

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER

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

		Audited	
	Notes	2014	2013
ASSETS			
Current assets		1,442,182	1,281,701
Cash and cash equivalents	5	40,621	82,246
Trade receivables		744,731	618,939
Due from related parties	29.3	556,684	421,870
Other trade receivables	8.1	188,047	197,069
Other receivables	9	30,880	37,475
Other receivables from third parties		30,880	37,475
Inventories	10	569,259	520,176
Prepayments	18.1	11,202	14,454
Other current assets		-	7,009
Current income tax assets		-	1,402
Non-current assets held for sale	15	45,489	-
Non-current assets		1,385,075	1,182,645
Available-for-sale financial assets	6	531,181	450,579
Other receivables		223	220
Other receivables from third parties		223	220
Investments in equity accounted investees	11	251,701	206,219
Property and equipment	12	541,971	498,211
Intangible assets	13	16,199	12,494
Investment property	14	20,636	
Prepayments	18.2	16,877	8,346
Deferred tax assets	27	6,287	6,576
TOTAL ASSETS		2,827,257	2,464,346

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

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AS AT 31 DECEMBER

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

	Notes	Audited	
		2014	2013
LIABILITIES			
Current liabilities		1,528,824	1,075,520
Short-term borrowings	7	782,265	603,449
Short-term portion of long-term borrowings	7	247,075	34,595
Trade payables		357,159	323,233
Due to related parties	29.4	17,792	17,131
Other trade payables	8.2	339,367	306,102
Payables related to employee benefits		8,049	8,121
Income tax payable	27	5,312	-
Short-term provisions		52,731	48,440
Short-term provisions related to employee benefits	16.1	4,576	2,482
Other short-term provisions	16.1	48,155	45,958
Other current liabilities	18.3	7,300	57,682
Non-current liabilities	19	68,933	270,762
Long-term borrowings		62,098	259,210
Long-term provisions	7	46,603	11,552
Long-term provisions related to employee benefits		11,804	11,552
Deferred tax liabilities	17	11,804	-
TOTAL LIABILITIES		3,691	1,346,282
EQUITY		1,590,922	
Equity attributable to equity holders of the Company		1,231,491	1,114,663
Share capital	20	220,000	220,000
Inflation adjustment to share capital	20	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		(5,637)	(6,735)
<i>Accumulated other comprehensive income/expense that will be reclassified through profit or loss</i>			
Value increase reserves		458,766	375,017
Fair value reserve	20	450,352	369,224
Hedge reserve	20	8,414	5,793
Translation reserve	20	2,442	2,096
Legal reserves	20	132,704	106,292
Retained earnings	20	148,466	170,930
Profit for the period		251,635	223,948
Non-controlling interests		4,844	3,401
TOTAL EQUITY		1,236,335	1,118,064
TOTAL EQUITY AND LIABILITIES		2,827,257	2,464,346

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

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONSOLIDATED PROFIT OR LOSS STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER

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

		Audited		
PROFIT OR LOSS		Notes	2014	2013
Revenue		21	7,692,702	6,602,663
Direct cost of revenue (-)		21	(6,819,714)	(5,853,047)
GROSS PROFIT			872,988	749,616
General administration expenses (-)		22	(257,280)	(204,480)
Marketing expenses (-)		22	(237,103)	(200,901)
Warranty expenses (-)		22	(59,908)	(68,323)
Other income from operating activities		24.1	79,631	66,088
Other expense from operating activities (-)		24.2	(72,093)	(35,126)
RESULTS FROM OPERATING ACTIVITIES			326,235	306,874
Income from investing activities		25	10,698	7,940
Share of profit of equity accounted investees		11	82,742	28,888
OPERATING PROFIT BEFORE FINANCE EXPENSE			419,675	343,702
Finance income			-	568
Finance expense (-)		26	(123,378)	(68,390)
OPERATING PROFIT BEFORE INCOME TAX			296,297	275,880
Tax expense			(43,219)	(51,152)
Income tax expense		27	(43,584)	(58,429)
Deferred tax income		27	365	7,277
PROFIT FOR THE PERIOD			253,078	224,728
Attributable to				
Non-controlling interests			1,443	780
Equity holders of the Company			251,635	223,948
Earnings per share				
Earnings per share from continuing operations			1.1438	1.0179
Diluted earnings per share				
Diluted earnings per share from continuing operations			1.1438	1.0179

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

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER

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

	Audited		
	Notes	2014	2013
PROFIT FOR THE PERIOD		253,078	224,728
Other comprehensive income/(loss):			
Items that will not be reclassified through profit or loss			
Actuarial losses on employee benefits		1,373	(265)
Tax income/(expense) related other comprehensive income items that will not be reclassified through profit or loss	27	(275)	53
Items that will be reclassified through profit or loss			
Foreign currency translation differences		346	3,184
Change in fair value of available-for-sale financial assets	6	80,602	(80,469)
Change in fair value of available-for-sale financial assets and hedge reserves held by equity accounted investees, net	11	7,217	(12)
Tax income/(expense) related other comprehensive income items that will be reclassified through profit or loss	27	(4,070)	3,952
OTHER COMPREHENSIVE INCOME/(LOSS)		85,193	(73,557)
TOTAL COMPREHENSIVE INCOME		338,271	151,171

Attributable to

Non-controlling interests	1,443	780
Equity holders of the Company	336,828	150,391

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DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER

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

	Share capital (Note 20)	Inflation adjustment to share capital (Note 20)	Accumulated other comprehensive income/expense that will not be reclassified through profit or loss			Legal reserve (Note 20)	Retained earnings		Non-controlling interests (Note 20)			
			Accumulated other comprehensive income/expense that will be reclassified through profit or loss				Retained earnings	Net profit/loss for the period				
			Actuarial losses on employee benefits	Fair value reserve (Note 20)	Hedge reserve (Note 20)	Translation reserve (Note 20)	Total	Equity				
Balance at 1 January 2013 (Reported)	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	-	-	-	-	-	-	-	-	223,948	223,948	780	224,728
Transfers	-	-	-	-	-	-	-	-	258,217	(255,932)	2,285	2,285
Change in fair value of available-for-sale financial assets, net of tax	-	-	-	(76,519)	-	-	-	-	-	(76,519)	-	(76,519)
Change in hedge reserve of joint ventures	-	-	-	-	4,578	-	-	-	-	4,578	-	4,578
Change in fair value of available-for-sale assets held by associates, net off tax	-	-	-	(4,588)	-	-	-	-	-	(4,588)	-	(4,588)
Transfer to legal reserves	-	-	-	-	-	-	31,937	(31,937)	-	-	-	-
Foreign currency translation differences	-	-	-	-	-	3,184	-	-	3,184	-	3,184	3,184
Actuarial losses on employee benefits	-	-	(212)	-	-	-	-	-	(2,285)	(2,497)	-	(2,497)
Total comprehensive income for the period	-	-	(212)	(81,107)	4,578	3,184	31,937	226,280	(34,269)	150,391	780	151,171
Dividend paid	-	-	-	-	-	-	-	(220,000)	-	(220,000)	-	(220,000)
Sale of shares of joint ventures	-	-	-	-	-	-	19,981	(19,981)	-	-	-	-
Transactions with owners of the Company, recognized directly in equity	-	-	-	-	-	-	19,981	(239,981)	-	(220,000)	-	(220,000)
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
Balance at 1 January 2014 (Reported)	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	-	-	-	-	-	-	-	-	251,635	251,635	1,443	253,078
Transfers	-	-	-	-	-	-	-	-	223,948	(223,948)	-	-
Change in fair value of available-for-sale financial assets, net of tax	-	-	-	76,532	-	-	-	-	-	76,532	-	76,532
Change in hedge reserve of joint ventures	-	-	-	-	2,621	-	-	-	-	2,621	-	2,621
Change in fair value of available-for-sale assets held by associates, net off tax	-	-	-	4,596	-	-	-	-	-	4,596	-	4,596
Transfer to legal reserves	-	-	-	-	-	-	26,412	(26,412)	-	-	-	-
Foreign currency translation differences	-	-	-	-	-	346	-	-	-	346	-	346
Actuarial losses on employee benefits	-	-	1,098	-	-	-	-	-	-	1,098	-	1,098
Total comprehensive income for the period	-	-	1,098	81,128	2,621	346	26,412	197,536	27,687	336,828	1,443	338,271
Dividend paid	-	-	-	-	-	-	-	(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 December 2014 (Audited)	220,000	23,115	(5,637)	450,352	8,414	2,442	132,704	148,466	251,635	1,231,491	4,844	1,236,335

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

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER

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

	<u>Notes</u>	<u>2014</u>	<u>2013</u>	Audited
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Profit for the period		202,818	56,257	
<i>Adjustments for profit for the period reconciliation:</i>				
Adjustments for gain on sales of property and equipment	24.1	(9,735)	(8,485)	
Adjustments for income tax expense	27	43,219	51,152	
Adjustments for depreciation and amortization	12,13,14	38,451	30,551	
Adjustments for share of profit of equity accounted investees	11	(80,470)	(27,821)	
Adjustments for interest income		(1,981)	(661)	
Adjustments for interest expense		121,779	62,070	
Adjustments for unrealized foreign currency translation differences		(1,299)	2,189	
Adjustments for warranty provision expense	16.1	59,908	68,323	
Adjustments for provision for unused vacation	16.1	2,152	602	
Adjustments for provision for employee benefits	17	2,251	1,889	
Adjustments for legal provision expenses	16.1	5,736	4,060	
Adjustments for provision for doubtful receivables	8.1	2	28	
Adjustments for dividend income	25	(10,698)	(7,279)	
Adjustments for provision for diminution in the value of inventories	10	785	415	
Changes in working capital				
Adjustments for changes in trade receivables		8,932	(89,709)	
Adjustments for changes in due to/due from related parties		(134,153)	(73,272)	
Adjustments for changes in inventories		(49,868)	(36,750)	
Adjustments for changes in trade payables		26,859	(20,796)	
Adjustments for changes in other assets/liabilities		28,204	2,870	
Cash flows from operations				
Legal penalties paid	16.1	(3,100)	(2,046)	
Employee termination benefits paid	17	(626)	(550)	
Warranty claims paid	16.1	(60,347)	(60,194)	
Unused vacation paid	16.1	(58)	(185)	
Income tax paid		(38,272)	(65,740)	
Collection of doubtful receivables, net		88	207	
Interest received		1,981	661	
B. INVESTING ACTIVITIES		(82,556)	3,378	
Cash outflow by acquisition of property and equipment		(109,308)	(62,887)	
Cash inflow by proceeds from sales of property and equipment		31,137	28,849	
Cash outflow by acquisition of intangible assets	13	(11,799)	(10,349)	
Cash outflow by contribution to increase in share capital of associates	11	(8,502)	-	
Sale of shares of equity accounted investees	11	-	37,992	
Dividend received		15,916	9,773	
C. FINANCING ACTIVITIES		(161,325)	(3,163)	
Interest paid		(97,359)	(90,195)	
Repayment of borrowings		(750,279)	(451,184)	
Proceeds from issuance of borrowings		906,313	758,216	
Dividend paid		(220,000)	(220,000)	
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE				
THE EFFECTS OF FOREIGN EXCHANGE RATE FLUCTUATIONS (A+B+C)		(41,063)	56,472	
D. EFFECTS OF FOREIGN EXCHANGE RATE FLUCTUATIONS				
ON CASH AND CASH EQUIVALENTS		(562)	(11,451)	
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)		(41,625)	45,021	
E. CASH AND CASH EQUIVALENTS AT 1 JANUARY		82,246	37,225	
CASH AND CASH EQUIVALENTS AT 31 DECEMBER (A+B+C+D+E)		40,621	82,246	

Accompanying notes are an integral part of these consolidated financial statement