

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL
POSITION AS AT 30 SEPTEMBER 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.)

	<u>Notes</u>	<u>Reviewed</u>	<u>Audited</u>	
		<u>30 September 2017</u>	<u>31 December 2016</u>	
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	5	74,872	89,098	
Trade receivables		1,045,234	1,128,610	
Trade receivables due from related parties	23.3	784,500	799,371	
Trade receivables due from third parties		260,734	329,239	
Other receivables		109,861	180,938	
Other receivables due from related parties	23.4	-	22	
Other receivables due from third parties	9	109,861	180,916	
Inventories	10	1,827,825	1,650,960	
Prepayments	15.1	45,346	21,955	
Other current assets		8,751	68,837	
Total current assets		3,111,889	3,140,398	
NON-CURRENT ASSETS				
Financial investments		548,502	550,350	
Available-for-sale financial assets	6	548,502	550,350	
Other receivables		497	514	
Other receivables due from third parties		497	514	
Investments accounted for using equity method	11	335,503	305,986	
Investment property	13	19,499	19,809	
Property, plant and equipment	12	963,154	780,965	
Intangible assets		30,236	26,226	
Prepayments	15.2	10,177	20,121	
Deferred tax asset	21	20,585	7,485	
Total non-current assets		1,928,153	1,711,456	
TOTAL ASSETS		5,040,042	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 FINANCIAL
POSITION AS AT 30 SEPTEMBER 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.)

LIABILITIES	Notes	Reviewed	Audited
		30 September 2017	31 December 2016
CURRENT LIABILITIES			
Current borrowings	7	2,549,176	2,446,084
Current portion of non-current borrowings	7	5,527	284,179
Trade payables		1,034,420	770,675
Trade payables to related parties	23.7	26,189	39,187
Trade payables to third parties	8.2	1,008,231	731,488
Employee benefit obligations		14,112	16,458
Deferred income	15.3	30,392	29,239
Current tax liabilities	21	22,902	3,033
Current provisions		57,651	61,810
Other current provisions	14.1	57,651	61,810
Other current liabilities	16	29,093	67,602
Total current liabilities		3,743,273	3,679,080
NON-CURRENT LIABILITIES			
Long-term borrowings	7	10,523	28,172
Deferred income		853	1,995
Non-current provisions		31,323	21,022
Non-current provisions for employee benefits		31,323	21,022
Deferred tax liabilities	21	840	2,872
Total non-current liabilities		43,539	54,061
TOTAL LIABILITIES		3,786,812	3,733,141
EQUITY			
Equity attributable to equity holders of the Company		1,248,550	1,114,091
Issued capital	17	220,000	220,000
Inflation adjustment on capital	17	23,115	23,115
Treasury shares (-)	17	(220,284)	(220,274)
<i>Accumulated other comprehensive income (loss) that will not be reclassified in profit or loss</i>		(14,938)	(7,636)
Gains (losses) on revaluation and remeasurement		(14,938)	(7,636)
Gains (losses) on remeasurements of defined benefit plans		(14,938)	(7,636)
<i>Accumulated other comprehensive income (loss) that will be reclassified in profit or loss</i>		474,997	475,472
Currency translation differences	17	7,193	5,808
Gains (losses) on revaluation and reclassification		467,804	469,664
Gains (losses) on remeasuring and/or reclassification of available-for-sale financial assets	17	467,804	469,664
Restricted reserves appropriated from profits	17	446,293	446,283
Legal reserves		156,314	156,314
Treasury share reserves		220,284	220,274
Other restricted profit reserves		69,695	69,695
Retained earnings / (Accumulated losses)	17	177,121	(60,557)
Profit for the period		142,246	237,688
Non-controlling interests		4,680	4,622
TOTAL EQUITY		1,253,230	1,118,713
TOTAL EQUITY AND LIABILITIES		5,040,042	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 PROFIT OR LOSS STATEMENTS
FOR THE NINE MONTH PERIODS ENDED 30 SEPTEMBER

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

PROFIT OR LOSS	Notes	Reviewed		Reviewed	
		For the nine month period ended 30 September 2017	For the nine month period ended 30 September 2015	For the three month period ended 30 September 2017	For the three month period ended 30 September 2016
Revenue		8,502,717	7,961,137	3,287,458	2,601,313
Cost of sales		(7,615,702)	(7,151,472)	(2,938,204)	(2,346,741)
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		887,015	809,665	349,254	254,572
GROSS PROFIT (LOSS)		887,015	809,665	349,254	254,572
General administrative expenses	18	(297,620)	(287,715)	(101,895)	(92,761)
Marketing expenses	18	(290,901)	(284,198)	(105,527)	(94,494)
Other income from operating activities		68,030	71,839	17,858	38,406
Other expenses from operating activities		(43,049)	(46,830)	(14,331)	(21,829)
PROFIT (LOSS) FROM OPERATING ACTIVITIES		323,475	262,761	145,359	83,894
Investment activity income	19	22,232	20,004	4,735	3,144
Share of profit (loss) from investments accounted for using equity method	11	65,874	74,549	20,420	18,181
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		411,581	357,314	170,514	105,219
Finance costs	20	(249,747)	(196,018)	(83,121)	(71,727)
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		161,834	161,296	87,393	33,492
Tax (expense) income, continuing operations		(19,530)	(18,737)	(14,748)	(4,102)
Current period tax (expense) income	21	(32,743)	(37,014)	(27,254)	(17,921)
Deferred tax (expense) income	21	13,213	18,277	12,506	13,819
PROFIT (LOSS) FROM CONTINUING OPERATIONS		142,304	142,559	72,645	29,390
PROFIT (LOSS)		142,304	142,559	72,645	29,390
Profit (loss), attributable to					
Non-controlling interests		58	189	138	(11)
Owners of parent		142,246	142,370	72,507	29,401
Basic earnings per share					
Basic earnings(loss) per share from continuing operations	22	0.6642	0.6522	0.3385	0.1368
Diluted earnings per share					
Diluted earnings(loss) per share from continuing operations	22	0.6642	0.6522	0.3385	0.1368

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

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.

CONDENSED CONSOLIDATED INTERIM OF OTHER COMPREHENSIVE INCOME

FOR THE NINE MONTH PERIODS ENDED 30 SEPTEMBER

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

	Notes	Reviewed	Reviewed	Reviewed	Reviewed
		For the nine month period ended 30 September 2017	For the nine month period ended 30 September 2016	For the three month period ended 30 September 2017	For the three month period ended 30 September 2016
PROFIT (LOSS)		142,304	142,559	72,645	29,390
Other comprehensive income					
Other comprehensive income that will not be reclassified to profit or loss		(7,302)	(306)	(898)	(640)
Gains (losses) on remeasurements of defined benefit plans		(9,128)	(382)	(1,123)	(799)
<i>Other comprehensive income that will not be reclassified to profit or loss, tax effect</i>		1,826	76	225	159
Gains (losses) on remeasurements of defined benefit plans, tax effect	21	1,826	76	225	159
Other comprehensive income that will be reclassified to profit or loss		(475)	6,486	(5,318)	2,645
Foreign currency translation differences		1,385	929	(323)	734
<i>Gains (losses) on remeasuring and/or reclassification of available-for-sale-financial assets</i>		(1,848)	5,518	(4,961)	1,896
Gains (losses) on remeasuring available-for-sale-financial assets	6	(1,848)	5,518	(4,961)	1,896
Share of other comprehensive income of associates and joint ventures accounted for equity method that will be reclassified to profit or loss	11	(105)	315	(282)	109
<i>Other comprehensive income that will be reclassified to profit or loss, tax effect</i>		93	(276)	248	(94)
Gains (losses) on remeasuring or reclassification on available-for-sale-financial assets, tax effect	21	93	(276)	248	(94)
OTHER COMPREHENSIVE INCOME (LOSS)		(7,777)	6,180	(6,216)	2,005
TOTAL COMPREHENSIVE INCOME (LOSS)		134,527	148,739	66,429	31,395
Total comprehensive income attributable to					
Non-controlling interests		58	189	138	(11)
Owners of parent		134,469	148,550	66,291	31,406

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 CHANGES IN EQUITY

FOR THE NINE MONTH PERIODS ENDED 30 SEPTEMBER

(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)	Inflati on adjust ments 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			Accumulated earnings			Equity		
				Gains / (losses) on remeasurements of defined benefit plans (Note 17)	Foreign currency translation (Note 17)	Gains / (Losses) on revaluating available-for-sale financial assets (Note 17)	Restricted Reserve (Note 17)	Retained Earnings / (Accumulated Losses) (Note 17)	Net profit/ loss for the period (Note 17)	Attributable to equity holders of the Company (Note 17)	Non- controlling interests (Note 17)		
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)	-	-	-	(306)	929	5,557	-	-	142,370	148,550	189	148,739	
Profit (loss) for the period	-	-	-	-	-	-	-	-	142,370	142,370	189	142,559	
Other comprehensive income (loss)	-	-	-	(306)	929	5,557	-	-	-	6,180	-	6,180	
Dividends paid	-	-	-	-	-	-	-	(300,000)	-	(300,000)	-	(300,000)	
Increase (decrease) through treasury shares transactions			(130,119)	-	-	-	130,119	(130,119)	-	(130,119)	-	(130,119)	
Balance at 30 September 2016	220,000	23,115	(130,119)	(7,554)	6,962	436,447	356,128	29,598	142,370	1,076,947	4,556	1,081,503	
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)	-	-	-	(7,302)	1,385	(1,860)	-	-	142,246	134,469	58	134,527	
Profit (loss) for the period	-	-	-	-	-	-	-	-	142,246	142,246	58	142,304	
Other comprehensive income (loss)	-	-	-	(7,302)	1,385	(1,860)	-	-	-	(7,777)	-	(7,777)	
Increase (decrease) through treasury shares transactions	-	-	(10)	-	-	-	10	(10)	-	(10)	-	(10)	
Balance at 30 September 2017	220,000	23,115	(220,284)	(14,938)	7,193	467,804	446,293	177,121	142,246	1,248,550	4,680	1,253,230	

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 NINE MONTH PERIODS ENDED 30 SEPTEMBER

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

Notes	Reviewed	
	30 September 2017	30 September 2016
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit (loss) for the period	607,276	(89,372)
<i>Adjustments to for profit (loss) for the period reconciliation:</i>		
Adjustments for depreciation and amortization expense	360,129	296,658
Adjustments for (reversal of) impairment	61,744	47,163
Adjustments for (reversal of) impairment loss of receivables	4,134	1,013
Adjustments for (reversal of) impairment loss of inventories	198	(464)
Adjustments for provisions	10	3,936
Adjustments for provisions for employee benefits	1,477	1,477
Adjustments for (reversal of) lawsuit and/or penalty provision expenses	124,834	133,403
Adjustments for (reversal of) warranty provisions	18	60,192
Adjustments for (reversal of) other provisions	19	56,510
Adjustments for dividend (income) expenses	19	(8,927)
Adjustments for interest (income) and expense		237,993
Adjustments for interest income		(2,632)
Adjustments for interest expense		240,625
Adjustments for unrealized foreign exchange losses (gains)		-
Adjustments for undistributed profits of investments accounted for using equity method	11	(65,874)
Adjustments for tax (income) expenses	21	19,530
Adjustments for losses (gains) on disposal of non-current assets		(13,305)
Adjustments for losses (gains) on disposal of property, plant and equipment	19	(13,305)
Changes in working capital	186,180	(460,440)
Adjustments for decrease (increase) in trade receivables	168,139	345,994
Decrease (increase) in due from related parties	14,871	208,966
Decrease (increase) in due from third parties	153,268	137,028
Adjustments for decrease (increase) in inventories	(180,801)	(1,201,503)
Adjustments for increase (decrease) in trade payables	207,129	447,677
Increase (decrease) in due to related parties	(12,998)	15,255
Increase (decrease) in due to third parties	220,127	432,422
Increase (decrease) in deferred income	11	6,992
Adjustments for other increase (decrease) in working capital	(8,298)	(59,600)
Cash flows from operations	688,613	(21,223)
Interest received	2,632	863
Payments related with provisions for employee benefits	(3,787)	(2,237)
Payments related with other provisions	(67,523)	(58,348)
Income taxes refund (paid)	(12,874)	(8,438)
Other cash inflows (outflows)	215	11
B. CASH FLOWS FROM INVESTING ACTIVITIES	(183,306)	(63,655)
Cash inflows caused by share sales or capital decrease of associates and/or joint ventures	11	5,880
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		59,218
Cash inflow by proceeds from sales of property, plant and equipment		59,218
Cash outflow by acquisition of property, plant and equipment and intangible assets		(287,703)
Cash outflow by acquisition of property, plant and equipment		(270,761)
Cash outflow by acquisition of intangible assets		(16,942)
Dividends received		43,554
C. CASH FLOWS FROM FINANCING ACTIVITIES	(438,566)	144,462
Payments to acquire entity's shares or other equity instruments		(10)
Proceeds from issuance of borrowings		2,384,866
Repayments of borrowings		(2,584,689)
Dividends paid		-
Interest paid		(238,733)
Other cash inflows (outflows)		-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE	(14,596)	(8,565)
EFFECT OF EXCHANGE RATE CHANGES (A+B+C)		
D. EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
EQUIVALENTS	370	(2,581)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)	(14,226)	(11,146)
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	89,098
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	5	74,872
		60,724

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