

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

	<u>Notes</u>	<u>Reviewed</u>	<u>Audited</u>	
		<u>30 September 2018</u>	<u>31 December 2017</u>	
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	5	150,731	106,385	
Trade receivables		298,420	1,425,215	
Trade receivables due from related parties	24.1	136,316	1,111,575	
Trade receivables due from third parties		162,104	313,640	
Other receivables		255,024	189,901	
Other receivables due from third parties	9	255,024	189,901	
Inventories	10	3,600,680	1,425,344	
Prepayments	15.1	29,330	28,548	
Current tax assets	21	451	445	
Other current assets	15.4	23,411	18,429	
Subtotal		4,358,047	3,194,267	
Non-current assets or disposal groups classified as held for sale	23	225,137	-	
Total current assets		4,583,184	3,194,267	
NON-CURRENT ASSETS				
Financial investments		555,775	579,277	
Financial assets available-for-sale	6	555,775	579,277	
Other receivables		685	524	
Other receivables due from third parties		685	524	
Investments accounted for using equity method	11	332,492	352,323	
Investment property	13	20,956	21,266	
Property, plant and equipment	12	942,880	975,348	
Intangible assets		37,898	31,731	
Prepayments	15.2	1,941	10,608	
Deferred tax asset	21	8,777	1,538	
Total non-current assets		1,901,404	1,972,615	
TOTAL ASSETS		6,484,588	5,166,882	

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

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LIABILITIES	Notes	Reviewed	Audited
		30 September 2018	31 December 2017
CURRENT LIABILITIES			
Current borrowings	7	2,257,765	2,959,896
Current portion of non-current borrowings	7	-	3,836
Trade payables		2,664,835	633,545
Trade payables to related parties	24.4	24,642	44,618
Trade payables to third parties	8.2	2,640,193	588,927
Employee benefit obligations		15,958	24,602
Deferred income	15.3	21,143	32,644
Current tax liabilities	21	9,758	5,827
Current provisions	14.1	63,546	68,597
Other current liabilities	16	21,677	63,115
Subtotal		5,054,682	3,792,062
Liabilities included in disposal groups classified as held for sale	23	61,484	-
Total current liabilities		5,116,166	3,792,062
NON-CURRENT LIABILITIES			
Long-term borrowings	7	-	11,106
Deferred tax liabilities		2,092	
Deferred income		2,725	1,178
Non-current provisions		39,270	35,091
Total non-current liabilities		44,087	47,375
TOTAL LIABILITIES		5,160,253	3,839,437
EQUITY			
Equity attributable to owners of parent		1,317,765	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>Other accumulated comprehensive income (loss) that will not be reclassified in profit or loss</i>		(19,052)	(18,014)
Gains (losses) on revaluation and remeasurement		(19,052)	(18,014)
Gains (losses) on remeasurements of defined benefit plans		(19,052)	(18,014)
<i>Other accumulated comprehensive income (loss) that will be reclassified in profit or loss</i>		501,135	510,877
Exchange differences on translations	17	26,009	12,085
Gains (losses) on revaluation and reclassification		475,126	498,792
Gains (losses) on remeasuring and/or reclassification of available-for-sale financial assets	17	475,126	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
Prior years' profits or losses	17	223,503	177,117
Current period net profit or loss		128,950	183,232
Non-controlling interests		6,570	5,109
TOTAL EQUITY		1,324,335	1,327,445
TOTAL EQUITY AND LIABILITIES		6,484,588	5,166,882

Accompanying notes are an integral part of this 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	Reviewed	Reviewed
		For the 9 month period ended 30 September 2018	For the 9 month period ended 30 September 2017	For the 3 month period ended 30 September 2018	For the 3 month period ended 30 September 2017
Revenue		7,767,988	8,502,717	1,998,643	3,287,458
Cost of sales		(6,826,625)	(7,615,702)	(1,706,218)	(2,938,204)
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		941,363	887,015	292,425	349,254
GROSS PROFIT (LOSS)		941,363	887,015	292,425	349,254
General administrative expenses	18.2	(290,857)	(297,620)	(97,078)	(101,895)
Marketing expenses	18.1	(274,874)	(290,901)	(88,032)	(105,527)
Other income from operating activities		169,986	68,030	100,308	17,858
Other expenses from operating activities		(61,351)	(43,049)	(25,310)	(14,331)
PROFIT (LOSS) FROM OPERATING ACTIVITIES		484,267	323,475	182,313	145,359
Investment activity income	19	20,387	22,232	7,844	4,735
Share of profit (loss) from investments accounted for using equity method	11	19,255	65,874	(29,738)	20,420
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		523,909	411,581	160,419	170,514
Finance income		10,707	3,684	4,148	2,334
Finance costs	20	(368,343)	(253,431)	(164,799)	(85,457)
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		166,273	161,834	(232)	87,393
Tax (expense) income, continuing operations		(37,678)	(19,530)	(8,456)	(14,748)
Current period tax (expense) income	21	(41,390)	(32,743)	(10,214)	(27,254)
Deferred tax (expense) income	21	3,712	13,213	1,758	12,506
PROFIT (LOSS) FROM CONTINUING OPERATIONS		128,595	142,304	(8,688)	72,645
PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS		1,816		1,568	-
PROFIT (LOSS)		130,411	142,304	(7,120)	72,645
Profit (loss), attributable to					
Non-controlling interests		1,461	58	707	138
Owners of parent		128,950	142,246	(7,827)	72,507
Basic earnings per share					
Basic earnings(loss) per share from continuing operations	22	0.6513	0.6642	(0.0395)	0.3385
Diluted earnings per share					
Diluted earnings(loss) per share from continuing operations	22	0.6513	0.6642	(0.0395)	0.3385

Accompanying notes are an integral part of this 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 9 month period ended 30 September 2018	For the 9 month period ended 30 September 2017	For the 3 month period ended 30 September 2018	For the 3 month period ended 30 September 2017
PROFIT (LOSS)		130,411	142,304	(7,120)	72,645
Other comprehensive income					
Other comprehensive income that will not be reclassified to profit or loss		(1,038)	(7,302)	(776)	(898)
Gains (losses) on remeasurements of defined benefit plans		(1,298)	(9,128)	(971)	(1,123)
<i>Taxes relating to components of other comprehensive income that will not be reclassified to profit or loss</i>		260	1,826	195	225
Taxes relating to remeasurements of defined benefit plans	21	260	1,826	195	225
Other comprehensive income that will be reclassified to profit or loss		(9,742)	(475)	(6,106)	(5,318)
Exchange differences on translation		13,924	1,385	9,184	(323)
<i>Gains (losses) on remeasuring or reclassification adjustments of available-for-sale-financial assets</i>		(23,502)	(1,848)	(15,186)	(4,961)
Gains (losses) on remeasuring available-for-sale-financial assets	6	(23,502)	(1,848)	(15,186)	(4,961)
Share of other comprehensive income of associates and joint ventures accounted for equity method that will be reclassified to profit or loss	11	(1,339)	(105)	(865)	(282)
<i>Taxes relating to components of other comprehensive income that will be reclassified to profit or loss</i>		1,175	93	761	248
Taxes relating to gains (losses) on remeasuring or reclassification adjustments on available-for-sale financial assets	21	1,175	93	761	248
OTHER COMPREHENSIVE INCOME (LOSS)		(10,780)	(7,777)	(6,882)	(6,216)
TOTAL COMPREHENSIVE INCOME (LOSS)		119,631	134,527	(14,002)	66,429
Total comprehensive income attributable to					
Non-controlling interests		1,461	58	707	138
Owners of parent		118,170	134,469	(14,709)	66,291

Accompanying notes are an integral part of this 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)	remeasuring of 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 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	
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)	-	-	-	(1,038)	13,924	(23,666)	-	-	128,950	118,170	1,461	119,631	
Profit (loss) for the period	-	-	-	-	-	-	-	-	128,950	128,950	1,461	130,411	
Other comprehensive income (loss)	-	-	-	(1,038)	13,924	(23,666)	-	-	-	(10,780)	-	(10,780)	
Dividends Paid	-	-	-	-	-	-	-	(143,000)	-	(143,000)	-	(143,000)	
-	-	-	-	-	-	-	-	5,969	-	5,969	-	5,969	
Increase (decrease) through treasury share transactions	-	-	-	-	-	-	-	14,290	-	14,290	-	14,290	
Balance at 30 September 2018	220,000	23,115	(220,288)	(19,052)	26,009	475,126	460,402	223,503	128,950	1,317,765	6,570	1,324,335	

Accompanying notes are an integral part of this 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 2018	30 September 2017
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit (loss) for the period	1,227,656	604,644
Profit (loss) from continued operations	130,411	142,304
Profit (loss) from discontinued operations	128,595	142,304
<i>Adjustments to profit (loss) for the period reconciliation:</i>	1,816	-
Adjustments for depreciation and amortization expense	18.2	61,164
Adjustments for (reversal of) impairment		3,929
Adjustments for (reversal of) impairment loss of receivables		240
Adjustments for (reversal of) impairment loss of inventories	10	3,689
Adjustments for provisions		106,107
Adjustments for provisions for employee benefits		8,152
Adjustments for (reversal of) lawsuit and/or penalty provision expenses		6,546
Adjustments for (reversal of) warranty provisions	18	66,125
Adjustments for (reversal of) other provisions	8.2	25,284
Adjustments for dividend (income) expenses	19	-
Adjustments for interest (income) and expense		308,703
Adjustments for interest income		(10,707)
Adjustments for interest expense		319,410
Adjustments for unrealized foreign exchange losses (gains)		30,473
Adjustments for undistributed profits of investments accounted for using equity method	11	(19,255)
Adjustments for tax (income) expenses	21	37,678
Adjustments for losses (gains) on disposal of non-current assets		(20,184)
Adjustments for losses (gains) on disposal of property, plant and equipment	19	(20,184)
Changes in working capital	797,932	186,180
Adjustments for decrease (increase) in trade receivables		1,126,523
Decrease (increase) in due from related parties		975,259
Decrease (increase) in due from third parties		151,264
Adjustments for decrease (increase) in inventories		(2,179,025)
Adjustments for increase (decrease) in trade payables		1,966,885
Increase (decrease) in due to related parties		(19,976)
Increase (decrease) in due to third parties		1,986,861
Increase (decrease) in deferred income		(9,954)
Adjustments for other increase (decrease) in working capital		(106,497)
Cash flows from operations	1,436,958	688,613
Payments related with provisions for employee benefits		(5,273)
Payments related with other provisions		(77,722)
Income taxes refund (paid)		(37,465)
Other cash inflows (outflows)		32
Net cash flows on discontinuing operations		(88,874)
	(128)	(183,306)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflows caused by share sales or capital decrease of associates and/or joint ventures	11	1,223
Cash outflows arising from purchase of shares or capital increase of associates and/or joint ventures	11	-
Cash inflow by proceeds from sales of property, plant and equipment and intangible assets		48,668
Cash inflow by proceeds from sales of property, plant and equipment		48,668
Cash outflow by acquisition of property, plant and equipment and intangible assets		(101,013)
Cash outflow by acquisition of property, plant and equipment		(78,676)
Cash outflow by acquisition of intangible assets		(22,337)
Dividends received		50,814
Net cash flows from discontinuing operations		180
C. CASH FLOWS FROM FINANCING ACTIVITIES	(1,139,774)	(435,934)
Payments to acquire entity's shares or other equity instruments		-
Proceeds from issuance of borrowings		2,070,880
Repayments of borrowings		(2,700,859)
Dividends paid	17	(143,000)
Interest paid		(377,502)
Interest received		10,707
Net cash flows on discontinuing operations		-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE		
EFFECT OF EXCHANGE RATE CHANGES (A+B+C)	87,754	(14,596)
D. EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)	44,346	(14,226)
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	106,385
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	5	150,731
		74,872

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