

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL
POSITION AS AT 31 MARCH 2014 AND 31 DECEMBER 2013
(Amounts expressed in thousands of TL unless otherwise indicated except share amounts.)

		Reviewed	Audited
	Notes	31 March 2014	31 December 2013
ASSETS			
Current assets		2,055,208	1,281,701
Cash and cash equivalents	5	296,978	82,246
Trade receivables		573,968	618,939
Due from related parties	21.3	407,269	421,870
Other trade receivables		166,699	197,069
Other receivables	9	34,191	37,475
Other receivables from third parties		34,191	37,475
Inventories	10	1,096,368	520,176
Prepayments	14.1	51,840	14,454
Other current assets		1,863	7,009
Current income tax assets		-	1,402
Non-current assets		1,240,262	1,182,645
Available-for-sale financial assets	6	467,274	450,579
Other receivables		218	220
Other receivables from third parties		218	220
Investments in equity accounted investees	11	219,560	206,219
Property and equipment	12	501,330	498,211
Intangible assets		13,742	12,494
Prepayments	14.2	28,039	8,346
Deferred tax assets	19	10,099	6,576
TOTAL ASSETS		3,295,470	2,464,346

Accompanying notes are an integral part of these condensed consolidated interim financial statements.

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POSITION AS AT 31 MARCH 2014 AND 31 DECEMBER 2013
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	Notes	Reviewed 31 March 2014	Audited 31 December 2013
LIABILITIES			
Current liabilities		2,088,119	1,075,520
Short-term borrowings	7	946,548	603,449
Short-term portion of long-term borrowings	7	45,660	34,595
Trade payables		765,426	323,233
Due to related parties	21.4	22,923	17,131
Other trade payables	8	742,503	306,102
Other payables		220,000	-
Due to related parties	21.5	220,000	-
Payables related to employee benefits		18,378	8,121
Income tax payable	19	9,020	-
Short-term provisions		47,226	48,440
Short-term provisions related to employee benefits	13.1	4,158	2,482
Other short-term provisions	13.1	43,068	45,958
Deferred income	14.3	8,323	7,674
Other current liabilities	15	27,538	50,008
Non-current liabilities		265,763	270,762
Long-term borrowings	7	251,418	259,210
Long-term provisions		14,098	11,552
Long-term provisions related to employee benefits		14,098	11,552
Deferred tax liabilities	19	247	-
TOTAL LIABILITIES		2,353,882	1,346,282
EQUITY			
Equity attributable to equity holders of the Company		937,314	1,114,663
Share capital	16	220,000	220,000
Inflation adjustment to share capital	16	23,115	23,115
<i>Accumulated other comprehensive income/expense that will not be reclassified through profit or loss</i>			
Actuarial losses on employee benefits		(8,493)	(6,735)
<i>Accumulated other comprehensive income/expense that will be reclassified through profit or loss</i>			
Value increase reserves		391,625	375,017
Fair value reserve	16	386,036	369,224
Hedge reserve	16	5,589	5,793
Translation reserve	16	3,414	2,096
Legal reserves	16	132,704	106,292
Retained earnings	16	148,466	170,930
Profit for the period		26,483	223,948
Non-controlling interests		4,274	3,401
TOTAL EQUITY		941,588	1,118,064
TOTAL EQUITY AND LIABILITIES		3,295,470	2,464,346

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DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INTERIM PROFIT OR LOSS STATEMENTS
FOR THE THREE MONTH PERIODS ENDED 31 MARCH

(Amounts expressed in thousands of TL unless otherwise indicated except share amounts.)

	Notes	Reviewed	
		31 March 2014	(Restated) (*) 31 March 2013
PROFIT OR LOSS			
Revenue		1,354,163	1,291,949
Direct cost of revenue (-)		(1,209,872)	(1,109,688)
GROSS PROFIT		144,291	182,261
General administration expenses (-)	17	(57,387)	(49,015)
Marketing expenses (-)	17	(46,220)	(38,586)
Warranty expenses (-)	17	(5,388)	(17,251)
Other income from operating activities		13,779	10,304
Other expense from operating activities (-)		(9,416)	(4,991)
RESULTS FROM OPERATING ACTIVITIES		39,659	82,722
Income from investing activities		-	-
Share of profit of equity accounted investees	11	13,225	10,748
OPERATING PROFIT BEFORE FINANCE EXPENSE		52,884	93,470
Finance expense (-)	18	(20,176)	(14,397)
OPERATING PROFIT BEFORE INCOME TAX		32,708	79,073
Tax expense		(5,352)	(14,714)
Income tax expense	19	(9,023)	(20,007)
Deferred tax income	19	3,671	5,293
PROFIT FOR THE PERIOD		27,356	64,359
Attributable to			
Non-controlling interests		873	545
Equity holders of the Company		26,483	63,814
Earnings per share	20		
Earnings per share from continuing operations		0.1204	0.2901
Diluted earnings per share		0.1204	0.2901
Diluted earnings per share from continuing operations			

(*) For restatement and reclassifications please see note 2.

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DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE
INCOME FOR THE THREE MONTH PERIODS ENDED 31 MARCH
(Amounts expressed in thousands of TL unless otherwise indicated except share amounts.)

	Notes	Reviewed	
		31 March 2014	31 March 2013
PROFIT FOR THE PERIOD		27,356	64,359
Other comprehensive income/(loss):			
Items that will not be reclassified through profit or loss			
Actuarial losses on employee benefits		(2,198)	(1,153)
Tax income/(expense) related other comprehensive income items that will not be reclassified through profit or loss	19	440	231
Items that will be reclassified through profit or loss			
Foreign currency translation differences		1,318	167
Change in fair value of available-for-sale financial assets	6	16,695	2,042
Change in fair value of available-for-sale financial assets and hedge reserves held by equity accounted investees, net	11	748	710
Tax income/(expense) related other comprehensive income items that will be reclassified through profit or loss	19	(835)	(102)
OTHER COMPREHENSIVE INCOME/(LOSS)		16,168	1,895
TOTAL COMPREHENSIVE INCOME		43,524	66,254
Attributable to			
Non-controlling interests		873	545
Equity holders of the Company		42,651	65,709

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DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTH PERIODS ENDED 31 MARCH

(Amounts expressed in thousands of TL unless otherwise indicated except share amounts.)

	Share capital (Note 16)	Inflation adjustment to share capital (Note 16)	Accumulated other comprehensive income/expense that will not be reclassified through profit or loss	Accumulated other comprehensive income/expense that will be reclassified through profit or loss			Legal reserve (Note 16)	Retained earnings		Non- controlling interests (Note 16)	Equity	
			Actuarial losses on employee benefits	Fair value reserve (Note 16)	Hedge reserve (Note 16)	Translation reserve (Note 16)		Retained earnings	Net profit/loss for the period			
Balance at 1 January 2013	220,000	23,115	(6,523)	450,331	1,215	(1,088)	54,374	184,631	258,217	1,184,272	2,621	1,186,893
Profit for the period	-	-	-	-	-	-	-	-	63,814	63,814	545	64,359
Transfers	-	-	-	-	-	-	-	258,217	(258,217)	-	-	-
Change in fair value of available-for-sale financial assets, net of tax	-	-	-	1,940	-	-	-	-	-	1,940	-	1,940
Change in hedge reserve of joint ventures	-	-	-	-	594	-	-	-	-	594	-	594
Change in fair value of available-for-sale assets held by associates, net of tax	-	-	-	116	-	-	-	-	-	116	-	116
Transfer to legal reserves	-	-	-	-	-	-	31,937	(31,937)	-	-	-	-
Foreign currency translation differences	-	-	-	-	-	167	-	-	-	167	-	167
Actuarial losses on employee benefits	-	-	(922)	-	-	-	-	-	-	(922)	-	(922)
Total comprehensive income for the period	-	-	(922)	2,056	594	167	31,937	226,280	(194,403)	65,709	545	66,254
Profit distribution	-	-	-	-	-	-	-	(220,000)	-	(220,000)	-	(220,000)
Transactions with owners of the Company, recognized directly in equity	-	-	-	-	-	-	-	(220,000)	-	(220,000)	-	(220,000)
Balance at 31 March 2013 (Reviewed)	220,000	23,115	(7,445)	452,387	1,809	(921)	86,311	190,911	63,814	1,029,981	3,166	1,033,147
Balance at 1 April 2013	220,000	23,115	(7,445)	452,387	1,809	(921)	86,311	190,911	63,814	1,029,981	3,166	1,033,147
Profit for the period	-	-	-	-	-	-	-	-	160,134	160,134	235	160,369
Change in fair value of available-for-sale financial assets, net of tax	-	-	-	(78,459)	-	-	-	-	-	(78,459)	-	(78,459)
Change in hedge reserve of joint ventures	-	-	-	-	3,984	-	-	-	-	3,984	-	3,984
Change in fair value of available-for-sale assets held by associates, net of tax	-	-	-	(4,704)	-	-	-	-	-	(4,704)	-	(4,704)
Foreign currency translation differences	-	-	-	-	-	3,017	-	-	-	3,017	-	3,017
Actuarial losses on employee benefits	-	-	710	-	-	-	-	-	-	710	-	710
Total comprehensive income for the period	-	-	710	(83,163)	3,984	3,017	-	-	160,134	84,682	235	84,917
Sale of shares of joint ventures	-	-	-	-	-	-	19,981	(19,981)	-	-	-	-
Transactions with owners of the Company, recognized directly in equity	-	-	-	-	-	-	19,981	(19,981)	-	-	-	-
Balance at 31 December 2013 (Audited)	220,000	23,115	(6,735)	369,224	5,793	2,096	106,292	170,930	223,948	1,114,663	3,401	1,118,064
Profit for the period	-	-	-	-	-	-	-	-	26,483	26,483	873	27,356
Transfers	-	-	-	-	-	-	-	223,948	(223,948)	-	-	-
Change in fair value of available-for-sale financial assets, net of tax	-	-	-	15,860	-	-	-	-	-	15,860	-	15,860
Change in hedge reserve of joint ventures	-	-	-	-	(204)	-	-	-	-	(204)	-	(204)
Change in fair value of available-for-sale assets held by associates, net of tax	-	-	-	952	-	-	-	-	-	952	-	952
Transfer to legal reserves	-	-	-	-	-	-	26,412	(26,412)	-	-	-	-
Foreign currency translation differences	-	-	-	-	-	1,318	-	-	-	1,318	-	1,318
Actuarial losses on employee benefits	-	-	(1,758)	-	-	-	-	-	-	(1,758)	-	(1,758)
Total comprehensive income for the period	-	-	(1,758)	16,812	(204)	1,318	26,412	197,536	(197,465)	42,651	873	43,524
Profit distribution	-	-	-	-	-	-	-	(220,000)	-	(220,000)	-	(220,000)
Transactions with owners of the Company, recognized directly in equity	-	-	-	-	-	-	-	(220,000)	-	(220,000)	-	(220,000)
Balance at 31 March 2014 (Reviewed)	220,000	23,115	(8,493)	386,036	5,589	3,414	132,704	148,466	26,483	937,314	4,274	941,588

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DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE MONTH PERIODS ENDED 31 MARCH
(Amounts expressed in thousands of TL unless otherwise indicated except share amounts.)

	Notes	Reviewed	
		31 March 2014	(Restated) (*) 31 March 2013
A. CASH FLOWS FROM OPERATING ACTIVITIES:		(109,837)	(7,476)
Profit for the period		27,356	64,359
<i>Adjustments for profit for the period reconciliation:</i>			
Adjustments for gain on sales of property and equipment		(2,309)	(2,016)
Adjustments for income tax expense	19	5,352	14,714
Adjustments for depreciation and amortization	17.2	8,617	6,775
Adjustments for share of profit of equity accounted investees	11	(14,093)	(11,761)
Adjustments for interest income		(1,480)	(302)
Adjustments for interest expense		18,512	12,460
Adjustments for unrealized foreign currency translation differences	18	522	157
Adjustments for warranty provision expense		5,388	17,251
Adjustments for provision for unused vacation		1,707	188
Adjustments for provision for dealer premium accrual	8.2	26,698	28,050
Adjustments for provision for employee benefits		761	2,236
Adjustments for legal provision expenses		468	1,432
Adjustments for provision for doubtful receivables		512	589
Adjustments for provision for diminution in the value of inventories	10	515	148
Changes in working capital			
Adjustments for changes in trade receivables		29,360	35,136
Adjustments for changes in due to/due from related parties		20,393	(62,714)
Adjustments for changes in inventories		(576,707)	(164,468)
Adjustments for changes in trade payables		404,616	128,740
Adjustments for changes in other assets/liabilities		(58,809)	(54,935)
Cash flows from operations			
Legal penalties paid		(782)	(514)
Employee termination benefits paid		(413)	(192)
Warranty claims paid		(7,964)	(15,710)
Unused vacation paid		(32)	(90)
Income tax paid		(3)	(7,311)
Collection of doubtful receivables, net		498	-
Interest received		1,480	302
B. INVESTING ACTIVITIES		(3,186)	4,643
Cash outflow by acquisition of property and equipment		(8,840)	(219)
Cash inflow by proceeds from sales of property and equipment		7,194	6,922
Cash outflow by acquisition of intangible assets		(3,040)	(2,060)
Dividend received	11	1,500	-
C. FINANCING ACTIVITIES		327,963	6,315
Interest paid		(2,950)	(25,997)
Repayment of borrowings		(508)	(126,759)
Proceeds from issuance of borrowings		331,421	159,071
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECTS OF FOREIGN EXCHANGE RATE FLUCTUATIONS (A+B+C)		214,940	3,482
D. EFFECTS OF FOREIGN EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS		(208)	1,013
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)		214,732	4,495
E. CASH AND CASH EQUIVALENTS AT 1 JANUARY		82,246	37,225
CASH AND CASH EQUIVALENTS AT 31 MARCH (A+B+C+D+E)	5	296,978	41,720

(*) For restatement and reclassifications please see note 2.

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