

TÜRKİYE İŞ BANKASI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2022 unless otherwise stated)

Assets	30 June 2022	31 December 2021
Cash on hand	14,820,815	21,180,970
Balances with central bank	186,990,718	240,240,801
Loans and advances to banks	45,665,900	58,412,854
Financial assets at fair value through profit or loss	18,841,482	17,561,607
Derivative financial assets	21,722,751	36,762,054
Loans and advances to customers	723,173,104	825,536,507
- Measured at amortised cost	723,173,104	822,476,248
- Measured at fair value through profit or loss	--	3,060,259
Trade receivables	21,685,548	17,190,943
Insurance receivables	13,807,325	14,309,754
Inventories	15,773,436	12,966,111
Investment securities	228,425,046	236,138,760
- Financial assets at fair value through other comprehensive income	151,022,850	157,180,348
- Financial assets measured at amortised cost	77,402,196	78,958,412
Current tax assets	3,760,175	217,598
Investments in equity-accounted investees	2,462,096	2,824,435
Property, plant and equipment	72,021,055	73,587,710
Investment properties	7,699,861	8,641,688
Intangible assets and goodwill	23,993,328	26,395,172
Non-current assets held for sale	1,649,928	1,394,777
Deferred tax assets	2,247,623	4,883,233
Other assets	44,256,113	40,034,691
Total assets	1,448,996,304	1,638,279,665

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AS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2022 unless otherwise stated)

Liabilities and equity	30 June 2022	31 December 2021
Deposits	751,961,017	864,421,707
- Deposits from banks	7,507,272	9,148,883
- Deposits from customers	744,453,745	855,272,824
Obligations under repurchase agreements	51,775,391	71,297,266
Derivative financial liabilities	12,348,139	20,142,921
Lease payables	2,730,944	3,042,744
Funds borrowed	165,658,441	204,480,807
Debt securities issued	63,967,809	81,258,478
Payables to money market	3,311,038	5,198,568
Trade payables	15,701,809	14,546,695
Taxes and dues payable	3,066,257	2,457,041
Employee benefits	11,626,016	14,828,649
Corporate tax liability	1,384,499	3,385,523
Insurance contract liabilities	33,794,780	36,761,819
Provisions	11,954,026	9,373,787
Deferred tax liabilities	5,339,947	2,526,906
Other liabilities	63,536,960	52,921,194
Subordinated liabilities	46,801,726	59,038,356
Total liabilities	1,244,958,799	1,445,682,461
Share capital	10,000,000	4,500,000
Share capital inflation adjustment	44,215,022	45,122,689
Share premium	351,277	359,760
Legal reserves	28,097,313	26,129,251
Fair value reserves	79,924	(6,249,773)
Revaluation reserves	3,854,656	4,014,400
Hedging reserves	(23,180)	(136,891)
Translation reserves	3,747,027	5,651,612
Other reserves	(1,489,508)	(2,103,227)
Retained earnings	59,012,197	57,254,689
Total equity attributable to equity holders of the Bank	147,844,728	134,542,510
Non-controlling interests	56,192,777	58,054,694
Total equity	204,037,505	192,597,204
Total liabilities and equity	1,448,996,304	1,638,279,665
Commitment and contingencies	372,228,736	438,515,455

TÜRKİYE İŞ BANKASI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2022 unless otherwise stated)

	1 January- 30 June 2022	1 January- 30 June 2021
Interest income on loans	40,882,960	39,178,966
Interest income on securities	11,743,627	8,560,665
Interest income on deposits at banks	635,973	686,469
Interest income on reserve deposit at central banks	340,845	593,754
Interest income on finance leases	786,094	706,705
Interest income on factoring transactions	672,739	549,098
Other interest income	1,186,020	643,975
Total interest income	56,248,258	50,919,632
Interest expense on deposits	(14,952,822)	(15,245,978)
Interest expense on borrowings	(2,809,511)	(2,427,014)
Interest expense on interbank borrowings	(1,681,085)	(4,199,690)
Interest expense on debt securities issued	(4,901,214)	(5,045,086)
Interest expense on leasing	(157,503)	(173,431)
Other interest expense	(1,027,339)	(470,349)
Total interest expense	(25,529,474)	(27,561,548)
Net interest income	30,718,784	23,358,084
Fee and commission income	10,252,238	8,376,137
Fee and commission expense	(3,609,919)	(2,925,760)
Net fee and commission income	6,642,319	5,450,377
Securities trading income, net	1,301,811	2,352,227
Derivative trading expense, net	(9,857,313)	(1,068,069)
Income from manufacturing operations	43,350,678	23,287,559
Income from insurance operations	9,873,682	8,877,555
Income from other operations	1,262,958	946,231
Cost of manufacturing operations	(28,507,640)	(15,762,104)
Cost of insurance operations	(9,350,592)	(7,844,405)
Cost of other operations	(1,828,922)	(1,650,956)
Other operating income	2,492,317	1,971,243
Other operating expenses	(33,400,945)	(21,179,379)
Foreign exchange gains/(losses), net	15,960,627	(5,120,189)
Impairment losses, net	(4,531,374)	(7,504,380)
Dividend income	228,354	104,173
Share of income from equity-accounted investees	759,343	830,329
Net monetary gain/loss	2,251,547	2,383,129
Profit before income tax	27,365,634	9,431,425
Income tax expense	(11,092,977)	(2,070,933)
Profit for the period	16,272,657	7,360,492
Profit attributable to		
Equity holders of the Bank	12,788,168	5,053,216
Non-controlling interest	3,484,489	2,307,276
Profit for the period	16,272,657	7,360,492
Basic and diluted earnings per share (Full TL)	0.0512	0.0202

TÜRKİYE İŞ BANKASI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2022 unless otherwise stated)

	1 January- 30 June 2022	1 January- 30 June 2021
Profit for the period	16,272,657	7,360,492
Other comprehensive income		
Items that will never be reclassified to profit or loss:		
Remeasurements of defined benefit liability	863,760	172,666
Revaluation of property, plant and equipment	(155,982)	164,450
Related tax	(196,442)	(50,978)
	511,336	286,138
Items that are or may be reclassified to profit or loss:		
Change in fair value of financial assets at fair value through other comprehensive income	8,255,792	(7,067,475)
Foreign currency translation differences	(1,191,240)	1,706,717
Cash flow hedges- effective portion of changes in fair value	156,227	(95,962)
Related tax	(2,063,048)	1,433,123
	5,157,731	(4,023,597)
Other comprehensive income / (expenses), net of tax	5,669,067	(3,737,459)
Total comprehensive income for the period	21,941,724	3,623,033
Attributable to		
Equity holders of the Bank	17,780,743	733,008
Non-controlling interest	4,160,981	2,890,025
Total comprehensive income for the period	21,941,724	3,623,033

TÜRKİYE İŞ BANKASI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2022 unless otherwise stated)

Current Period	Attributable to equity holders of the Bank											Non-controlling interests	Total equity
	Share capital	Share capital inflation adjustment	Share premium	Legal reserves	Fair value reserves	Revaluation reserves	Hedging reserves	Translation reserves	Other reserves	Retained earnings	Total		
Balance at 1 January 2022	4,500,000	30,359,634	252,729	18,355,638	(4,390,427)	2,820,091	(96,165)	3,970,223	(1,477,504)	40,221,066	94,515,285	40,783,066	135,298,351
30 June 2022 purchasing power adjustment effect	--	14,763,055	107,031	7,773,613	(1,859,346)	1,194,309	(40,726)	1,681,389	(625,723)	17,033,623	40,027,225	17,271,628	57,298,853
Restated balance at 1 January 2022	4,500,000	45,122,689	359,760	26,129,251	(6,249,773)	4,014,400	(136,891)	5,651,612	(2,103,227)	57,254,689	134,542,510	58,054,694	192,597,204
Total comprehensive income for the period													
Net profit for the period	--	--	--	--	--	--	--	--	--	12,788,168	12,788,168	3,484,489	16,272,657
Other comprehensive income, net of tax													
Items that are or may be reclassified subsequently to profit or loss^(*):													
Net change in fair value financial assets at fair value through other comprehensive income	--	--	--	--	6,329,697	--	--	--	--	--	6,329,697	(137,853)	6,191,844
Cash flow hedges effective portion of changes in fair value	--	--	--	--	--	--	113,711	--	--	--	113,711	43,416	157,127
Foreign currency translation differences for foreign operations	--	--	--	--	--	--	--	(1,904,801)	--	--	(1,904,801)	713,561	(1,191,240)
Items that are or may not be reclassified subsequently to profit or loss:													
Revaluation surplus on tangible assets	--	--	--	--	--	(159,744)	--	--	--	--	(159,744)	23,260	(136,484)
Net change in actuarial loss related to employee benefits	--	--	--	--	--	--	--	--	613,712	--	613,712	34,108	647,820
Total other comprehensive income/(expense)	--	--	--	--	6,329,697	(159,744)	113,711	(1,904,801)	613,712	--	4,992,575	676,492	5,669,067
Total comprehensive income/(expense) for the period	--	--	--	--	6,329,697	(159,744)	113,711	(1,904,801)	613,712	12,788,168	17,780,743	4,160,981	21,941,724
Contributions and distributions^(**)													
Dividend distribution	--	--	--	--	--	--	--	--	--	(1,307,884)	(1,307,884)	(810,631)	(2,118,515)
Transfer to legal reserves	--	--	--	1,235,972	--	--	--	--	--	(1,235,972)	--	--	--
Transfer to share capital	5,500,000	--	--	--	--	--	--	--	--	(5,500,000)	--	--	--
Other ^(***)	--	--	--	--	--	--	--	--	--	11,342	11,342	3,315	14,657
Total contributions and distributions	5,500,000	--	--	1,235,972	--	--	--	--	--	(8,032,514)	(1,296,542)	(807,316)	(2,103,858)
Changes in ownership interests and other changes													
Changes in non-controlling interests without a change in control	--	--	(26)	(105)	--	--	--	216	7	2,627	2,719	3,056	5,775
Other changes ^(****)	--	(907,667)	(8,457)	732,195	--	--	--	--	--	(3,000,773)	(3,184,702)	(5,218,638)	(8,403,340)
Total changes in ownership interests and other changes	--	(907,667)	(8,483)	732,090	--	--	--	216	7	(2,998,146)	(3,181,983)	(5,215,582)	(8,397,565)
Balance at 30 June 2022	10,000,000	44,215,022	351,277	28,097,313	79,924	3,854,656	(23,180)	3,747,027	(1,489,508)	59,012,197	147,844,728	56,192,777	204,037,505

(*) Net changes in fair value reserve, revaluation reserve, hedging reserve, translation reserve and other reserve balances includes monetary gain/loss effect.

(**) Monetary gain/loss effect of contributions and distributions are shown under other changes line.

(***) In accordance with "IAS 19 - Employee Benefits", the provisions allocated in the relevant period for the dividend to be distributed to the personnel were added to the distributable profit figure.

(****) Includes effects of business combinations, net monetary gain/loss and other changes.

TÜRKİYE İŞ BANKASI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2022 unless otherwise stated)

Prior Period	Attributable to equity holders of the Bank											Non-controlling interests	Total equity
	Share capital	Share capital inflation adjustment	Share premium	Legal reserves	Fair value reserves	Revaluation reserves	Hedging reserves	Translation reserves	Other reserves	Retained earnings	Total		
Balance at 1 January 2021	4,500,000	1,615,938	123,238	6,090,139	1,300,529	4,759,879	17,110	4,570,974	(878,449)	45,793,473	67,892,831	17,525,152	85,417,983
Effect of changes in accounting policies as per IAS 8	--	20,069,975	52,824	6,776,494	(2,513,227)	(4,063,467)	--	(3,941,312)	10,486	(12,598,811)	3,792,962	2,614,937	6,407,899
30 June 2022 purchasing power adjustment effect	--	24,541,438	165,005	12,058,608	(1,136,541)	652,677	16,035	590,119	(813,455)	31,110,041	67,183,927	18,875,291	86,059,218
Restated balance at 1 January 2021	4,500,000	46,227,351	341,067	24,925,241	(2,349,239)	1,349,089	33,145	1,219,781	(1,681,418)	64,304,703	138,869,720	39,015,380	177,885,100
Total comprehensive income for the period													
Net profit for the period	--	--	--	--	--	--	--	--	--	5,053,216	5,053,216	2,307,276	7,360,492
Other comprehensive income, net of tax													
Items that are or may be reclassified subsequently to profit or loss^(*):													
Net change in fair value financial assets at fair value through other comprehensive income	--	--	--	--	(5,585,953)	--	--	--	--	--	(5,585,953)	(68,027)	(5,653,980)
Cash flow hedges effective portion of changes in fair value	--	--	--	--	--	--	(38,905)	--	--	--	(38,905)	(37,429)	(76,334)
Foreign currency translation differences for foreign operations	--	--	--	--	--	--	--	1,123,494	--	--	1,123,494	583,223	1,706,717
Items that are or may not be reclassified subsequently to profit or loss:													
Revaluation surplus on tangible assets	--	--	--	--	--	49,479	--	--	--	--	49,479	98,526	148,005
Net change in actuarial loss related to employee benefits	--	--	--	--	--	--	--	--	131,677	--	131,677	6,456	138,133
Total other comprehensive income/(expense)	--	--	--	--	(5,585,953)	49,479	(38,905)	1,123,494	131,677	--	(4,320,208)	582,749	(3,737,459)
Total comprehensive income/(expense) for the period	--	--	--	--	(5,585,953)	49,479	(38,905)	1,123,494	131,677	5,053,216	733,008	2,890,025	3,623,033
Contributions and distributions^(**)													
Dividend distribution	--	--	--	--	--	--	--	--	--	(661,415)	(661,415)	(515,239)	(1,176,654)
Transfer to legal reserves	--	--	--	498,816	--	--	--	--	--	(498,816)	--	--	--
Transfer to share capital	--	--	--	--	--	--	--	--	--	--	--	--	--
Other ^(***)	--	--	--	--	--	--	--	--	--	14,852	14,852	7,779	22,631
Total contributions and distributions	--	--	--	498,816	--	--	--	--	--	(1,145,379)	(646,563)	(507,460)	(1,154,023)
Changes in ownership interests and other changes													
Changes in non-controlling interests without a change in control	--	--	(10)	(715)	--	--	--	--	--	(3,121)	(3,846)	19,298	15,452
Other changes ^(****)	--	(324,524)	(5,100)	549,405	--	--	--	--	--	(2,812,658)	(2,592,877)	(507,553)	(3,100,430)
Total changes in ownership interests and other changes	--	(324,524)	(5,110)	548,690	--	--	--	--	--	(2,815,779)	(2,596,723)	(488,255)	(3,084,978)
Balance at 30 June 2021	4,500,000	45,902,827	335,957	25,972,747	(7,935,192)	1,398,568	(5,760)	2,343,275	(1,549,741)	65,396,761	136,359,442	40,909,690	177,269,132

(*) Net changes in fair value reserve, revaluation reserve, hedging reserve, translation reserve and other reserve balances includes monetary gain/loss effect.

(**) Monetary gain/loss effect of contributions and distributions are shown under “other changes” line.

(***) According to the Articles of Incorporation of the Bank, a portion of the net profit for the year is distributed to the employees as a dividend. Provision recognised in 2020 for dividends to be distributed to employees within the scope of “IAS 19 Employee Benefits” has been added to distributable profit. The balance also includes the dividend distributed to the Bank's employees according to the Articles of Incorporation of the Bank.

(****) Includes effects of business combinations, net monetary gain/loss and other changes.

TÜRKİYE İŞ BANKASI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2022 unless otherwise stated)

	1 January- 30 June 2022	1 January- 30 June 2021
Cash flows from operating activities:		
Profit for the period	16,272,657	7,360,492
<i>Adjustments for:</i>		
Depreciation and amortisation	2,668,768	2,429,537
Net interest income	(30,718,784)	(23,358,084)
Income tax expense	11,092,977	2,070,933
Increase/decrease in fair value of investment properties	--	--
Impairment losses on financial assets	4,531,374	7,504,380
Increase in provision for employee benefits	1,208,379	788,006
Unearned premium reserve	846,770	1,173,102
Provision for outstanding claims	1,260,294	1,627,113
Life mathematical provisions	1,075,405	1,145,404
Other provision releases/expenses, net	2,575,476	1,220,568
Share of income from equity accounted investees	(759,343)	(830,329)
Increase/decrease in other allowances of impairment losses, net	184,679	155,420
Gain on sale of property, plant and equipment and others	(771,853)	(509,026)
Dividend income	(228,354)	(104,173)
	9,238,445	673,343
Change in trading assets	(2,112,698)	(7,539,153)
Change in reserve deposits	4,881,432	(2,402,886)
Change in loans and advances to banks	15,861,811	30,878,610
Change in loans and advances to customers	(80,426,475)	(54,514,855)
Change in trade receivables	(9,666,810)	(458,107)
Change in insurance receivables	(3,886,930)	(1,675,452)
Change in inventories	(2,802,091)	(1,679,800)
Change in other assets	3,694,215	1,032,739
Change in deposits from banks	248,378	(23,456,071)
Change in deposits from customers	86,147,934	62,399,526
Change in obligations under repurchase agreements	(39,048,548)	15,093,535
Change in trade payables	5,482,845	(2,383,049)
Change in other liabilities and provisions	8,726,404	5,803,982
	(3,662,088)	21,772,362
Interest received	46,286,245	45,908,351
Interest paid	(22,600,673)	(25,261,910)
Income taxes paid	(15,290,672)	(5,999,736)
Net cash (used in)/from operating activities	4,732,812	36,419,067

TÜRKİYE İŞ BANKASI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2022 unless otherwise stated)

Cash flows from investing activities:	1 January- 30 June 2022	1 January- 30 June 2021
Dividends received	228,354	104,173
Acquisition of equity accounted investees	--	(186,431)
Acquisition of subsidiary, net of cash acquired	(299,799)	--
Acquisition of property, plant and equipment	(8,987,790)	(3,078,475)
Acquisition of intangible assets	(2,146,439)	(817,821)
Acquisition of investment properties	(154,539)	(210,725)
Proceeds from sale of investment properties	143,544	14,000
Proceeds from the sale of property, plant and equipment	511,125	334,821
Acquisition of investment securities	(59,597,959)	(42,690,590)
Proceeds from sale of investment securities	34,980,334	51,617,708
Net cash (used in) investing activities	(35,323,169)	5,086,660
Cash flows from financing activities:		
Proceeds from issue of debt securities and subordinated liabilities	27,175,166	23,637,516
Repayments of debt securities and subordinated liabilities	(29,253,793)	(28,980,125)
Proceeds from funds borrowed	46,282,481	54,980,232
Repayments of funds borrowed	(66,585,692)	(46,312,213)
Repayments of lease payables	(519,165)	(502,045)
Dividends paid	(2,478,515)	(2,443,286)
Net cash from financing activities	(25,379,518)	380,079
Net increase in cash and cash equivalents	(55,969,875)	41,885,806
Effects of foreign exchange rate fluctuations on cash and cash equivalents	1,063,677	2,036,352
Inflation effect on cash flow	(18,094,300)	(6,674,723)
Cash and cash equivalents at 1 January	191,762,540	103,716,539
Cash and cash equivalents at 30 June	118,762,042	140,963,974