

ERBOSAN ERCİYAS BORU SANAYİİ VE TİCARET A.Ş.
Financial Report
Unconsolidated
2018 - 2. 3 Monthly Notification

General Information About Financial Statements

Independent Audit Comment

Independent Audit Company	KARAR BAĞIMSIZ DENETİM VE DANIŞMANLIK A.Ş.
Audit Type	Limited
Audit Result	Positive

ERBOSAN ERCİYAS BORU SANAYİİ VE TİCARET A.Ş.

Yönetim Kurulu'na

Giriş

ERBOSAN ERCİYAS BORU SANAYİİ VE TİCARET A.Ş.'nin ("Şirket") 30 Haziran 2018 tarihli ilişikteki finansal durum tablosunun ve aynı tarihte sona eren altı aylık dönemine ait ilgili kar veya zarar ve diğer kapsamlı gelir tablosunun, özkaynak değişim tablosunun ve nakit akış tablosunun sınırlı denetimini yürütmüş bulunuyoruz. Şirket yönetimi, söz konusu ara dönem finansal bilgilerin Kamu Gözetimi Muhasebe ve Denetim Standartları Kurumu ("KGK") tarafından yayımlanan Türkiye Muhasebe Standartları'na ("TMS") uygun olarak hazırlanmasından ve gerçeğe uygun bir biçimde sunumundan sorumludur. Sorumluluğumuz, yaptığımız sınırlı denetime dayanarak söz konusu ara dönem finansal bilgilere ilişkin bir sonuç bildirmektir.

Sınırlı Denetimin Kapsamı

Yaptığımız sınırlı denetim, Sınırlı Bağımsız Denetim Standardı (SBDS) 2410 "Ara Dönem Finansal Bilgilerin, İşletmenin Yıllık Finansal Tablolarının Bağımsız Denetimini Yürüten Denetçi Tarafından Sınırlı Bağımsız Denetimi"ne uygun olarak yürütülmüştür. Ara dönem finansal bilgilere ilişkin sınırlı denetim, başta finans ve muhasebe konularından sorumlu kişiler olmak üzere ilgili kişilerin sorgulanması ve analitik prosedürler ile diğer sınırlı denetim prosedürlerinin uygulanmasından oluşur. Ara dönem finansal bilgilerin sınırlı denetiminin kapsamı; Bağımsız Denetim Standartlarına uygun olarak yapılan ve amacı finansal tablolar hakkında bir görüş bildirmek olan bağımsız denetimin kapsamına kıyasla önemli ölçüde dardır. Sonuç olarak ara dönem finansal bilgilerin sınırlı denetimi, denetim şirketinin, bir bağımsız denetimde belirlenebilecek tüm önemli hususlara vâkıf olabileceğine ilişkin bir güvence sağlamamaktadır. Bu sebeple, bir bağımsız denetim görüşü bildirmemekteyiz.

Sonuç

Sınırlı denetimimize göre ilişikteki ara dönem finansal bilgilerin, tüm önemli yönleriyle, Kamu Gözetimi Muhasebe ve Denetim Standartları Kurumu ("KGK") tarafından yayımlanan Türkiye Muhasebe Standartları'na ("TMS") uygun olarak hazırlanmadığı kanaatine varmamıza sebep olacak herhangi bir husus dikkatimizi çekmemiştir

06.08.2018, Ankara

Karar Bağımsız Denetim ve Danışmanlık A.Ş.

Member Firm of JHI Association

Ali Osman EFLATUN

Sorumlu Ortak Başdenetçi

Statement of Financial Position (Balance Sheet)

Presentation Currency	TL
Nature of Financial Statements	Unconsolidated

	Footnote Reference	Current Period 30.06.2018	Previous Period 31.12.2017
Statement of Financial Position (Balance Sheet)			
Assets [abstract]			
CURRENT ASSETS			
Cash and cash equivalents	4	94.019.831	76.092.235
Trade Receivables	8	126.234.572	102.626.788
Trade Receivables Due From Related Parties		0	23.651
Trade Receivables Due From Unrelated Parties		126.234.572	102.603.137
Other Receivables	9	7.400	961.154
Other Receivables Due From Related Parties		0	0
Other Receivables Due From Unrelated Parties		7.400	961.154
Derivative Financial Assets	17	13.700	0
Derivative Financial Assets Held for Trading		0	0
Derivative Financial Assets Held for Hedging		13.700	0
Inventories	11	146.759.767	99.377.911
Prepayments	12	1.245.742	3.618.081
Prepayments to Related Parties		0	0
Prepayments to Unrelated Parties		1.245.742	3.618.081
Current Tax Assets	13	4.461.856	8.630.473
Other current assets	14	1.410.612	1.659.871
Other Current Assets Due From Related Parties		0	0
Other Current Assets Due From Unrelated Parties		1.410.612	1.659.871
SUB-TOTAL		374.153.480	292.966.513
Total current assets		374.153.480	292.966.513
NON-CURRENT ASSETS			
Investments in subsidiaries, joint ventures and associates	5	248.895	248.895
Other Receivables	9	5.132	5.132
Other Receivables Due From Related Parties		0	0
Other Receivables Due From Unrelated Parties		5.132	5.132
Investment property	15	6.190.000	6.190.000
Property, plant and equipment	16	67.856.849	68.801.786
Land and Premises		18.286.075	18.286.075
Land Improvements		0	0
Buildings		24.480.153	24.798.077
Machinery And Equipments		23.661.629	24.257.969
Vehicles		851.887	959.741
Fixtures and fittings		432.075	331.524
Other property, plant and equipment		145.030	168.400
Total non-current assets		74.300.876	75.245.813
Total assets		448.454.356	368.212.326
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Current Borrowings		24.576.000	5.668.050
Current Borrowings From Related Parties		0	0
Current Borrowings From Unrelated Parties	6	24.576.000	5.668.050
Bank Loans		24.576.000	5.668.050
Current Portion of Non-current Borrowings		0	0
Current Portion of Non-current Borrowings from Unrelated Parties	6	0	0
Bank Loans	6	0	0
Other Financial Liabilities	7	631.077	444.941
Other Miscellaneous Financial Liabilities		631.077	444.941
Trade Payables	8	149.326.855	103.023.127
Trade Payables to Related Parties		31.996	45.781
Trade Payables to Unrelated Parties		149.294.859	102.977.346
Employee Benefit Obligations	10	549.676	682.841
Other Payables	9	54.062	55.299
Other Payables to Related Parties		31.358	31.747
Other Payables to Unrelated Parties		22.704	23.552
Derivative Financial Liabilities	17	0	11.021
Derivative Financial Liabilities Held for trading		0	0

Derivative Financial Liabilities Held for Hedging		0	11.021
Deferred Income	18	8.394.581	6.404.038
Deferred Income From Related Parties		0	0
Deferred Income from Unrelated Parties		8.394.581	6.404.038
Current tax liabilities, current	19	8.820.505	11.576.300
Current provisions	20	340.156	340.156
Other current provisions		340.156	340.156
Other Current Liabilities	21	400.239	406.267
Other Current Liabilities to Related Parties		0	0
Other Current Liabilities to Unrelated Parties		400.239	406.267
SUB-TOTAL		193.093.151	128.612.040
Total current liabilities		193.093.151	128.612.040
NON-CURRENT LIABILITIES			
Long Term Borrowings		0	0
Long Term Borrowings From Related Parties		0	0
Bank Loans		0	0
Long Term Borrowings From Unrelated Parties	6	0	0
Bank Loans			0
Deferred Income		35.781	62.618
Deferred Income from Unrelated Parties		35.781	62.618
Non-current provisions	23	3.403.498	2.888.919
Non-current provisions for employee benefits		3.403.498	2.888.919
Deferred Tax Liabilities	24	6.690.713	7.158.102
Total non-current liabilities		10.129.992	10.109.639
Total liabilities		203.223.143	138.721.679
EQUITY			
Equity attributable to owners of parent		245.231.213	229.490.647
Issued capital	25	5.220.000	5.220.000
Inflation Adjustments on Capital	25	28.365.608	28.365.608
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		42.841.671	43.037.343
Gains (Losses) on Revaluation and Remeasurement	26	42.841.671	43.037.343
Increases (Decreases) on Revaluation of Property, Plant and Equipment		43.807.380	43.807.380
Other Revaluation Increases (Decreases)		-965.709	-770.037
Restricted Reserves Appropriated From Profits	27	8.057.020	6.083.155
Legal Reserves		8.057.020	6.083.155
Prior Years' Profits or Losses	28	124.810.676	92.182.733
Current Period Net Profit Or Loss		35.936.238	54.601.808
Total equity		245.231.213	229.490.647
Total Liabilities and Equity		448.454.356	368.212.326

Profit or loss [abstract]

Presentation Currency	TL
Nature of Financial Statements	Unconsolidated

	Footnote Reference	Current Period 01.01.2018 - 30.06.2018	Previous Period 01.01.2017 - 30.06.2017	Current Period 3 Months 01.04.2018 - 30.06.2018	Previous Period 3 Months 01.04.2017 - 30.06.2017
Profit or loss [abstract]					
PROFIT (LOSS)					
Revenue	29	255.150.349	183.769.504	124.400.784	99.528.865
Cost of sales	29	-204.148.544	-147.570.795	-99.263.658	-80.902.651
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		51.001.805	36.198.709	25.137.126	18.626.214
Revenue from Finance Sector Operations		0	0	0	0
Fee, Premium, Commission and Other Service Income		0	0		
Foreign Exchange Gains		0	0		
Interest Income		0	0		
Profit Share Income		0	0		
Derivative Financial Transactions Gains		0	0		
Income From Portfolio Management Operations		0	0		
Income From Insurance Services		0	0		
Income From Pension Services		0	0		
Unrealized Profit from Financial Assets and Liabilities		0	0		
Other Revenues from Finance Sector Operations		0	0		
Cost of Finance Sector Operations		0	0	0	0
Fee, Premium, Commissions and Other Service Expenses		0	0		
Foreign Exchange Losses		0	0		
Interest Expenses		0	0		
Profit Share Expenses		0	0		
Provision Expenses		0	0		
Derivative Financial Transactions Losses		0	0		
Expenses Related with Portfolio Management Operations		0	0		
Expenses For Insurance Services		0	0		
Expenses For Pension Services		0	0		
Unrealized Loss from Financial Assets and Liabilities		0	0		
Other Expenses Related with Finance Sector Operations		0	0		
GROSS PROFIT (LOSS) FROM FINANCE SECTOR OPERATIONS		0	0	0	0
Change in Fair Value of Biological Assets		0	0	0	0
GROSS PROFIT (LOSS)		51.001.805	36.198.709	25.137.126	18.626.214
General Administrative Expenses	30	-2.405.077	-2.442.311	-1.419.715	-1.521.125
Marketing Expenses	30	-9.675.274	-7.037.891	-4.937.533	-4.074.907
Research and development expense		0	0	0	0
Other Income from Operating Activities	31	1.146.074	195.719	224.517	57.075
Other Expenses from Operating Activities	32	-3.563	-49.887	-647	-1.536
Other gains (losses)		0	0	0	0
PROFIT (LOSS) FROM OPERATING ACTIVITIES		40.063.965	26.864.339	19.003.748	13.085.721
Difference between carrying amount of dividends payable and carrying amount of non-cash assets distributed		0	0	0	0
Gain (loss) arising from derecognition of financial assets measured at amortised cost		0	0	0	0
Investment Activity Income		0	0	0	0
Investment Activity Expenses		0	0	0	0
Impairment gain and reversal of impairment loss (impairment loss) determined in accordance with IFRS 9		0	0	0	0
Share of Profit (Loss) from Investments Accounted for Using Equity Method		0	0	0	0
Other income (expense) from subsidiaries, jointly controlled entities and associates		0	0	0	0
Gains (Losses) Arising from Difference Between Previous Amortised Cost and Fair Value of Financial Assets Reclassified out of Amortised Cost into Fair Value through Profit or Loss Measurement Category		0	0	0	0
Cumulative Gain (Loss) Previously Recognised in Other Comprehensive Income Arising from Reclassification of Financial Assets out of Fair Value through Other Comprehensive Income into Fair Value through Profit or Loss Measurement Category		0	0	0	0
Hedging Gains (Losses) for Hedge of Group of Items with Offsetting Risk Positions		0	0	0	0
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		40.063.965	26.864.339	19.003.748	13.085.721
Finance income	33	39.834.627	25.895.082	28.854.199	6.908.725

Finance costs	33	-35.554.048	-22.315.107	-28.167.929	-6.394.463
Gains (losses) on net monetary position		0	0	0	0
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		44.344.544	30.444.314	19.690.018	13.599.983
Tax (Expense) Income, Continuing Operations		-8.408.306	-5.335.901	-4.303.042	-2.543.450
Current Period Tax (Expense) Income	19	-8.820.505	-5.509.385	-4.642.634	-2.611.450
Deferred Tax (Expense) Income	24	412.199	173.484	339.592	68.000
PROFIT (LOSS) FROM CONTINUING OPERATIONS		35.936.238	25.108.413	15.386.976	11.056.533
PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS		0	0	0	0
PROFIT (LOSS)		35.936.238	25.108.413	15.386.976	11.056.533
Profit (loss), attributable to [abstract]					
Non-controlling Interests		0	0	0	0
Owners of Parent		35.936.238	25.108.413	15.386.976	11.056.533
Earnings per share [abstract]					
Earnings per share [line items]					
Basic earnings per share					
Diluted Earnings Per Share					

Statement of Other Comprehensive Income

Presentation Currency	TL
Nature of Financial Statements	Unconsolidated

	Footnote Reference	Current Period 01.01.2018 - 30.06.2018	Previous Period 01.01.2017 - 30.06.2017	Current Period 3 Months 01.04.2018 - 30.06.2018	Previous Period 3 Months 01.04.2017 - 30.06.2017
Statement of Other Comprehensive Income					
PROFIT (LOSS)		35.936.238	25.108.413	15.386.976	11.056.533
OTHER COMPREHENSIVE INCOME					
Other Comprehensive Income that will not be Reclassified to Profit or Loss		-195.672	-121.601	-82.199	-21.051
Gains (Losses) on Remeasurements of Defined Benefit Plans	23	-250.862	-152.001	-105.384	-26.313
Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss		55.190	30.400	23.185	5.262
Deferred Tax (Expense) Income	24	55.190	30.400	23.185	5.262
Other Comprehensive Income That Will Be Reclassified to Profit or Loss		0	0	0	0
Exchange Differences on Translation		0	0	0	0
Gains (Losses) on Exchange Differences on Translation		0	0	0	0
OTHER COMPREHENSIVE INCOME (LOSS)		-195.672	-121.601	-82.199	-21.051
TOTAL COMPREHENSIVE INCOME (LOSS)		35.740.566	24.986.812	15.304.777	11.035.482
Total Comprehensive Income Attributable to					
Non-controlling Interests		0	0	0	0
Owners of Parent		35.740.566	24.986.812	15.304.777	11.035.482

Statement of cash flows (Direct Method)

Presentation Currency	TL
Nature of Financial Statements	Unconsolidated

	Footnote Reference	Current Period 01.01.2018 - 30.06.2018	Previous Period 01.01.2017 - 30.06.2017
Statement of cash flows (Direct Method)			
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		20.174.032	1.047.461
Cash Receipts From Operating Activities		231.615.345	173.479.138
Receipts from sales of goods and rendering of services	29,8	230.561.485	173.389.525
Receipts from Interest, Fees, Premiums, Commissions and Other Revenue	31	1.053.860	89.613
Cash Payments From Operating Activities		-212.147.701	-169.735.570
Payments to suppliers for goods and services	29,8	-212.147.049	-169.733.251
Cash Payments from Interest, Fees, Commissions and other revenues	32	-652	-2.319
Net Cash Flows From (Used in) Operations		19.467.644	3.743.568
Interest paid	33	-34.625.636	-22.114.253
Interest received	33	40.790.986	26.229.152
Income taxes refund (paid)	19,13	-7.407.683	-5.720.006
Other inflows (outflows) of cash		1.948.721	-1.091.000
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		-559.372	-841.829
Proceeds from sales of property, plant, equipment and intangible assets	16,31,32	153.011	155.393
Proceeds from sales of property, plant and equipment		153.011	155.393
Purchase of Property, Plant, Equipment and Intangible Assets	16,31,32	-712.383	-997.222
Purchase of property, plant and equipment		-712.383	-997.222
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		-1.687.064	-14.327.499
Proceeds from borrowings	6	18.126.800	-22.059
Proceeds from Other Financial Borrowings		18.126.800	-22.059
Repayments of borrowings	6	186.136	-1.305.440
Loan Repayments		186.136	-1.305.440
Dividends Paid		-20.000.000	-13.000.000
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		17.927.596	-14.121.867
Net increase (decrease) in cash and cash equivalents		17.927.596	-14.121.867
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4	76.092.235	71.662.436
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		94.019.831	57.540.569

Previous Period 01.01.2017 - 30.06.2017	Statement of changes in equity [abstract]																
	Statement of changes in equity [line items]																
	Equity at beginning of period	25	5,220,000	28,365,608	44,736,898	-638,203				8,464,311	66,380,399	36,360,835	188,889,848			188,889,848	
	Adjustments Related to Accounting Policy Changes																
	Adjustments Related to Required Changes in Accounting Policies																
	Adjustments Related to Voluntary Changes in Accounting Policies																
	Adjustments Related to Errors																
	Other Restatements																
	Restated Balances																
	Transfers										36,360,835	-36,360,835	0			0	
	Total Comprehensive Income (Loss)						-121,601						25,108,413	24,986,812		24,986,812	
	Profit (loss)												25,108,413	25,108,413		25,108,413	
	Other Comprehensive Income (Loss)						-121,601							-100,550		-100,550	
	Issue of equity																
	Capital Decrease																
	Capital Advance																
	Effect of Merger or Liquidation or Division																
	Effects of Business Combinations Under Common Control																
	Advance Dividend Payments																
	Dividends Paid											-13,000,000		-13,000,000		-13,000,000	
	Decrease through Other Distributions to Owners																
	Increase (Decrease) through Treasury Share Transactions																
	Increase (Decrease) through Share-Based Payment Transactions																
	Acquisition or Disposal of a Subsidiary																
	Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity																
	Transactions with noncontrolling shareholders																
	Increase through Other Contributions by Owners																
	Amount Removed from Reserve of Cash Flow Hedges and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied																
	Amount Removed from Reserve of Change in Value of Time Value of Options and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied																
	Amount Removed from Reserve of Change in Value of Forward Elements of Forward Contracts and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied																
	Amount Removed from Reserve of Change in Value of Foreign Currency Basis Spreads and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied																
	Increase (decrease) through other changes, equity																
	Equity at end of period	25	5,220,000	28,365,608	44,736,898	-759,804				8,464,311	89,741,234	25,108,413	200,876,660			200,876,660	
	Statement of changes in equity [abstract]																
	Statement of changes in equity [line items]																
Equity at beginning of period	25	5,220,000	28,365,608	43,807,380	-770,037				9,738,188	88,527,700	54,601,808	229,490,647			229,490,647		
Adjustments Related to Accounting Policy Changes																	
Adjustments Related to Required Changes in Accounting Policies																	
Adjustments Related to Voluntary Changes in Accounting Policies																	
Adjustments Related to Errors																	
Other Restatements																	
Restated Balances																	
Transfers									1,273,877	53,327,931	-54,601,808	0			0		
Total Comprehensive Income (Loss)					-195,672							35,936,238	35,740,566		35,740,566		
Profit (loss)												35,936,238	35,936,238		35,936,238		
Other Comprehensive Income (Loss)					-195,672								-195,672		-195,672		
Issue of equity																	
Capital Decrease																	
Capital Advance																	
Effect of Merger or Liquidation or Division																	
Effects of Business Combinations Under Common Control																	
Advance Dividend Payments																	
Dividends Paid																	

Current Period 01.01.2018 - 30.06.2018											-20.000.000		-20.000.000		-20.000.000
	Decrease through Other Distributions to Owners														
	Increase (Decrease) through Treasury Share Transactions														
	Increase (Decrease) through Share-Based Payment Transactions														
	Acquisition or Disposal of a Subsidiary														
	Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity														
	Transactions with noncontrolling shareholders														
	Increase through Other Contributions by Owners														
	Amount Removed from Reserve of Cash Flow Hedges and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied														
	Amount Removed from Reserve of Change in Value of Time Value of Options and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied														
	Amount Removed from Reserve of Change in Value of Forward Elements of Forward Contracts and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied														
	Amount Removed from Reserve of Change in Value of Foreign Currency Basis Spreads and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied														
	Increase (decrease) through other changes, equity														
	Equity at end of period	25	5.220.000	28.365.608	43.807.380	-965.709				11.012.065	121.855.631	35.996.238	245.231.213		245.231.213