

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.)

	Notes	Audited		
		2016	2015	
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	5	89,098	71,870	
Trade receivables		1,213,786	1,095,624	
Trade receivables due from related parties	28.3	799,371	768,976	
Trade receivables due from third parties	8.1	414,415	326,648	
Other receivables		95,762	52,031	
Other receivables due from related parties	28.4	22	1,639	
Other receivables due from third parties	9	95,740	50,392	
Inventories	10	1,650,960	1,214,122	
Prepayments	17.1	21,955	19,198	
Current tax assets	26	-	15,984	
Other current assets		68,837	20,403	
Total current assets		3,140,398	2,489,232	
NON-CURRENT ASSETS				
Financial investments		550,350	511,815	
Available-for-sale financial assets	6	550,350	511,815	
Other receivables		514	260	
Other receivables due from third parties		514	260	
Investments accounted for using equity method	11	305,986	239,010	
Investment property	14	19,809	20,222	
Property, plant and equipment	12	780,965	664,043	
Intangible assets	13	26,226	20,848	
Prepayments	17.2	20,121	28,811	
Deferred tax asset	26	7,485	5,662	
Total non-current assets		1,711,456	1,490,671	
TOTAL ASSETS		4,851,854	3,979,903	

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.)

LIABILITIES	Notes	Audited		
		2016	2015	
CURRENT LIABILITIES				
Current borrowings				
Current borrowings	7	2,446,084	1,619,581	
Current portion of non-current borrowings	7	284,179	25,335	
Trade payables		770,675	509,411	
Trade payables to related parties	28.7	39,187	23,565	
Trade payables to third parties	8.2	731,488	485,846	
Employee benefit obligations		16,458	13,894	
Deferred income	17.3	29,239	13,604	
Current tax liabilities	26	3,033	3,166	
Current provisions		67,976	54,983	
Current provisions for employee benefits	15.1	6,166	5,193	
Other current provisions	15.1	61,810	49,790	
Other current liabilities	18	67,602	64,061	
Total current liabilities		3,685,246	2,304,035	
NON-CURRENT LIABILITIES				
Long-term borrowings	7	28,172	296,208	
Deferred income		1,995	215	
Non-current provisions		14,856	13,937	
Non-current provisions for employee benefits	16	14,856	13,937	
Deferred tax liabilities	26	2,872	2,625	
Total non-current liabilities		47,895	312,985	
TOTAL LIABILITIES		3,733,141	2,617,020	
EQUITY				
Equity attributable to equity holders of the Company				
Issued capital	19	1,114,091	1,358,516	
Issued capital		220,000	220,000	
Inflation adjustment on capital	19	23,115	23,115	
Treasury shares (-)	19	(220,274)	-	
<i>Accumulated other comprehensive income (loss) that will not be reclassified in profit or loss</i>		(7,636)	(7,248)	
Gains (losses) on revaluation and remeasurement		(7,636)	(7,248)	
Gains (losses) on remeasurements of defined benefit plans		(7,636)	(7,248)	
<i>Accumulated other comprehensive income (loss) that will be reclassified in profit or loss</i>		475,472	436,923	
Currency translation differences	19	5,808	6,033	
Gains (losses) on revaluation and reclassification		469,664	430,890	
Gains (losses) on remeasuring and/or reclassification of available-for-sale financial assets	19	469,664	430,890	
Restricted reserves appropriated from profits	19	446,283	146,889	
Legal reserves		156,314	126,450	
Treasury share reserves		220,274	-	
Other restricted profit reserves		69,695	20,439	
Retained earnings / (Accumulated losses)	19	(60,557)	235,916	
Profit for the period		237,688	302,921	
Non-controlling interests	19	4,622	4,367	
TOTAL EQUITY		1,118,713	1,362,883	
TOTAL EQUITY AND LIABILITIES		4,851,854	3,979,903	

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	
	Notes	2016	2015
Revenue	20	11,925,176	10,889,161
Cost of sales	20	(10,772,300)	(9,780,598)
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		1,152,876	1,108,563
GROSS PROFIT (LOSS)		1,152,876	1,108,563
General administrative expenses	21	(394,690)	(310,269)
Marketing expenses	21	(415,575)	(363,500)
Other income from operating activities	23.1	157,539	67,077
Other expenses from operating activities	23.2	(74,194)	(55,303)
PROFIT (LOSS) FROM OPERATING ACTIVITIES		425,956	446,568
Investment activity income	24	23,024	46,875
Share of profit (loss) from investments accounted for using equity method	11	98,849	43,434
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		547,829	536,877
Finance costs	25	(272,697)	(171,488)
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		275,132	365,389
Tax (expense) income, continuing operations		(37,189)	(62,945)
Current period tax (expense) income	26	(40,594)	(61,976)
Deferred tax (expense) income	26	3,405	(969)
PROFIT (LOSS) FROM CONTINUING OPERATIONS		237,943	302,444
PROFIT (LOSS)		237,943	302,444
Profit (loss), attributable to			
Non-controlling interests		255	(477)
Owners of parent		237,688	302,921
Basic earnings per share			
Basic earnings(loss) per share from continuing operations	27	1.1098	1.3769
Diluted earnings per share			
Diluted earnings(loss) per share from continuing operations	27	1.1098	1.3769

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	2016	2015
PROFIT (LOSS)		237,943	302,444
Other comprehensive income			
Other comprehensive income that will not be reclassified to profit or loss			
Gains (losses) on remeasurements of defined benefit plans	16	(485)	(2,014)
<i>Other comprehensive income that will not be reclassified to profit or loss, tax effect</i>		97	403
Gains (losses) on remeasurements of defined benefit plans, tax effect	26	97	403
Other comprehensive income that will be reclassified to profit or loss		38,549	(24,286)
Foreign currency translation differences		(225)	3,591
<i>Gains (losses) on remeasuring and/or reclassification of available-for-sale-financial assets</i>		38,535	(19,366)
Gains (losses) on remeasuring available-for-sale-financial assets	6	38,535	(19,366)
Share of other comprehensive income of associates and joint ventures accounted for equity method that will be reclassified to profit or loss	11	2,165	(9,518)
<i>Other comprehensive income that will be reclassified to profit or loss, tax effect</i>		(1,926)	1,007
Gains (losses) on remeasuring or reclassification on available-for-sale-financial assets, tax effect	26	(1,926)	1,007
OTHER COMPREHENSIVE INCOME (LOSS)		38,161	(25,897)
TOTAL COMPREHENSIVE INCOME (LOSS)		276,104	276,547
Total comprehensive income attributable to			
Non-controlling interests		255	(477)
Owners of parent		275,849	277,024

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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.)

	Issued capital (Note 19)	Inflation adjustments on capital (Note 19)	Treasury Shares (Note 19)	Accumulated other comprehensive income and expense that will not be reclassified through profit or loss		Accumulated other comprehensive income and expense that will be reclassified through profit or loss			Accumulated earnings		Equity attributable to equity holders of the Company	Non- controlling interests (Note 19)	Total Equity			
				Gains / losses on remeasurements of defined benefit plans	Foreign currency translation difference (Note 19)	Hedge reserve (Note 19)	Gains/ Losses on re-measuring of available-for-sale financial assets (Note 19)	Retained earnings/ (Accumulated losses)	Net profit/ loss for the period							
Balance at 1 January 2015	220,000	23,115	-	(5,637)	2,442	8,414	450,352	132,704	148,466	251,635	1,231,491	4,844	1,236,335			
Transfers	-	-	-	-	-	-	-	14,185	237,450	(251,635)	-	-	-			
Total comprehensive income (loss)	-	-	-	(1,611)	3,591	(8,414)	(19,462)	-	-	302,921	277,025	(477)	276,548			
Profit (loss) for the period	-	-	-	-	-	-	-	-	-	302,921	302,921	(477)	302,444			
Other comprehensive income (loss)	-	-	-	(1,611)	3,591	(8,414)	(19,462)	-	-	-	(25,896)	-	(25,896)			
Dividends paid	-	-	-	-	-	-	-	-	-	(150,000)	-	(150,000)	-			
Balance at 31 December 2015	220,000	23,115	-	(7,248)	6,033	-	430,890	146,889	235,916	302,921	1,358,516	4,367	1,362,883			
Balance at 1 January 2016	220,000	23,115	-	(7,248)	6,033	-	430,890	146,889	235,916	302,921	1,358,516	4,367	1,362,883			
Transfers	-	-	-	-	-	-	-	79,120	223,801	(302,921)	-	-	-			
Total comprehensive income (loss)	-	-	-	(388)	(225)	-	38,774	-	-	237,688	275,849	255	276,104			
Profit (loss) for the period	-	-	-	-	-	-	-	-	-	237,688	237,688	255	237,943			
Other comprehensive income (loss)	-	-	-	(388)	(225)	-	38,774	-	-	-	38,161	-	38,161			
Dividends paid	-	-	-	-	-	-	-	-	-	(300,000)	-	(300,000)	-			
Increase (decrease) through treasury share transactions	-	-	(220,274)	-	-	-	-	220,274	(220,274)	-	(220,274)	-	(220,274)			
Balance at 31 December 2016	220,000	23,115	(220,274)	(7,636)	5,808	-	469,664	446,283	(60,557)	237,688	1,114,091	4,622	1,118,713			

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.)

	Notes	Audited	
		2016	2015
A. CASH FLOWS FROM OPERATING ACTIVITIES:		122,069	(488,876)
Profit (loss) for the year		237,943	302,444
<i>Adjustments for profit (loss) for the period reconciliation:</i>		348,510	261,340
Adjustments for depreciation and amortization expense	12, 13, 14	65,811	49,584
<i>Adjustments for (reversal of) impairment</i>		889	189
Adjustments for (reversal of) impairment loss of receivables	8.1	48	132
Adjustments for (reversal of) impairment loss of inventories	10	841	57
<i>Adjustments for provisions</i>		97,818	80,541
Adjustments for provisions for employee benefits	15.1	4,693	3,356
Adjustments for (reversal of) lawsuit and/or penalty provision expenses	15.1	6,036	1,699
Adjustments for (reversal of) warranty provisions	15.1	87,089	75,486
Adjustments for dividend (income) expense	24	(9,259)	(11,385)
<i>Adjustments for interest (income) and expense</i>		267,100	161,987
Adjustments for interest income	23.1	(428)	(1,718)
Adjustments for interest expense	25	267,528	163,705
Adjustments for unrealized foreign exchange losses (gains)		1,576	(3,597)
Adjustments for undistributed profits of investments accounted for using equity method	11	(98,849)	(43,434)
Adjustments for tax (income) expenses	26	37,189	62,945
<i>Adjustments for losses (gains) on disposal of non-current assets</i>		(13,765)	(9,551)
Adjustments for losses (gains) on disposal of property and equipment	24	(13,765)	(9,551)
Adjustments for losses (gains) from sale or changes in share of associates joint ventures and financial investments		-	(25,939)
Changes in working capital		(355,819)	(912,086)
<i>Adjustments for decrease (increase) in trade receivables</i>		(109,946)	(359,640)
Decrease (increase) in due from related parties		(30,394)	(212,292)
Decrease (increase) in due from third parties		(79,552)	(147,348)
Adjustments for decrease (increase) in inventories		(437,680)	(644,920)
<i>Adjustments for increase (decrease) in trade payables</i>		261,130	152,093
Increase (decrease) in due to related parties		15,622	5,773
Increase (decrease) in due to third parties		245,508	146,320
Increase (decrease) in deferred income		15,635	6,304
Adjustments for other increase (decrease) in working capital		(84,958)	(65,923)
Cash flows from operations		230,634	(348,302)
Interest received		428	1,718
Payments related with provisions for employee benefits		(3,286)	(2,620)
Payments related with other provisions	15.1	(81,105)	(75,550)
Income taxes refund (paid)		(24,654)	(64,122)
Other cash inflows (outflows)	8	52	-
B. CASH FLOWS FROM INVESTING ACTIVITIES		(114,284)	(21,430)
Cash inflows by sale of shares or capital decrease of associates and/or joint ventures		-	91,304
Cash outflows arising from purchase of shares or capital increase of associates and/or joint ventures	11	(1,380)	(2,645)
<i>Cash inflow by proceeds from sales of property and equipment and intangible assets</i>		68,589	34,088
Cash inflow by proceeds from sales of property and equipment		68,589	34,088
<i>Cash outflow by acquisition of property and equipment and intangible assets</i>		(226,170)	(184,938)
Cash outflow by acquisition of property and equipment		(206,334)	(168,980)
Cash outflow by acquisition of intangible assets	13	(19,836)	(15,958)
Dividends received		44,677	40,761

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FOR THE YEARS ENDED 31 DECEMBER

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	Notes	Audited	
		2016	2015
C. CASH FLOWS FROM FINANCING ACTIVITIES		17,308	553,867
Payments to acquire entity's shares or other equity instruments	19	(220,274)	-
Proceeds from issuance of borrowings		2,327,248	1,841,085
Repayments of borrowings		(1,563,539)	(980,103)
Dividends paid	19	(300,000)	(150,000)
Interest paid		(224,078)	(155,484)
Other cash inflows (outflows)		(2,049)	(1,631)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE			
EFFECT OF EXCHANGE RATE CHANGES (A+B+C)		25,093	43,561
D. EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS			
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)		(7,865)	(12,312)
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	17,228	31,249
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	5	71,870	40,621
		89,098	71,870

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