

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL
POSITION AS AT 31 MARCH 2017 AND 31 DECEMBER 2016

(Convenience translation of condensed consolidated interim financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

		Reviewed	Audited
	Notes	31 March 2017	31 December 2016
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	84,699	89,098
Trade receivables		697,645	1,213,786
Trade receivables due from related parties	23.3	476,993	799,371
Trade receivables due from third parties	8.1	220,652	414,415
Other receivables		79,148	95,762
Other receivables due from related parties	23.4	-	22
Other receivables due from third parties	9	79,148	95,740
Inventories	10	2,074,341	1,650,960
Prepayments	15.1	93,679	21,955
Other current assets		17,671	68,837
Total current assets		3,047,183	3,140,398
NON-CURRENT ASSETS			
Financial investments		548,793	550,350
Available-for-sale financial assets	6	548,793	550,350
Other receivables		518	514
Other receivables due from third parties		518	514
Investments accounted for using equity method	11	330,465	305,986
Investment property	13	19,706	19,809
Property, plant and equipment	12	957,438	780,965
Intangible assets		27,582	26,226
Prepayments	15.2	17,439	20,121
Deferred tax asset	21	13,619	7,485
Total non-current assets		1,915,560	1,711,456
TOTAL ASSETS		4,962,743	4,851,854

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

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POSITION AS AT 31 MARCH 2017 AND 31 DECEMBER 2016

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LIABILITIES	Notes	Reviewed	Audited
		31 March 2017	31 December 2016
CURRENT LIABILITIES			
Current borrowings	7	2,174,799	2,446,084
Current portion of non-current borrowings	7	283,529	284,179
Trade payables		1,124,310	770,675
Trade payables to related parties	23.7	31,607	39,187
Trade payables to third parties	8.2	1,092,703	731,488
Employee benefit obligations		81,716	16,458
Deferred income	15.3	26,853	29,239
Current tax liabilities	21	9,610	3,033
Current provisions		56,479	61,810
Other current provisions	14	56,479	61,810
Other current liabilities	16	22,903	67,602
Total current liabilities		3,780,199	3,679,080
NON-CURRENT LIABILITIES			
Long-term borrowings	7	12,174	28,172
Deferred income		1,598	1,995
Non-current provisions		28,916	21,022
Non-current provisions for employee benefits		28,916	21,022
Deferred tax liabilities	21	-	2,872
Total non-current liabilities		42,688	54,061
TOTAL LIABILITIES		3,822,887	3,733,141
EQUITY			
Equity attributable to equity holders of the Company		1,135,604	1,114,091
Issued capital	17	220,000	220,000
Inflation adjustment on capital	17	23,115	23,115
Treasury shares (-)	17	(220,274)	(220,274)
<i>Accumulated other comprehensive income (loss) that will not be reclassified in profit or loss</i>		(13,726)	(7,636)
Gains (losses) on revaluation and remeasurement		(13,726)	(7,636)
Gains (losses) on remeasurements of defined benefit plans		(13,726)	(7,636)
<i>Accumulated other comprehensive income (loss) that will be reclassified in profit or loss</i>		474,787	475,472
Currency translation differences	17	6,691	5,808
Gains (losses) on revaluation and reclassification		468,096	469,664
Gains (losses) on remeasuring and/or reclassification of available-for-sale financial assets	17	468,096	469,664
Restricted reserves appropriated from profits	17	446,283	446,283
Legal reserves		156,314	156,314
Treasury share reserves		220,274	220,274
Other restricted profit reserves		69,695	69,695
Retained earnings / (Accumulated losses)	17	177,131	(60,557)
Profit for the period		28,288	237,688
Non-controlling interests	17	4,252	4,622
TOTAL EQUITY		1,139,856	1,118,713
TOTAL EQUITY AND LIABILITIES		4,962,743	4,851,854

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

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

(Convenience translation of condensed consolidated interim financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

	Notes	Reviewed 31 March 2017	Reviewed 31 March 2016
Revenue		2,084,885	2,252,445
Cost of sales		(1,852,285)	(1,999,670)
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		232,600	252,775
GROSS PROFIT (LOSS)		232,600	252,775
General administrative expenses	18	(98,865)	(88,828)
Marketing expenses	18	(74,875)	(87,060)
Other income from operating activities		38,472	18,546
Other expenses from operating activities		(13,115)	(10,913)
PROFIT (LOSS) FROM OPERATING ACTIVITIES		84,217	84,520
Investment activity income	19	5,504	5,675
Share of profit (loss) from investments accounted for using equity method	11	20,313	20,551
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		110,034	110,746
Finance costs	20	(79,827)	(54,248)
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		30,207	56,498
Tax (expense) income, continuing operations		(2,289)	(9,286)
Current period tax (expense) income	21	(9,694)	(20,745)
Deferred tax (expense) income	21	7,405	11,459
PROFIT (LOSS) FROM CONTINUING OPERATIONS		27,918	47,212
PROFIT (LOSS)		27,918	47,212
Profit (loss), attributable to			
Non-controlling interests		(370)	87
Owners of parent		28,288	47,125
Basic earnings per share			
Basic earnings(loss) per share from continuing operations	22	0.1321	0.2142
Diluted earnings per share			
Diluted earnings(loss) per share from continuing operations	22	0.1321	0.2142

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DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OTHER
COMPREHENSIVE INCOME FOR THE THREE MONTH PERIODS
ENDED 31 MARCH

(Convenience translation of condensed consolidated interim financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

	Notes	Reviewed 31 March 2017	Reviewed 31 March 2016
PROFIT (LOSS)		27,918	47,212
Other comprehensive income			
Other comprehensive income that will not be reclassified to profit or loss		(6,090)	(427)
Gains (losses) on remeasurements of defined benefit plans		(7,613)	(534)
<i>Other comprehensive income that will not be reclassified to profit or loss, tax effect</i>		1,523	107
Gains (losses) on remeasurements of defined benefit plans, tax effect	21	1,523	107
Other comprehensive income that will be reclassified to profit or loss		(685)	21,834
Foreign currency translation differences		883	303
<i>Gains (losses) on remeasuring and/or reclassification of available-for-sale-financial assets</i>		<i>(1,557)</i>	<i>21,381</i>
Gains (losses) on remeasuring available-for-sale-financial assets	6	(1,557)	21,381
Share of other comprehensive income of associates and joint ventures accounted for equity method that will be reclassified to profit or loss	11	(89)	1,219
<i>Other comprehensive income that will be reclassified to profit or loss, tax effect</i>		<i>78</i>	<i>(1,069)</i>
Gains (losses) on remeasuring or reclassification on available-for-sale-financial assets, tax effect	21	78	(1,069)
OTHER COMPREHENSIVE INCOME (LOSS)		(6,775)	21,407
TOTAL COMPREHENSIVE INCOME (LOSS)		21,143	68,619
Total comprehensive income attributable to			
Non-controlling interests		(370)	87
Owners of parent		21,513	68,532

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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

(Convenience translation of condensed consolidated interim financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

	Issued capital (Note 17)	Inflation adjustments on capital (Note 17)	Treasury Shares (Note 17)	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		Restricted Reserve (Note 17)	Accumulated earnings		Equity attributable to equity holders of the Company	Non-controlling interests (Note 17)	Total Equity
				Gains / losses on remeasurements of defined benefit plans	Foreign currency translation difference (Note 17)	Gains/ Losses on remeasuring of available-for-sale financial assets (Note 17)		Retained earnings/ (Accumulated losses)	Net profit/ loss for the period			
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)	-	-	-	(427)	303	21,531	-	-	47,125	68,532	87	68,619
Profit (loss) for the period	-	-	-	-	-	-	-	-	47,125	47,125	87	47,212
Other comprehensive income (loss)	-	-	-	(427)	303	21,531	-	-	-	21,407	-	21,407
Dividends paid	-	-	-	-	-	-	-	(300,000)	-	(300,000)	-	(300,000)
Balance at 31 March 2016	220,000	23,115	-	(7,675)	6,336	452,421	226,009	159,717	47,125	1,127,048	4,454	1,131,502
Balance at 1 January 2017	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
Transfers	-	-	-	-	-	-	-	237,688	(237,688)	-	-	-
Total comprehensive income (loss)	-	-	-	(6,090)	883	(1,568)	-	-	28,288	21,513	(370)	21,143
Profit (loss) for the period	-	-	-	-	-	-	-	-	28,288	28,288	(370)	27,918
Other comprehensive income (loss)	-	-	-	(6,090)	883	(1,568)	-	-	-	(6,775)	-	(6,775)
Balance at 31 March 2017	220,000	23,115	(220,274)	(13,726)	6,691	468,096	446,283	177,131	28,288	1,135,604	4,252	1,139,856

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

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

(Convenience translation of condensed consolidated interim financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

	Notes	Reviewed 31 March 2017	Reviewed 31 March 2016
A. CASH FLOWS FROM OPERATING ACTIVITIES:		558,452	67,341
Profit (loss) for the year		27,918	47,212
Adjustments to for profit (loss) for the period reconciliation:		124,234	117,145
Adjustments for depreciation and amortization expense	18.2	20,824	14,591
Adjustments for (reversal of) impairment		655	606
Adjustments for (reversal of) impairment loss of receivables		194	172
Adjustments for (reversal of) impairment loss of inventories	10	461	434
Adjustments for provisions		47,713	65,504
Adjustments for provisions for employee benefits		1,676	1,020
Adjustments for (reversal of) lawsuit and/or penalty provision expenses		2,834	428
Adjustments for (reversal of) warranty provisions		10,742	18,722
Adjustments for (reversal of) other provisions		32,461	45,334
Adjustments for interest (income) and expense		78,409	53,384
Adjustments for interest income		(559)	(106)
Adjustments for interest expense		78,968	53,490
Adjustments for unrealized foreign exchange losses (gains)		161	-
Adjustments for undistributed profits of investments accounted for using equity method	11	(20,313)	(20,551)
Adjustments for tax (income) expenses	21	2,289	9,286
Adjustments for losses (gains) on disposal of non-current assets		(5,504)	(5,675)
Adjustments for losses (gains) on disposal of property, plant and equipment	19	(5,504)	(5,675)
Changes in working capital		429,075	(59,505)
Adjustments for decrease (increase) in trade receivables		515,947	191,934
Decrease (increase) in due from related parties		322,378	91,665
Decrease (increase) in due from third parties		193,569	100,269
Adjustments for decrease (increase) in inventories		(423,842)	(313,709)
Adjustments for increase (decrease) in trade payables		320,460	159,381
Increase (decrease) in due to related parties		(7,580)	4,320
Increase (decrease) in due to third parties		328,040	155,061
Increase (decrease) in deferred income		(2,783)	5,498
Adjustments for other increase (decrease) in working capital		19,293	(102,609)
Cash flows from operations		581,227	104,852
Interest received		559	106
Payments related with provisions for employee benefits		(1,394)	(785)
Payments related with other provisions		(18,907)	(17,806)
Income taxes refund (paid)		(3,033)	(19,156)
Other cash inflows (outflows)		-	130
B. CASH FLOWS FROM INVESTING ACTIVITIES		(191,572)	(24,303)
Cash outflows arising from purchase of shares or capital increase of associates and/or joint ventures	11	(4,255)	-
Cash inflow by proceeds from sales of property, plant and equipment and intangible assets		25,974	19,607
Cash inflow by proceeds from sales of property, plant and equipment		25,974	19,607
Cash outflow by acquisition of property, plant and equipment and intangible assets		(213,291)	(43,910)
Cash outflow by acquisition of property, plant and equipment		(207,820)	(39,521)
Cash outflow by acquisition of intangible assets		(5,471)	(4,389)
C. CASH FLOWS FROM FINANCING ACTIVITIES		(370,943)	(70,934)
Proceeds from issuance of borrowings		822,251	639,527
Repayments of borrowings		(1,131,846)	(671,240)
Interest paid		(61,348)	(37,604)
Other cash inflows (outflows)		-	(1,617)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE		(4,063)	(27,896)
EFFECT OF EXCHANGE RATE CHANGES (A+B+C)		(336)	577
D. EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		(336)	577
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)		(4,399)	(27,319)
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	89,098	71,870
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	5	84,699	44,551

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