1.9. Other warrenties		175,001	-	175,001	86,402	153,350	239,752
II. COMMITMENTS		75,615,378	44,808,250	120,423,628	72,066,613	42,415,370	114,481,983
2.1. Irrevocable commitments	V-III-1	66,216,770	3,972,830	70,189,600	62,318,729	6,517,443	68,836,172
2.1.1. Asset purchase and sales commitments	V-III-1	2,208,438	3,594,885	5,803,323	5,695,753	6,147,096	11,842,849
2.1.2. Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3. Share capital commitments to associates and subsidiaries		3,150	-	3,150	3,150	-	3,150
2.1.4. Loan granting commitments		28,159,369	2,733	28,162,102	26,086,273	2,419	26,088,692
2.1.5. Securities issuance, brokerage commitments		-	-	-	-	-	-
2.1.6. Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7. Commitments for cheque payments	V-III-1	6,350,623	-	6,350,623	5,723,932	-	5,723,932
2.1.8. Tax and fund liabilities on export commitments		-	-	-	-	-	-
2.1.9. Commitments for credit card expenditure limits	V-III-1	25,830,100	-	25,830,100	21,320,698	-	21,320,698
2.1.10. Commitments for credit card and banking services promotions		616,550	-	616,550	597,623	-	597,623
2.1.11. Receivables from short sale commitments on marketable securities		-	-	-	-	-	-
2.1.12. Payables from short sale commitments on marketable securities		-	-	-	-	-	-
2.1.13. Other irrevocable commitments		3,048,540	375,212	3,423,752	2,891,300	367,928	3,259,228
2.2. Revocable commitments		9,398,608	40,835,420	50,234,028	9,747,884	35,897,927	45,645,811
2.2.1. Revocable loan granting commitments		9,398,608	40,835,420	50,234,028	9,747,884	35,897,927	45,645,811
2.2.2. Other revocable commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		64,434,946	184,008,304	248,443,250	52,759,495	177,922,230	230,681,725
3.1. Derivative financial instruments held for hedging purposes		-	-	-	-	-	-
3.1.1. Fair value hedges		-	-	-	-	-	-
3.1.2. Cash flow hedges		-	-	-	-	-	-
3.1.3. Hedging for investments made in foreign countries		-	-	-	-	-	-
3.2. Trading transactions		64,434,946	184,008,304	248,443,250	52,759,495	177,922,230	230,681,725
3.2.1. Forward foreign currency purchase and sale transactions		4,772,668	5,013,019	9,785,687	1,523,642	1,550,002	3,073,644
3.2.1.1. Forward foreign currency purchase transactions		2,394,766	2,506,611	4,901,377	864,639	681,888	1,546,527
3.2.2. Forward foreign currency sales		2,377,902	2,506,408	4,884,310	659,003	868,114	1,527,117
3.2.2.1. Currency and interest rate swaps		47,987,319	136,793,749	184,781,068	42,382,470	153,888,563	196,271,033
3.2.2.2. Currency swap purchase transactions		241,893	49,755,622	49,997,515	1,626,406	56,087,175	57,713,581
3.2.2.2.1. Currency swap sale transactions		45,015,426	4,776,197	49,791,623	37,636,064	20,995,076	58,631,140
3.2.2.2.2. Interest rate swap purchase transactions		1,365,000	41,130,965	42,495,965	1,560,000	38,403,156	39,963,156
3.2.2.2.3. Interest rate swap sale transactions		3,264,555	4,188,262	7,452,817	247,144	919,172	1,166,316
3.2.3.1. Currency purchase option		1,699,707	1,998,864	3,698,571	143,814	430,420	574,234
3.2.3.2. Currency sale option		1,564,848	2,189,398	3,754,246	103,330	488,752	592,082
3.2.3.3. Interest rate purchase options		-	-	-	-	-	-
3.2.3.4. Interest rate sale options		-	-	-	-	-	-
3.2.3.5. Security purchase options		-	-	-	-	-	-
3.2.3.6. Security sale options		-	-	-	-	-	-
3.2.4. Currency futures		-	-	-	195,835	186,250	382,085
3.2.4.1. Currency purchase futures		-	-	-	-	186,250	186,250
3.2.4.2. Currency sales futures		-	-	-	195,835	-	195,835
3.2.5. Interest rate futures		-	-	-	-	-	-
3.2.5.1. Interest rate purchases futures		-	-	-	-	-	-
3.2.5.2. Interest rate sales futures		-	-	-	-	-	-
3.2.6. Other		8,410,404	38,013,274	46,423,678	8,410,404	21,378,243	29,788,647
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		5,174,319,362	4,743,729,604	9,918,048,966	3,978,687,376	3,684,354,649	7,663,042,025
IV. ITEMS HELD IN CUSTODY		80,324,209	35,574,645	115,898,854	73,978,380	28,612,031	102,590,411
4.1. Customer fund and portfolio balances		4,878,489	-	4,878,489	4,274,226	-	4,274,226
4.2. Securities held in custody		52,081,521	9,473,223	61,554,744	47,305,937	8,853,001	56,158,938
4.3. Checks received for collection		14,901,395	2,178,369	17,079,764	11,974,344	1,763,897	13,738,241
4.4. Commercial notes received for collection		5,948,257	1,603,271	7,551,528	8,327,754	1,406,998	9,734,752
4.5. Other assets received for collection		2,152	347	2,499	2,152	298	2,450
4.6. Securities received for public offering		-	-	-	-	-	-
4.7. Other items under custody		593,986	12,713,137	13,307,123	636,516	10,335,188	10,971,704
4.8. Custodians		1,918,409	9,606,298	11,524,707	1,457,451	6,252,649	7,710,100
V. PLEDGED ITEMS		811,243,194	311,448,813	1,122,692,007	775,302,799	312,599,654	1,087,902,453
5.1. Marketable securities		215,273	112,796	328,069	321,148	200,660	521,808
5.2. Guarantee notes		1,127,207	5,302,387	6,429,594	1,153,894	4,085,645	5,239,539
5.3. Commodity		120,199,039	3,974,744	124,173,783	111,710,308	3,495,630	115,205,938
5.4. Warrant		-	-	-	-	-	-
5.5. Immovables		550,628,654	259,195,356	809,824,010	529,461,764	262,692,582	792,154,346
5.6. Other pledged items		138,603,632	42,705,007	181,308,639	132,138,333	41,983,730	174,122,063
5.7. Depositories receiving pledged items		469,389	158,523	627,912	517,352	141,407	658,759
VI. ACCEPTED GUARANTEES AND WARRANTEES		4,282,751,959	4,396,706,146	8,679,458,105	3,129,406,197	3,343,142,964	6,472,549,161
TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)		5,362,856,776	5,050,407,209	10,413,263,985	4,147,442,428	3,963,239,507	8,110,681,935

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**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE IN NOTE I. OF SECTION THREE**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONIM ORTAKLIĞI CONSOLIDATED STATEMENT OF PROFIT
OR LOSS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Notes	Current Period January 1, 2021- June 30, 2021	Current Period April 1, 2021- June 30, 2021	Prior Period January 1, 2020- June 30, 2020	Prior Period April 1, 2020- June 30, 2020
I. INTEREST INCOME	V-IV-1	31,212,567	16,541,348	21,523,890	11,069,144
1.1 Interest on loans	V-IV-1	23,680,912	12,343,620	17,244,675	8,863,470
1.2 Interest received from reserve deposits		364,232	226,096	34,251	16,995
1.3 Interest received from banks	V-IV-1	14,810	6,202	65,793	14,882
1.4 Interest received from money market transactions		3,033	710	750	271
1.5 Interest received from marketable securities portfolio	V-IV-1	6,989,679	3,884,864	4,042,983	2,115,509
1.5.1 Financial assets at fair value through profit or loss		79,832	47,605	55,012	20,669
1.5.2 Financial assets at fair value through other comprehensive income		3,426,368	1,896,612	1,702,839	953,657
1.5.3 Financial assets measured at amortised cost		3,483,479	1,940,647	2,285,132	1,141,183
1.6 Finance lease interest income		148,385	77,096	123,424	61,655
1.7 Other interest income		11,516	2,760	12,014	(3,638)
II. INTEREST EXPENSES	V-IV-2	24,996,099	13,180,751	10,900,196	5,526,588
2.1 Interest on deposits	V-IV-2	15,052,401	7,745,198	6,104,374	3,121,734
2.2 Interest on funds borrowed	V-IV-2	790,086	441,866	799,995	381,045
2.3 Interest on money market transactions		6,266,830	3,532,384	1,574,239	857,999
2.4 Interest on securities issued	V-IV-2	2,744,943	1,413,508	2,219,868	1,080,207
2.5 Leasing interest income		68,094	36,325	76,818	37,460
2.6 Other interest expenses		73,745	11,470	124,902	48,143
III. NET INTEREST INCOME/EXPENSE (I - II)		6,216,468	3,360,597	10,623,694	5,542,556
IV. NET FEES AND COMMISSIONS INCOME/EXPENSES		1,712,260	982,062	1,604,913	804,518
4.1 Fees and commissions received		2,317,976	1,308,618	2,008,991	983,265
4.1.1 Non-cash loans		449,790	231,082	362,436	182,110
4.1.2 Other		1,868,186	1,077,536	1,646,555	801,155
4.2 Fees and commissions paid (-)		605,716	326,556	404,078	178,747
4.2.1 Non-cash loans		3,981	2,215	4,317	2,771
4.2.2 Other		601,735	324,341	399,761	175,976
V. DIVIDEND INCOME		22,788	7,024	17,287	16,898
VI. TRADING PROFIT/LOSS (Net)	V-IV-3	(1,875,791)	(1,405,762)	(766,656)	(186,821)
6.1 Profit/losses from capital market transactions	V-IV-3	554,147	154,228	733,698	580,993
6.2 Profit/losses from derivative financial transactions	V-IV-3	(2,836,147)	(1,793,425)	(1,035,944)	(774,960)
6.3 Foreign exchange profit/losses	V-IV-3	406,209	233,435	(464,410)	7,146
VII. OTHER OPERATING INCOME	V-IV-4	5,270,937	1,572,571	5,295,242	1,891,339
VIII. GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII)		11,346,662	4,516,492	16,774,480	8,068,490
IX. ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)	V-IV-5	4,507,243	1,453,202	6,368,294	3,218,864
X. OTHER PROVISION EXPENSES (-)	V-IV-5	411,966	4,044	78,167	3,232
XI. PERSONNEL EXPENSES (-)		1,864,940	899,374	1,749,805	887,346
XII. OTHER OPERATING EXPENSES (-)	V-IV-6	2,516,509	1,327,184	3,342,620	973,996
XIII. NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		2,046,004	832,688	5,235,594	2,985,052
XIV. SURPLUS WRITTEN AS GAIN AFTER MERGER					
XV. PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES					
XVI. NET MONETORY POSITION GAIN/LOSS		41,159	21,502	27,957	14,571
XVII. PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XII+...+XV)	V-IV-7	2,087,163	854,190	5,263,551	2,999,623
XVIII. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	V-IV-10	(332,523)	(48,432)	(1,040,084)	(579,592)
18.1 Current tax provision	V-IV-10	(221,389)	(190,299)	(1,773,065)	(1,624,293)
18.2 Expense effect of deferred tax (+)	V-IV-10	(1,643,592)	(277,738)	(626,768)	(172,217)
18.3 Income effect of deferred tax (-)	V-IV-10	1,532,458	419,605	1,359,749	1,216,918
XIX. NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)	V-IV-9	1,754,640	805,758	4,223,467	2,420,031
XX. INCOME FROM DISCONTINUED OPERATIONS					
20.1 Income from assets held for sale		-	-	-	-
20.2 Profit from sale of associates, subsidiaries and joint ventures		-	-	-	-
20.3 Other income from discontinued operations		-	-	-	-
XXI. EXPENSES FROM DISCONTINUED OPERATIONS (-)					
21.1 Expenses on assets held for sale		-	-	-	-
21.2 Losses from sale of associates, subsidiaries and joint ventures		-	-	-	-
21.3 Other expenses from discontinued operations		-	-	-	-
XXII. PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (XX-XXI)					
XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)					
23.1 Current tax provision		-	-	-	-
23.2 Expense effect of deferred tax (+)		-	-	-	-
23.3 Income effect of deferred tax (-)		-	-	-	-
XXIV. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)					
XXV. NET PROFIT/LOSSES (XIX+XXIV)	V-IV-11	1,754,640	805,758	4,223,467	2,420,031
25.1 Group's profit/(loss)		1,694,713	772,710	4,192,264	2,425,909
25.2 Minority shares (-)		59,927	33,048	31,203	(5,878)
Profit/Loss per 100 shares (full TL)	III-XXIV	0.4493	0.2063	1.3575	0.6361

The accompanying explanations and notes form an integral part of these consolidated financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE IN NOTE I. OF SECTION THREE**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONIM ORTAKLIĞI CONSOLIDATED STATEMENT OF PROFIT
OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

		Current Period January 1, 2021- June 30, 2021	Prior Period January 1, 2020- June 30, 2020
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
I. PROFIT (LOSS)		1,754,640	4,223,467
II. OTHER COMPREHENSIVE INCOME		(81,654)	510,773
2.1. Other comprehensive income that will not be reclassified to profit or loss		(14,029)	(3,736)
2.1.1. Gains (Losses) on Revaluation of Property, Plant and Equipment		-	9,021
2.1.2. Gains (losses) on revaluation of Intangible Assets		-	-
2.1.3. Gains (losses) on remeasurements of defined benefit plans		(275)	(1,450)
2.1.4. Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss		(14,572)	(3,475)
2.1.5. Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss		818	(7,832)
2.2. Other Comprehensive Income That Will Be Reclassified to Profit or Loss		(67,625)	514,509
2.2.1. Exchange Differences on Translation		54,625	61,279
2.2.2. Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income		(275,366)	611,869
2.2.3. Income (Loss) Related with Cash Flow Hedges		-	-
2.2.4. Income (Loss) Related with Hedges of Net Investments in Foreign Operations		97,601	(31,049)
2.2.5. Other Components of Other Comprehensive Income that will be Reclassified to Other Profit or Loss		-	-
2.2.6. Taxes Relating To Components Of Other Comprehensive Income That Will Be Reclassified To Profit Or Loss		55,515	(127,590)
III. TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)		1,672,986	4,734,240

The accompanying explanations and notes form an integral part of these consolidated financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE IN NOTE I. OF SECTION THREE**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONIM ORTAKLIĞI CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR SIX-MONTH PERIOD ENDED JUNE 30, 2021**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

STATEMENT OF CHANGES IN SHAREHOLDERS					Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss			Prior Period Profit or (Loss)		Current Period Profit or (Loss)		Total SE Except minority share	Minority interest	Total Shareholders' Equity			
	Notes	Paid in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total SE Except minority share	Minority interest	Total Shareholders' Equity			
Current Period June 30, 2021																				
I.	Prior Period End Balance	3,905,622	6,303,347	-	(37,820)	888,033	(181,150)	896,713	525,776	1,038,528	(184,408)	26,704,950	6,545,561	-	46,405,152	746,935	47,152,087			
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)	3,905,622	6,303,347	-	(37,820)	888,033	(181,150)	896,713	525,776	1,038,528	(184,408)	26,704,950	6,545,561	-	46,405,152	746,935	47,152,087			
IV.	Total Comprehensive Income	-	-	-	-	-	(122)	(13,810)	54,625	(219,851)	97,601	-	-	1,694,713	1,613,156	59,830	1,672,986			
V.	Capital Increase by Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
VI.	Capital Increase by Internal Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
VII.	Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
VIII.	Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
IX.	Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
X.	Increase/Decrease by Other Changes	-	(1)	-	71,679	-	-	-	-	-	994,357	(1,208,777)	-	(142,742)	228,564	85,822				
XI.	Profit Distribution	-	-	-	-	(80)	-	-	-	-	5,218,798	(5,224,888)	-	(6,170)	(603)	(6,773)				
11.1.	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	(6,162)	(6,162)	(603)	(6,765)				
11.2.	Transfers to Reserves	-	-	-	-	(80)	-	-	-	-	5,215,447	(5,215,375)	-	(8)	-	(8)				
11.3.	Other	-	-	-	-	-	-	-	-	-	3,351	(3,351)	-	-	-	-				
Ending Balance (I+II+..X+XI)					3,905,622	6,303,346	-	33,859	887,953	(181,272)	882,903	580,401	818,677	(86,807)	32,918,105	111,896	1,694,713	47,869,396	1,034,726	48,904,122

1. Property & Equipment Revaluation Increase/Decrease
2. Defined Benefit Pension Plan Remeasurement Gain/Loss
3. Other (Accumulated Amount of the Shares Stated as Other Comprehensive Income Not Reclassified Through Profit or Loss and Components Not Reclassified as Other Profit or Loss of the Investments Valued by Equity Method)

4. Translation Differences from Foreign Currency Transactions

5. Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income

6. Other (Cash Flow Hedge Income/Loss, Accumulated Amount of the Shares Stated as Other Comprehensive Income Reclassified Through Profit or Loss and Components Reclassified as Other Profit or Loss of the Investments Valued by Equity Method).

The accompanying explanations and notes form an integral part of these consolidated financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE IN NOTE I. OF SECTION THREE**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONIM ORTAKLIĞI CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR SIX-MONTH PERIOD ENDED JUNE 30, 2020**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Notes	Paid in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss			Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total SE Except minority share	Minority interest	Total Shareholders' Equity	
						1	2	3	4	5	6						
Prior Period June 30, 2020																	
I.	Prior Period End Balance	2,500,000	723,962	-	115,979	693,898	(105,972)	697,496	407,474	879,787	(43,358)	23,631,390	3,180,500	-	32,681,156	871,134	33,552,290
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)	2,500,000	723,962	-	115,979	693,898	(105,972)	697,496	407,474	879,787	(43,358)	23,631,390	3,180,500	-	32,681,156	871,134	33,552,290
IV.	Total Comprehensive Income	-	-	-	-	(889)	(738)	(1,089)	61,279	484,279	(31,049)	-	-	4,192,264	4,704,057	30,183	4,734,240
V.	Capital Increase by Cash	1,405,622	5,579,361	-	-	-	-	-	-	-	-	-	-	-	6,984,983	-	6,984,983
VI.	Capital Increase by Internal Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease by Other Changes	-	-	-	(132,732)	-	-	-	-	-	55,385	10,768	-	(66,579)	(204,533)	(271,112)	
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	2,926,656	(2,926,656)	-	-	-	-	-
11.1.	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2.	Transfers to Reserves	-	-	-	-	-	-	-	-	-	2,926,656	(2,926,656)	-	-	-	-	-
11.3.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance		3,905,622	6,303,323	-	(16,753)	693,009	(106,710)	696,407	468,753	1,364,066	(74,407)	26,613,431	264,612	4,192,264	44,303,617	696,784	45,000,401

1. Property & Equipment Revaluation Increase/Decrease
2. Defined Benefit Pension Plan Remeasurement Gain/Loss
3. Other (Accumulated Amount of the Shares Stated as Other Comprehensive Income Not Reclassified Through Profit or Loss and Components Not Reclassified as Other Profit or Loss of the Investments Valued by Equity Method)
4. Translation Differences from Foreign Currency Transactions
5. Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income
6. Other (Cash Flow Hedge Income/Loss, Accumulated Amount of the Shares Stated as Other Comprehensive Income Reclassified Through Profit or Loss and Components Reclassified as Other Profit or Loss of the Investments Valued by Equity Method).

The accompanying explanations and notes form an integral part of these consolidated financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE IN NOTE I. OF SECTION THREE**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONIM ORTAKLIĞI CONSOLIDATED STATEMENT OF
CASH FLOW FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

	Notes	Current Period June 30, 2021	Prior Period June 30, 2020
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities (+)		4,056,268	5,470,111
1.1.1 Interest received (+)		30,904,852	17,163,089
1.1.2 Interest paid (-)		(23,923,086)	(11,081,200)
1.1.3 Dividends received (+)		22,788	17,287
1.1.4 Fees and commissions received (+)		2,368,733	2,527,842
1.1.5 Other income (+)		267,784	341,928
1.1.6 Collections from previously written off loans and other receivables (+)		2,011,556	2,210,432
1.1.7 Cash payments to personnel and service suppliers (-)		(2,010,765)	(1,806,330)
1.1.8 Taxes paid (-)		(706,131)	(802,190)
1.1.9 Other (+/-)		(4,879,463)	(3,100,747)
1.2 Changes in operating assets and liabilities subject to banking operations		(8,388,921)	497,563
1.2.1 Net (Increase) Decrease in Financial Assets at Fair Value through Profit or Loss (+/-)		(3,855,715)	(5,783,989)
1.2.2 Net decrease (increase) in due from banks (+/-)		(728,044)	(236,264)
1.2.3 Net decrease (increase) in loans		(45,147,949)	(90,711,477)
1.2.4 Net decrease (increase) in other assets (+/-)		10,709,133	(767,330)
1.2.5 Net increase (decrease) in bank deposits (+/-)		(5,330,369)	963,697
1.2.6 Net increase (decrease) in other deposits (+/-)		22,294,090	83,251,876
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 (+/-)		12,852,612	2,374,052
1.2.9 Net increase (decrease) in matured payables (+/-)		-	-
1.2.10 Net increase (decrease) in other liabilities (+/-)		817,321	11,406,998
I. Net cash provided from banking operations(+/-)		(4,332,653)	5,967,674
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided from investing activities(+/-)		(11,928,658)	(18,806,678)
2.1 Cash paid for the purchase of associates, subsidiaries and joint ventures		-	(254,380)
2.2 Cash obtained from the sale of associates, subsidiaries and joint ventures		-	700
2.3 Cash paid for the purchase of tangible and intangible asset (-)		(1,236,567)	(1,260,342)
2.4 Cash obtained from the sale of tangible and intangible asset (+)		1,041,298	63,626
2.5 Cash paid for the purchase of financial assets at fair value through other comprehensive income (-)		(19,353,454)	(29,521,793)
2.6 Cash obtained from the sale of financial assets at fair value through other comprehensive income (+)		5,658,303	12,839,699
2.7 Cash paid for the purchase of financial assets at amortised cost (-)		-	(7,230,533)
2.8 Cash obtained from sale of financial assets at amortised cost (+)		1,996,426	6,578,646
2.9 Other (+/-)		(34,664)	(22,301)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash flows from financing activities (+/-)		32,349	14,405,375
3.1 Cash obtained from funds borrowed and securities issued (+)		6,622,558	20,001,435
3.2 Cash outflow from funds borrowed and securities issued (-)		(6,407,381)	(12,399,725)
3.3 Equity instruments issued (+)		-	7,000,000
3.4 Dividends paid (-)		(603)	-
3.5 Payments for finance lease liabilities (-)		(182,225)	(196,335)
3.6 Other (+/-)		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents		(114,997)	974
V. Net increase/decrease in cash and cash equivalents (I+II+III+IV)		(16,343,959)	1,567,345
VI. Cash and cash equivalents at beginning of the period (+)		55,596,047	29,986,852
VII. Cash and cash equivalents at end of the period (V+VI)		39,252,088	31,554,197

The accompanying explanations and notes form an integral part of these consolidated financial statements.