

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.)

| | <u>Notes</u> | <u>Reviewed</u> <u>31 March 2014</u> | <u>Audited</u> <u>31 December 2013</u> |
|---|--------------|---|---|
| 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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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.)

| | Notes | Reviewed | Audited |
|--|-------|------------------|------------------|
| | | 31 March 2014 | 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 |

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

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.)

| | Reviewed | | | | |
|---|-----------------|--------------|----------------------|-----------------------|----------------------|
| | | Notes | 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.

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

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.)

| | <u>Notes</u> | <u>31 March 2014</u> | <u>31 March 2013</u> | Reviewed |
|--|--------------|----------------------|----------------------|-----------------|
| 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 | |

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

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 | | | 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) | | | | | | |
| | | | Legal reserve (Note 16) | Retained earnings | Net profit/loss for the period | Total | | | | | | | | |
| 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 | 545 | 66,254 | |
| Profit distribution | - | - | - | - | - | - | - | (220,000) | - | (220,000) | - | (220,000) | (220,000) | |
| Transactions with owners of the Company, recognized directly in equity | - | - | - | - | - | - | - | (220,000) | - | (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 | 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 | 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) | (220,000) | |
| Transactions with owners of the Company, recognized directly in equity | - | - | - | - | - | - | - | (220,000) | - | (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 | | |

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

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 | 31 March 2014 | Reviewed (Restated) (*) 31 March 2013 |
|--|-------|----------------|---|
| A. CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Profit for the period | | (109,837) | (7,476) |
| <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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