

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL
POSITION AS AT 30 JUNE 2018 AND 31 DECEMBER 2017

(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	30 June 2018	31 December 2017
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	109,433	106,385
Trade receivables		747,543	1,425,215
Trade receivables due from related parties	24.1	394,044	1,111,575
Trade receivables due from third parties		353,499	313,640
Other receivables		113,383	189,901
Other receivables due from third parties	9	113,383	189,901
Inventories	10	3,103,062	1,425,344
Prepayments	15.1	37,321	28,548
Current tax assets	21	-	445
Other current assets	15.4	12,079	18,429
Subtotal		4,122,821	3,194,267
Non-current assets or disposal groups classified as held for sale	23	178,828	-
Total current assets		4,301,649	3,194,267
NON-CURRENT ASSETS			
Financial investments		570,961	579,277
Available-for-sale financial assets	6	570,961	579,277
Other receivables		516	524
Other receivables due from third parties		516	524
Investments accounted for using equity method	11	365,593	352,323
Investment property	13	21,059	21,266
Property, plant and equipment	12	928,505	975,348
Intangible assets		34,256	31,731
Prepayments	15.2	3,814	10,608
Deferred tax asset	21	3,971	1,538
Total non-current assets		1,928,675	1,972,615
TOTAL ASSETS		6,230,324	5,166,882

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

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	Notes	Reviewed 30 June 2018	Audited 31 December 2017
LIABILITIES			
CURRENT LIABILITIES			
Current borrowings	7	2,506,178	2,959,896
Current portion of non-current borrowings	7	-	3,836
Trade payables		2,148,451	633,545
Trade payables to related parties	24.4	69,233	44,618
Trade payables to third parties	8.2	2,079,218	588,927
Employee benefit obligations		15,444	24,602
Deferred income	15.3	28,810	32,644
Current tax liabilities	21	5,022	5,827
Current provisions		66,014	68,597
Other current provisions	14.1	66,014	68,597
Other current liabilities	16	35,637	63,115
Subtotal		4,805,556	3,792,062
Liabilities included in disposal groups classified as held for sale	23	50,910	-
Total current liabilities		4,856,466	3,792,062
NON-CURRENT LIABILITIES			
Long-term borrowings	7		11,106
Deferred income		2,682	1,178
Non-current provisions		38,808	35,091
Non-current provisions for employee benefits		38,808	35,091
Total non-current liabilities		41,490	47,375
TOTAL LIABILITIES		4,897,956	3,839,437
EQUITY			
Equity attributable to equity holders of the Company		1,326,505	1,322,336
Issued capital	17	220,000	220,000
Inflation adjustment on capital	17	23,115	23,115
Treasury shares (-)		(220,288)	(220,288)
<i>Accumulated other comprehensive income (loss) that will not be reclassified in profit or loss</i>		<i>(18,276)</i>	<i>(18,014)</i>
Gains (losses) on revaluation and remeasurement		(18,276)	(18,014)
Gains (losses) on remeasurements of defined benefit plans		(18,276)	(18,014)
<i>Accumulated other comprehensive income (loss) that will be reclassified in profit or loss</i>		<i>507,241</i>	<i>510,877</i>
Currency translation differences	17	16,825	12,085
Gains (losses) on revaluation and reclassification		490,416	498,792
Gains (losses) on remeasuring and/or reclassification of available-for-sale financial assets	17	490,416	498,792
Restricted reserves appropriated from profits	17	460,402	446,297
Legal reserves		170,419	156,314
Treasury share reserves		220,288	220,288
Other restricted profit reserves		69,695	69,695
Retained earnings / (Accumulated losses)	17	217,534	177,117
Profit for the period		136,777	183,232
Non-controlling interests		5,863	5,109
TOTAL EQUITY		1,332,368	1,327,445
TOTAL EQUITY AND LIABILITIES		6,230,324	5,166,882

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 SIX MONTH PERIODS ENDED 30 JUNE

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

		Reviewed	Reviewed	Reviewed	Reviewed
		For the six month	For the six month	For the three month	For the three month
	Notes	period ended	period ended	period ended	period ended
		30 June 2018	30 June 2017	30 June 2018	30 June 2017
PROFIT OR LOSS					
Revenue		5,769,345	5,215,259	3,050,070	3,130,374
Cost of sales		(5,120,407)	(4,677,498)	(2,725,356)	(2,825,213)
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		648,938	537,761	324,714	305,161
GROSS PROFIT (LOSS)		648,938	537,761	324,714	305,161
General administrative expenses	18.2	(193,779)	(195,725)	(98,179)	(96,860)
Marketing expenses	18.1	(186,842)	(185,374)	(93,534)	(110,499)
Other income from operating activities		69,678	50,172	31,258	11,700
Other expenses from operating activities		(36,041)	(28,718)	(19,316)	(15,603)
PROFIT (LOSS) FROM OPERATING ACTIVITIES		301,954	178,116	144,943	93,899
Investment activity income	19	12,543	17,497	5,290	11,993
Share of profit (loss) from investments accounted for using equity method	11	48,993	45,454	19,675	25,141
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		363,490	241,067	169,908	131,033
Finance costs	20	(196,985)	(166,626)	(101,591)	(86,799)
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		166,505	74,441	68,317	44,234
Tax (expense) income, continuing operations		(29,222)	(4,782)	(12,322)	(2,493)
Current period tax (expense) income	21	(31,176)	(5,489)	(5,266)	4,205
Deferred tax (expense) income	21	1,954	707	(7,056)	(6,698)
PROFIT (LOSS) FROM CONTINUING OPERATIONS		137,283	69,659	55,995	41,741
PERIOD PROFIT/ LOSS FROM DISCONTINUED OPERATIONS		248	-	248	-
PROFIT (LOSS)		137,531	69,659	56,243	41,741
Profit (loss), attributable to					
Non-controlling interests		754	(80)	741	290
Owners of parent		136,777	69,739	55,502	41,451
Basic earnings per share					
Basic earnings(loss) per share from continuing operations	22	0.6908	0.3256	0.2803	0.1935
Diluted earnings per share					
Diluted earnings(loss) per share from continuing operations	22	0.6908	0.3256	0.2803	0.1935

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 SIX MONTH PERIODS ENDED 30 JUNE

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

	Notes	Reviewed For the six month period ended 30 June 2018	Reviewed For the six month period ended 30 June 2017	Reviewed For the three month period ended 30 June 2018	Reviewed For the three month period ended 30 June 2017
PROFIT (LOSS)		137,531	69,659	56,243	41,741
Other comprehensive income					
Other comprehensive income that will not be reclassified to profit or loss		(262)	(6,404)	508	(314)
Gains (losses) on remeasurements of defined benefit plans		(327)	(8,005)	636	(392)
<i>Other comprehensive income that will not be reclassified to profit or loss, tax effect</i>		65	1,601	(128)	78
Gains (losses) on remeasurements of defined benefit plans, tax effect	21	65	1,601	(128)	78
Other comprehensive income that will be reclassified to profit or loss		(3,636)	4,843	(3,606)	5,528
Foreign currency translation differences		4,740	1,708	3,229	825
<i>Gains (losses) on remeasuring and/or reclassification of available-for-sale-financial assets</i>		<i>(8,316)</i>	<i>3,113</i>	<i>(6,786)</i>	<i>4,670</i>
<i>Gains (losses) on remeasuring available-for-sale-financial assets</i>	6	<i>(8,316)</i>	<i>3,113</i>	<i>(6,786)</i>	<i>4,670</i>
Share of other comprehensive income of associates and joint ventures accounted for equity method that will be reclassified to profit or loss	11	(474)	177	(387)	266
<i>Other comprehensive income that will be reclassified to profit or loss, tax effect</i>		<i>414</i>	<i>(155)</i>	<i>338</i>	<i>(233)</i>
Gains (losses) on remeasuring or reclassification on available-for-sale-financial assets, tax effect	21	414	(155)	338	(233)
OTHER COMPREHENSIVE INCOME (LOSS)		(3,898)	(1,561)	(3,098)	5,214
TOTAL COMPREHENSIVE INCOME (LOSS)		133,633	68,098	53,145	46,955
Total comprehensive income attributable to					
Non-controlling interests		754	(80)	741	290
Owners of parent		132,879	68,178	52,404	46,665

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 SIX MONTH PERIODS ENDED 30 JUNE**

(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 (Note 17)	Foreign currency translation difference (Note 17)	Gains / (Losses) on remeasuring of available-for-sale financial assets (Note 17)		Retained Earnings / (Accumulated Losses) (Note 17)	Net profit/ loss for the period			
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)	-	-	-	(6,404)	1,708	3,135	-	-	69,739	68,178	(80)	68,098
Profit (loss) for the period	-	-	-	-	-	-	-	-	69,739	69,739	(80)	69,659
Other comprehensive income (loss)	-	-	-	(6,404)	1,708	3,135	-	-	-	(1,561)	-	(1,561)
Balance at 30 June 2017	220,000	23,115	(220,274)	(14,040)	7,516	472,799	446,283	177,131	69,739	1,182,269	4,542	1,186,811
Balance at 1 January 2018	220,000	23,115	(220,288)	(18,014)	12,085	498,792	446,297	177,117	183,232	1,322,336	5,109	1,327,445
Transfers	-	-	-	-	-	-	14,105	169,127	(183,232)	-	-	-
Total comprehensive income (loss)	-	-	-	(262)	4,740	(8,376)	-	-	136,777	132,879	754	133,633
Profit (loss) for the period	-	-	-	-	-	-	-	-	136,777	136,777	754	137,531
Other comprehensive income (loss)	-	-	-	(262)	4,740	(8,376)	-	-	-	(3,898)	-	(3,898)
Dividends Paid	-	-	-	-	-	-	-	(143,000)	-	(143,000)	-	(143,000)
Increase (decrease) through treasury share transactions	-	-	-	-	-	-	-	14,290	-	14,290	-	14,290
Balance at 30 June 2018	220,000	23,115	(220,288)	(18,276)	16,825	490,416	460,402	217,534	136,777	1,326,505	5,863	1,332,368

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 SIX MONTH PERIODS ENDED 30 JUNE

(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 June 2018	Reviewed 30 June 2017
A. CASH FLOWS FROM OPERATING ACTIVITIES:		759,404	483,648
Profit (loss)		139,076	69,659
Profit (loss) from continued operations		137,283	69,659
Profit (loss) from discontinued operations		1,793	-
Adjustments to for profit (loss) for the period reconciliation:		263,625	193,999
Adjustments for depreciation and amortization expense	18.2	39,309	39,641
Adjustments for (reversal of) impairment		1,277	1,146
Adjustments for (reversal of) impairment loss of receivables		(118)	189
Adjustments for (reversal of) impairment loss of inventories	10	1,395	957
Adjustments for provisions		68,870	52,206
Adjustments for provisions for employee benefits		7,228	4,765
Adjustments for (reversal of) lawsuit and/or penalty provision expenses		4,803	1,655
Adjustments for (reversal of) warranty provisions	18	45,456	32,597
Adjustments for (reversal of) other provisions	8.2	11,383	13,189
Adjustments for dividend (income) expenses	19	-	(8,927)
Adjustments for interest (income) and expense		180,630	159,175
Adjustments for interest income		-	(1,224)
Adjustments for interest expense		180,630	160,399
Adjustments for unrealized foreign exchange losses (gains)		5,853	-
Adjustments for undistributed profits of investments accounted for using equity method	11	(48,993)	(45,454)
Adjustments for tax (income) expenses	21	29,222	4,782
Adjustments for losses (gains) on disposal of non-current assets		(12,543)	(8,570)
Adjustments for losses (gains) on disposal of property, plant and equipment	19	(12,543)	(8,570)
Changes in working capital		528,146	276,533
Adjustments for decrease (increase) in trade receivables		677,790	188,209
Decrease (increase) in due from related parties		717,531	150,453
Decrease (increase) in due from third parties		(39,741)	37,756
Adjustments for decrease (increase) in inventories		(1,679,113)	(24,210)
Adjustments for increase (decrease) in trade payables		1,487,541	88,112
Increase (decrease) in due to related parties		24,615	(8,894)
Increase (decrease) in due to third parties		1,462,926	97,006
Increase (decrease) in deferred income		(2,330)	2,305
Adjustments for other increase (decrease) in working capital		44,258	22,117
Cash flows from operations		930,847	540,191
Interest received		-	1,224
Payments related with provisions for employee benefits		(3,836)	(4,195)
Payments related with other provisions		(52,841)	(41,231)
Income taxes refund (paid)		(31,536)	(12,516)
Other cash inflows (outflows)		-	175
Net cash flows on discontinuing operations		(83,230)	-
B. CASH FLOWS FROM INVESTING ACTIVITIES		(1,836)	(162,738)
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		32,366	43,578
Cash inflow by proceeds from sales of property, plant and equipment		32,366	43,578
Cash outflow by acquisition of property, plant and equipment and intangible assets		(81,275)	(248,924)
Cash outflow by acquisition of property, plant and equipment		(68,251)	(237,459)
Cash outflow by acquisition of intangible assets		(13,024)	(11,465)
Dividends received		49,539	40,983
Net Cash Flows from Discontinuing Operations		(2,466)	-
C. CASH FLOWS FROM FINANCING ACTIVITIES		(740,212)	(336,622)
Proceeds from issuance of borrowings		1,592,194	1,450,561
Repayments of borrowings		(2,000,859)	(1,684,361)
Dividends paid	17	(143,000)	-
Interest paid		(187,002)	(102,822)
Net cash flows on discontinuing operations		(1,545)	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES (A+B+C)		17,356	(15,712)
D. EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		(14,308)	886
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)		3,048	(14,826)
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	106,385	89,098
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	5	109,433	74,272

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