

**VESTEL BEYAZ EŐYA
SANAYİ VE TİCARET AŐ**

**SUMMARY FINANCIAL STATEMENTS
FOR THE PERIOD
01.01.2017 - 30.09.2017**

(Originally issued in Turkish)

VESTEL

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET AŞ
SUMMARY FINANCIAL STATEMENTS FOR THE PERIOD
01.01.2017 – 30.09.2017

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET AŞ
CONDENSED INTERIM STATEMENTS OF BALANCE SHEETS
AS OF 30 SEPTEMBER 2017 AND 31 DECEMBER 2016

(All amounts in thousand Turkish Lira unless stated otherwise)

ASSETS	Note	30.09.2017	<i>Audited</i> 31.12.2016
Current Assets		2,212,075	1,818,711
Cash and cash equivalents	4	8,023	12,829
Trade receivables		1,583,624	1,186,044
Related parties	6	1,577,705	1,182,807
Other parties	7	5,919	3,237
Other receivables		152,734	336,710
Related parties	6	60,370	258,612
Other parties	8	92,364	78,098
Derivative financial instruments		8,224	26,404
Derivative financial instruments held for trading	25	4,703	2,922
Cash flow hedges	25	3,521	23,482
Inventories	9	441,075	244,446
Prepaid expenses		13,808	11,066
Other parties	10	13,808	11,066
Other current assets		4,587	1,212
Other parties	16	4,587	1,212
Non - Current Assets		630,924	468,792
Property, plant and equipment		444,733	327,965
Land and premises	11	39,063	6,547
Land improvements	11	858	875
Buildings	11	40,944	40,247
Machinery and equipment	11	305,022	254,966
Vehicles	11	156	215
Fixtures and fittings	11	16,760	15,028
Leasehold improvements	11	3,623	3,144
Construction in progress	11	38,307	6,943
Intangible assets		111,551	97,030
Other rights	12	20	22
Capitalized development costs	12	103,780	89,931
Other intangible assets	12	7,751	7,077
Prepaid expenses		67,945	41,741
Other parties	10	67,945	41,741
Deferred tax asset	23	6,695	2,056
TOTAL ASSETS		2,842,999	2,287,503

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CONDENSED INTERIM STATEMENTS OF BALANCE SHEETS
AS OF 30 SEPTEMBER 2017 AND 31 DECEMBER 2016

(All amounts in thousand Turkish Lira unless stated otherwise)

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	30.09.2017	<i>Audited</i> 31.12.2016
Current Liabilities		1,786,517	1,002,241
Short-term financial liabilities		286,945	26,407
Bank loans	5	286,525	26,407
Leasing debts	5	420	--
Short-term portion of long-term financial liabilities		229,250	15,691
Bank loans	5	229,250	15,691
Trade payables		1,155,030	840,474
Related parties	6	28,467	23,448
Other parties	7	1,126,563	817,026
Liabilities for employee benefits	15	32,334	23,763
Other liabilities		59,891	52,999
Related parties	6	59,891	52,999
Derivative financial instruments		16,368	27,853
Derivative financial instruments held for trading	25	680	27,853
Derivative financial instruments held for hedging	25	15,688	--
Current income tax liabilities	23	491	3,185
Short-term provisions	13	1,620	1,620
Other current liabilities		4,588	10,249
Other parties	16	4,588	10,249
Non-Current Liabilities		135,997	365,331
Long-term financial liabilities		16,889	206,611
Bank loans	5	16,267	206,611
Leasing debts	5	622	--
Trade payables		1,959	--
Other parties	7	1,959	--
Other payables		90,063	134,261
Related parties	6	90,063	134,261
Long-term provisions		27,086	24,459
Provisions for employee benefits	15	27,086	24,459
Shareholders' Equity		920,485	919,931
Paid-in capital	17	190,000	190,000
Adjustments to share capital	17	9,734	9,734
Share premium (Discount)	17	109,031	109,031
Other comprehensive income/expense not to be reclassified to profit or loss		(3,728)	(3,313)
Revaluation gain/loss		(3,728)	(3,313)
Other comprehensive income/expense to be reclassified to profit or loss		(9,733)	18,786
Cash flow hedges		(9,733)	18,786
Restricted reserves	17	111,627	77,019
Retained earnings	17	304,066	193,669
Net income for the period		209,488	325,005
TOTAL LIABILITIES AND EQUITY		2,842,999	2,287,503

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SUMMARY FINANCIAL STATEMENTS FOR THE PERIOD
01.01.2017 – 30.09.2017

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET AŞ
CONDENSED INTERIM STATEMENTS OF INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2017 AND 30 SEPTEMBER 2016

(All amounts in thousand Turkish Lira unless stated otherwise)

	Note	01.01- 30.09.2017	01.01- 30.09.2016
Revenue	18	2,828,740	2,126,028
Cost of sales	18	(2,484,663)	(1,769,023)
Gross Profit		344,077	357,005
General & Administrative expenses	20	(32,996)	(31,851)
Marketing expenses	20	(37,945)	(33,884)
Research & Development expenses	20	(26,537)	(21,215)
Other income from operating activities	21	206,553	80,201
Other expense from operating activities	21	(114,885)	(61,537)
Operating Profit/Loss		338,267	288,719
Financial income	22	79,756	85,619
Financial expense	22	(201,035)	(77,890)
Profit Before Tax		216,988	296,448
Tax benefit/(expense)		(7,500)	(12,201)
Current tax benefit/(expense)	23	(4,905)	(15,556)
Deferred tax benefit/(expense)	23	-2,595	3,355
Net Income for the Period		209,488	284,247

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SUMMARY FINANCIAL STATEMENTS FOR THE PERIOD
01.01.2017 – 30.09.2017

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET AŞ
CONDENSED INTERIM STATEMENTS OF CASHFLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2017 AND 30 SEPTEMBER 2016

(All amounts in thousand Turkish Lira unless stated otherwise)

	Note	01.01- 30.09.2017	01.01- 30.09.2016
Net Cash Provided by Operating Activities:		(4,258)	225,365
Net income for the period		209,488	284,247
Adjustments to reconcile net income		120,286	111,735
Depreciation and amortization	11	80,168	67,755
Impairment on inventories	9	73	(493)
Provisions		7,097	6,949
Provisions for employment termination benefits	15	7,097	6,687
Provisions for lawsuits and/or penalties		--	262
Interest income	22	(16,251)	(13,329)
Interest expense	22	35,375	16,372
Unrealized foreign exchange differences		39,245	14,356
Fair value (gain)/loss on derivative financial instruments		(28,954)	8,714
Tax (benefit)/expense		7,500	12,201
(Gain)/loss from sales of tangible assets		(377)	(84)
Other	4	(3,590)	(706)
Changes in working capital		(321,444)	(167,387)
(Increase)/decrease in trade receivables		(397,580)	(98,734)
Related parties	6	(394,898)	(99,487)
Other parties	7	(2,682)	753
(Increase)/decrease in other receivables		(14,266)	10,921
Other parties	8	(14,266)	10,921
(Increase)/decrease in inventories	9	(196,702)	(65,402)
(Increase)/decrease in pre-paid expenses	10	(28,946)	(21,976)
Increase/(decrease) in trade payables		316,515	(4,325)
Related parties	6	5,019	(4,321)
Other parties	7	311,496	(4)
Increase/(decrease) in employee termination benefits	15	8,571	(905)
Other		(9,036)	13,034
(Increase)/decrease in other assets		(3,375)	12,887
Increase/(decrease) in other liabilities		(5,661)	147
Cash Flows From (Used in) Operations		8,330	228,595
Employee termination benefits paid	15	(4,989)	(5,657)
Current income tax paid	23	(7,599)	2,427
Net Cash From Investing Activities:		(12,838)	(239,819)
Cash provided from sales of tangible assets		2,226	1,037
Acquisition of tangible assets	11	(182,917)	(60,358)
Acquisition of intangible assets	12	(30,389)	(22,034)
Cash advances and loans made to related parties	6	198,242	(158,464)
Net Cash From Financing Activities:		8,700	(36,587)
Proceeds from bank borrowings		419,463	286,858
Loans		418,421	286,858

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Other financial borrowings		1,042	--
Repayment of bank borrowings		(166,913)	(193,323)
Increase in other payables to related parties		(54,548)	--
Dividends paid	6	(180,000)	(130,877)
Interest paid		(25,553)	(12,574)
Interest received		16,251	13,329
Net (decrease)/increase in cash and cash equivalents before the effect of exchange rate changes		(8,396)	(51,041)
Net (decrease)/increase in cash and cash equivalents		(8,396)	(51,041)
Cash and cash equivalents at the beginning of the period	4	11,840	88,665
Cash and cash equivalents at the end of the period		3,444	37,624