

**PINAR SÜT MAMULLERİ SANAYİİ A.Ş.**  
**Financial Report**  
**Unconsolidated**  
**2018 - 2. 3 Monthly Notification**

**General Information About Financial Statements**

|                           |   |
|---------------------------|---|
| Independent Audit Company | PwC BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş. |
| Audit Type                | Limited   |
| Audit Result              | Positive  |

## ARA DÖNEM FİNANSAL BİLGİLERE İLİŞKİN

### SINIRLI DENETİM RAPORU

Pınar Süt Mamülleri Sanayii A.Ş.

Genel Kurulu'na

#### Giriş

1. Pınar Süt Mamülleri Sanayii A.Ş.'nin ("Şirket") 30 Haziran 2018 tarihli ilişikteki özet finansal durum tablosunun ve aynı tarihte sona eren altı aylık dönemine ait ilgili özet kar veya zarar ve kapsamlı gelir tablosunun, özkaynak değişim tablosunun ve nakit akış tablosunun ve diğer açıklayıcı dipnotlarının ("ara dönem özet finansal bilgiler") sınırlı denetimini yürütmüş bulunuyoruz. Şirket yönetimi, söz konusu ara dönem özet finansal bilgilerin Türkiye Muhasebe Standardı 34'e ("TMS 34") "Ara Dönem Finansal Raporlama" 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

2. Yaptığımız sınırlı denetim, Sınırlı Bağımsız Denetim Standardı ("SBDS") 2410'a "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

řirketinin, bir bağımsız denetimde belirlenebilecek tüm önemli hususlara vakıf olabileceğine ilişkin bir güvence sağlamamaktadır. Bu sebeple, bir bağımsız denetim görüşü bildirmemekteyiz.

#### *Sonuç*

3. Sınırlı denetimimize göre ilişikteki ara dönem özet finansal bilgilerin, tüm önemli yönleriyle, TMS 34'e uygun olarak hazırlanmadığı kanaatine varmamıza sebep olacak herhangi bir husus dikkatimizi çekmemiştir.

PwC Bağımsız Denetim ve

Serbest Muhasebeci Mali Müşavirlik A.Ş.

Mehmet Karakurt, SMMM

Sorumlu Denetçi

İstanbul, 8 Ağustos 2018



Statement of Financial Position (Balance Sheet)

|                                |                |
|--------------------------------|----------------|
| Presentation Currency          | TL             |
| Nature of Financial Statements | Unconsolidated |

|  |    | Footnote Reference | Current Period<br>30.06.2018 | Previous Period<br>31.12.2017 |
|--|----|--------------------|------------------------------|-------------------------------|
| Statement of Financial Position (Balance Sheet)                            |    |                    |                              |                               |
| Assets [abstract]  |    |                    |                              |                               |
| CURRENT ASSETS   |    |                    |                              |                               |
| Cash and cash equivalents  |    |                    | 2.362.604                    | 1.329.702                     |
| Trade Receivables  |    |                    | 236.435.678                  | 250.218.193                   |
| Trade Receivables Due From Related Parties                                 | 3  |                    | 227.571.457                  | 237.729.307                   |
| Trade Receivables Due From Unrelated Parties                               |    |                    | 8.864.221                    | 12.488.886                    |
| Other Receivables  |    |                    | 24.731.555                   | 8.940.609                     |
| Other Receivables Due From Related Parties                                 | 3  |                    | 13.056.780                   | 1.264.623                     |
| Other Receivables Due From Unrelated Parties                               |    |                    | 11.674.775                   | 7.675.986                     |
| Inventories  |    |                    | 199.648.644                  | 145.837.859                   |
| Prepayments  |    |                    | 3.432.214                    | 4.538.093                     |
| Prepayments to Unrelated Parties   |    |                    | 3.432.214                    | 4.538.093                     |
| Current Tax Assets   | 9  |                    |                              | 171.581                       |
| Other current assets   |    |                    | 32.461.801                   | 26.141.384                    |
| Other Current Assets Due From Unrelated Parties                            | 6  |                    | 32.461.801                   | 26.141.384                    |
| SUB-TOTAL  |    |                    | 499.072.496                  | 437.177.421                   |
| Total current assets   |    |                    | 499.072.496                  | 437.177.421                   |
| NON-CURRENT ASSETS   |    |                    |                              |                               |
| Financial Investments  | 4  |                    | 63.062.239                   | 73.682.096                    |
| Financial Assets Available-for-Sale  |    |                    |                              | 73.682.096                    |
| Financial Assets at Fair Value Through Other Comprehensive Income          |    |                    | 63.062.239                   |                               |
| Financial Assets Measured At Fair Value Through Other Comprehensive Income |    |                    | 63.062.239                   |                               |
| Other Receivables  |    |                    | 13.359                       | 13.359                        |
| Other Receivables Due From Unrelated Parties                               |    |                    | 13.359                       | 13.359                        |
| Receivables from Ongoing Construction or Service Contracts                 |    |                    | 0                            | 0                             |
| Derivative Financial Assets  |    |                    | 0                            | 0                             |
| Investments accounted for using equity method                              | 5  |                    | 76.080.496                   | 72.476.747                    |
| Property, plant and equipment  | 7  |                    | 607.763.927                  | 614.771.847                   |
| Land and Premises  |    |                    | 162.713.500                  | 162.713.500                   |
| Land Improvements  |    |                    | 13.538.287                   | 13.860.000                    |
| Buildings  |    |                    | 78.576.747                   | 79.739.500                    |
| Machinery And Equipments   |    |                    | 327.366.081                  | 319.726.099                   |
| Vehicles   |    |                    | 353.790                      | 399.442                       |
| Fixtures and fittings  |    |                    | 11.493.801                   | 11.779.410                    |
| Construction in Progress   |    |                    | 13.721.721                   | 26.553.896                    |
| Intangible assets and goodwill   |    |                    | 2.566.052                    | 1.926.208                     |
| Other intangible assets  |    |                    | 2.566.052                    | 1.926.208                     |
| Prepayments  |    |                    | 9.365.836                    | 1.492.836                     |
| Prepayments to Unrelated Parties   | 22 |                    | 9.365.836                    | 1.492.836                     |
| Total non-current assets   |    |                    | 758.851.909                  | 764.363.093                   |
| Total assets   |    |                    | 1.257.924.405                | 1.201.540.514                 |
| LIABILITIES AND EQUITY   |    |                    |                              |                               |
| CURRENT LIABILITIES  |    |                    |                              |                               |
| Current Borrowings   | 8  |                    | 67.327.171                   | 83.904.341                    |
| Current Borrowings From Unrelated Parties                                  |    |                    | 67.327.171                   | 83.904.341                    |
| Bank Loans   |    |                    | 67.327.171                   | 83.904.341                    |
| Current Portion of Non-current Borrowings                                  | 8  |                    | 10.202.819                   | 9.961.784                     |
| Current Portion of Non-current Borrowings from Related Parties             |    |                    | 0                            | 0                             |
| Current Portion of Non-current Borrowings from Unrelated Parties           |    |                    | 10.202.819                   | 9.961.784                     |
| Bank Loans   |    |                    | 10.202.819                   | 9.961.784                     |
| Trade Payables   |    |                    | 318.486.670                  | 240.777.554                   |
| Trade Payables to Related Parties  | 3  |                    | 26.994.513                   | 17.070.297                    |
| Trade Payables to Unrelated Parties  | 21 |                    | 291.492.157                  | 223.707.257                   |
| Employee Benefit Obligations   |    |                    | 5.345.876                    | 2.643.950                     |
| Other Payables   |    |                    | 8.879.366                    | 22.210.525                    |
| Other Payables to Related Parties  | 3  |                    | 5.791.682                    | 19.867.521                    |

|  |    |                      |                      |
|--|----|----------------------|----------------------|
| Other Payables to Unrelated Parties  |    | 3.087.684            | 2.343.004            |
| Derivative Financial Liabilities   |    | 1.356.632            | 0                    |
| Derivative Financial Liabilities Held for trading  |    | 1.356.632            |                      |
| Deferred Income  |    | 2.161.750            | 23.189               |
| Deferred Income From Related Parties   |    | 524.740              |                      |
| Deferred Income from Unrelated Parties   |    | 1.637.010            | 23.189               |
| Current tax liabilities, current   | 9  | 93.627               |                      |
| Current provisions   |    | 369.666              | 1.285.045            |
| Current provisions for employee benefits   |    | 369.666              | 1.285.045            |
| Other Current Liabilities  |    | 243.379              | 310.185              |
| Other Current Liabilities to Unrelated Parties   |    | 243.379              | 310.185              |
| <b>SUB-TOTAL</b>   |    | <b>414.466.956</b>   | <b>361.116.573</b>   |
| <b>Total current liabilities</b>   |    | <b>414.466.956</b>   | <b>361.116.573</b>   |
| <b>NON-CURRENT LIABILITIES</b>   |    |                      |                      |
| Long Term Borrowings   | 8  | 59.444.444           | 53.333.333           |
| Long Term Borrowings From Unrelated Parties  |    | 59.444.444           | 53.333.333           |
| Bank Loans   |    | 59.444.444           | 53.333.333           |
| Trade Payables   |    | 43.807.977           | 45.819.864           |
| Trade Payables To Unrelated Parties  | 21 | 43.807.977           | 45.819.864           |
| Non-current provisions   |    | 22.885.157           | 19.144.782           |
| Non-current provisions for employee benefits   |    | 22.885.157           | 19.144.782           |
| Deferred Tax Liabilities   | 9  | 31.522.886           | 31.960.112           |
| <b>Total non-current liabilities</b>   |    | <b>157.660.464</b>   | <b>150.258.091</b>   |
| <b>Total liabilities</b>   |    | <b>572.127.420</b>   | <b>511.374.664</b>   |
| <b>EQUITY</b>  |    |                      |                      |
| Equity attributable to owners of parent  |    | 685.796.985          | 690.165.850          |
| Issued capital   | 10 | 44.951.051           | 44.951.051           |
| Inflation Adjustments on Capital   | 10 | 16.513.550           | 16.513.550           |
| Effects of Business Combinations Under Common Control  |    | -5.537.877           | -5.537.877           |
| Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss  |    | 288.732.476          | 253.424.549          |
| Gains (Losses) on Revaluation and Remeasurement  |    | 245.193.564          | 251.904.848          |
| Increases (Decreases) on Revaluation of Property, Plant and Equipment  | 7  | 256.619.335          | 261.716.422          |
| Gains (Losses) on Remeasurements of Defined Benefit Plans  |    | -11.425.771          | -9.811.574           |
| Share of Other Comprehensive Income of Investments Accounted for Using Equity Method that will not be Reclassified to Profit or Loss               |    | 8.649.041            | 1.519.701            |
| Other Gains (Losses)   |    | 34.889.871           |                      |
| Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss  |    | 6.193.922            | 56.943.935           |
| Gains (Losses) on Revaluation and Reclassification   |    | 0                    | 44.991.591           |
| Gains (Losses) from Financial Assets Measured at Fair Value through Other Comprehensive Income   | 4  |                      | 44.991.591           |
| Share of other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss |    | 6.193.922            | 11.952.344           |
| Restricted Reserves Appropriated From Profits  |    | 60.800.423           | 59.129.038           |
| Legal Reserves   |    | 60.800.423           | 59.129.038           |
| Prior Years' Profits or Losses   |    | 249.376.771          | 217.659.060          |
| Current Period Net Profit Or Loss  |    | 24.766.669           | 47.082.544           |
| <b>Total equity</b>  |    | <b>685.796.985</b>   | <b>690.165.850</b>   |
| <b>Total Liabilities and Equity</b>  |    | <b>1.257.924.405</b> | <b>1.201.540.514</b> |

# Profit or loss [abstract]

|                                |                |
|--------------------------------|----------------|
| Presentation Currency          | TL             |
| Nature of Financial Statements | Unconsolidated |

|   | Footnote Reference | Current Period<br>01.01.2018 -<br>30.06.2018 | Previous Period<br>01.01.2017 -<br>30.06.2017 | Current Period 3<br>Months<br>01.04.2018 -<br>30.06.2018 | Previous Period<br>3 Months<br>01.04.2017 -<br>30.06.2017 |
|---|--------------------|--|---|--|---|
| <b>Profit or loss [abstract]</b>  |                    |  |   |  |   |
| <b>PROFIT (LOSS)</b>  |                    |  |   |  |   |
| Revenue   | 11                 | 713.595.349                                  | 576.553.771                                   | 349.461.769  | 286.743.525   |
| Cost of sales   | 11                 | -592.397.801                                 | -474.115.945                                  | -294.653.851   | -238.721.983  |
| GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS                            |                    | 121.197.548                                  | 102.437.826                                   | 54.807.918   | 48.021.542  |
| Revenue from Finance Sector Operations                                    |                    | 0  | 0   | 0  | 0   |
| Cost of Finance Sector Operations   |                    | 0  | 0   | 0  | 0   |
| GROSS PROFIT (LOSS) FROM FINANCE SECTOR OPERATIONS                        |                    | 0  | 0   | 0  | 0   |
| GROSS PROFIT (LOSS)   |                    | 121.197.548                                  | 102.437.826                                   | 54.807.918   | 48.021.542  |
| General Administrative Expenses   | 12                 | -21.444.926                                  | -19.409.579                                   | -10.963.365  | -9.871.773  |
| Marketing Expenses  | 12                 | -50.911.954                                  | -46.619.468                                   | -23.731.715  | -25.684.298   |
| Research and development expense  | 12                 | -5.869.661                                   | -5.832.206                                    | -3.046.692   | -3.080.307  |
| Other Income from Operating Activities                                    | 13                 | 11.348.331                                   | 5.172.833                                     | 6.858.546  | 353.243   |
| Other Expenses from Operating Activities                                  | 13                 | -3.892.530                                   | -4.309.757                                    | -1.925.802   | 544.124   |
| PROFIT (LOSS) FROM OPERATING ACTIVITIES                                   |                    | 50.426.808                                   | 31.439.649                                    | 21.998.890   | 10.282.531  |
| Investment Activity Income  | 14                 | 4.338.907                                    | 5.807.737                                     | 3.212  | 44.189  |
| Investment Activity Expenses  | 14                 | -1.821.289                                   | -1.091.432                                    | -1.821.289   | -30.688   |
| Share of Profit (Loss) from Investments Accounted for Using Equity Method | 5                  | 5.243.322                                    | 2.596.802                                     | 554.468  | 1.081.198   |
| PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)                           |                    | 58.187.748                                   | 38.752.756                                    | 20.735.281   | 11.377.230  |
| Finance income  | 15                 | 2.197.628                                    | 4.178.100                                     | 1.421.588  | 3.306.004   |
| Finance costs   | 15                 | -34.685.106                                  | -13.683.816                                   | -20.053.327  | -8.509.132  |
| PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX                      |                    | 25.700.270                                   | 29.247.040                                    | 2.103.542  | 6.174.102   |
| Tax (Expense) Income, Continuing Operations                               |                    | -933.601                                     | -301.313                                      | 891.120  | -1.160.438  |
| Current Period Tax (Expense) Income                                       | 9                  | -458.605                                     | -911.466                                      | -134.843   | -342.089  |
| Deferred Tax (Expense) Income   | 9                  | -474.996                                     | 610.153                                       | 1.025.963  | -818.349  |
| PROFIT (LOSS) FROM CONTINUING OPERATIONS                                  |                    | 24.766.669                                   | 28.945.727                                    | 2.994.662  | 5.013.664   |
| PROFIT (LOSS)   |                    | 24.766.669                                   | 28.945.727                                    | 2.994.662  | 5.013.664   |
| <b>Profit (loss), attributable to [abstract]</b>                          |                    |  |   |  |   |
| Non-controlling Interests   |                    | 0  | 0   | 0  | 0   |
| Owners of Parent  |                    | 24.766.669                                   | 28.945.727                                    | 2.994.662  | 5.013.664   |
| <b>Earnings per share [abstract]</b>                                      |                    |  |   |  |   |
| <b>Earnings per share [line items]</b>                                    |                    |  |   |  |   |
| <b>Basic earnings per share</b>   |                    |  |   |  |   |
| Basic Earnings (Loss) Per Share from Continuing Operations                |                    |  |   |  |   |
| Sürdürülen Faaliyetlerden 1 Kr Nominal Değerli 100 Adet Pay Başına Kazanç | 16                 | 0,55100000                                   | 0,64390000                                    | 0,06660000   | 0,11150000  |
| <b>Diluted Earnings Per Share</b>   |                    |  |   |  |   |

# Statement of Other Comprehensive Income

|                                |                |
|--------------------------------|----------------|
| Presentation Currency          | TL             |
| Nature of Financial Statements | Unconsolidated |

|   | Footnote Reference | Current Period<br>01.01.2018 -<br>30.06.2018 | Previous Period<br>01.01.2017 -<br>30.06.2017 | Current Period 3<br>Months<br>01.04.2018 -<br>30.06.2018 | Previous Period<br>3 Months<br>01.04.2017 -<br>30.06.2017 |
|---|--------------------|--|---|--|---|
| <b>Statement of Other Comprehensive Income</b>  |                    |  |   |  |   |
| PROFIT (LOSS)   |                    | 24.766.669                                   | 28.945.727                                    | 2.994.662  | 5.013.664   |
| <b>OTHER COMPREHENSIVE INCOME</b>   |                    |  |   |  |   |
| <b>Other Comprehensive Income that will not be Reclassified to Profit or Loss</b>   |                    | <b>-21.035.081</b>                           | <b>-1.378.445</b>                             | <b>-21.395.835</b>                                       | <b>-564.364</b>   |
| Gains (Losses) on Remeasurements of Defined Benefit Plans   |                    | -2.017.746                                   | -1.637.066                                    | -1.606.910   | -841.312  |
| Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss            |                    | -9.319.164                                   | -196.439                                      | -9.099.169   | -124.186  |
| Gains (Losses) on Remeasurements of Defined Benefit Plans of Associates and Joint Ventures Accounted for Using Equity Method                                      | 5                  | -355.540                                     | -196.439                                      | -138.567   | -124.186  |
| Other Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method  |                    | -8.963.624                                   |   | -8.960.602   |   |
| Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss  | 4                  | -10.619.857                                  |   | -11.577.139  |   |
| Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss  |                    | 921.686                                      | 455.060                                       | 887.383  | 401.134   |
| Taxes Relating to Remeasurements of Defined Benefit Plans   | 9                  | 403.549                                      | 327.413                                       | 321.382  | 168.262   |
| Taxes Relating to Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss  | 9                  | 518.137                                      | 127.647                                       | 566.001  | 232.872   |
| <b>Other Comprehensive Income That Will Be Reclassified to Profit or Loss</b>   |                    | <b>1.744.045</b>                             | <b>-1.879.598</b>                             | <b>992.965</b>   | <b>-4.425.049</b>   |
| Other Comprehensive Income (Loss) Related with Financial Assets Measured at Fair Value through Other Comprehensive Income   | 4                  | 0  | -2.552.967                                    | 0  | -4.657.457  |
| Reclassification Adjustments on Financial Assets Measured at Fair Value through Other Comprehensive Income  |                    |  | -2.552.967                                    |  | -4.657.457  |
| Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss                |                    | 1.744.045                                    | 673.369                                       | 992.965  | 232.408   |
| Gains (Losses) on Exchange Differences on Translation of Investments Accounted for Using Equity Method  | 5                  | 1.744.045                                    | 644.557                                       | 992.965  | 208.291   |
| Other Gains (Losses) on Other Comprehensive Income Of Associates And Joint Ventures Accounted For Using Equity Method That Will Be Reclassified To Profit Or Loss | 5                  |  | 28.812  |  | 24.117  |
| Taxes Relating to Components of Other Comprehensive Income that will be Reclassified to Profit or Loss  |                    | 0  | 0   | 0  | 0   |
| <b>OTHER COMPREHENSIVE INCOME (LOSS)</b>  |                    | <b>-19.291.036</b>                           | <b>-3.258.043</b>                             | <b>-20.402.870</b>                                       | <b>-4.989.413</b>   |
| <b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>  |                    | <b>5.475.633</b>                             | <b>25.687.684</b>                             | <b>-17.408.208</b>                                       | <b>24.251</b>   |
| <b>Total Comprehensive Income Attributable to</b>   |                    |  |   |  |   |
| Non-controlling Interests   |                    | 0  | 0   | 0  | 0   |
| Owners of Parent  |                    | 5.475.633                                    | 25.687.684                                    | -17.408.208  | 24.251  |

## Statement of cash flows (Indirect Method)

|                                |                |
|--------------------------------|----------------|
| Presentation Currency          | TL             |
| Nature of Financial Statements | Unconsolidated |

|  | Footnote Reference | Current Period<br>01.01.2018 - 30.06.2018 | Previous Period<br>01.01.2017 - 30.06.2017 |
|--|--------------------|---|--|
| <b>Statement of cash flows (Indirect Method)</b>                                       |                    |   |  |
| <b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>                                  |                    | <b>84.701.708</b>                         | <b>35.401.876</b>                          |
| Profit (Loss)  |                    | 24.766.668                                | 28.945.727                                 |
| Profit (Loss) from Continuing Operations   |                    | 24.766.668                                | 28.945.727                                 |
| <b>Adjustments to Reconcile Profit (Loss)</b>  |                    | <b>35.863.267</b>                         | <b>17.495.083</b>                          |
| Adjustments for depreciation and amortisation expense                                  | 7                  | 16.940.418                                | 12.892.168                                 |
| Adjustments for Impairment Loss (Reversal of Impairment Loss)                          |                    | -94.865                                   | 6.845                                      |
| Adjustments for Impairment Loss (Reversal of Impairment Loss) of Inventories           | 5                  | -94.865                                   | 6.845                                      |
| Adjustments for provisions   |                    | 2.204.506                                 | 1.872.304                                  |
| Adjustments for (Reversal of) Provisions Related with Employee Benefits                |                    | 2.204.506                                 | 1.872.304                                  |
| Adjustments for Dividend (Income) Expenses   | 14.i               | -4.333.747                                | -5.518.989                                 |
| Adjustments for Interest (Income) Expenses   |                    | 10.099.886                                | 5.545.333                                  |
| Adjustments for Interest Income  |                    | -2.853.055                                | -205.487                                   |
| Adjustments for interest expense   |                    | 12.952.941                                | 5.750.820                                  |
| Adjustments for unrealised foreign exchange losses (gains)                             |                    | 12.471.473                                | 4.576.734                                  |
| Adjustments for fair value losses (gains)  |                    | 1.443.319                                 | 0  |
| Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments          |                    | 1.443.319                                 |  |
| Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method |                    | -5.243.322                                | -2.596.802                                 |
| Adjustments for undistributed profits of associates                                    | 5                  | -5.243.322                                | -2.596.802                                 |
| Adjustments for Tax (Income) Expenses  | 9                  | 933.601                                   | 301.313                                    |
| Adjustments for losses (gains) on disposal of non-current assets                       |                    | 1.816.129                                 | 802.684                                    |
| Adjustments for Losses (Gains) Arised From Sale of Tangible Assets                     |                    | 1.816.129                                 | 802.684                                    |
| Other adjustments to reconcile profit (loss)   |                    | -374.131                                  | -386.507                                   |
| <b>Changes in Working Capital</b>  |                    | <b>24.715.353</b>                         | <b>-10.035.794</b>                         |
| Adjustments for decrease (increase) in trade accounts receivable                       |                    | 20.472.463                                | -8.284.647                                 |
| Decrease (Increase) in Trade Accounts Receivables from Related Parties                 |                    | 16.847.798                                | -5.241.185                                 |
| Decrease (Increase) in Trade Accounts Receivables from Unrelated Parties               |                    | 3.624.665                                 | -3.043.462                                 |
| Adjustments for Decrease (Increase) in Other Receivables Related with Operations       |                    | -3.827.208                                | -860.439                                   |
| Decrease (Increase) in Other Related Party Receivables Related with Operations         |                    |   | -3.803.173                                 |
| Decrease (Increase) in Other Unrelated Party Receivables Related with Operations       |                    | -3.827.208                                | 2.942.734                                  |
| Adjustments for decrease (increase) in inventories                                     |                    | -53.810.785                               | -34.418.330                                |
| Decrease (Increase) in Prepaid Expenses  |                    | 1.105.879                                 | 2.149.726                                  |
| Adjustments for increase (decrease) in trade accounts payable                          |                    | 61.809.538                                | 37.584.204                                 |
| Increase (Decrease) in Trade Accounts Payables to Related Parties                      |                    | 9.681.151                                 | 5.613.643                                  |
| Increase (Decrease) in Trade Accounts Payables to Unrelated Parties                    |                    | 52.128.387                                | 31.970.561                                 |
| Increase (Decrease) in Employee Benefit Liabilities                                    |                    | 2.865.664                                 | 1.821.464                                  |
| Adjustments for increase (decrease) in other operating payables                        |                    | 744.680                                   | -256.221                                   |
| Increase (Decrease) in Other Operating Payables to Unrelated Parties                   |                    | 744.680                                   | -256.221                                   |
| Increase (Decrease) in Deferred Income   |                    | 2.138.561                                 | 905.972                                    |
| Other Adjustments for Other Increase (Decrease) in Working Capital                     |                    | -6.783.439                                | -8.677.523                                 |
| Decrease (Increase) in Other Assets Related with Operations                            |                    | -6.716.633                                |  |
| Increase (Decrease) in Other Payables Related with Operations                          |                    | -66.806                                   | -8.677.523                                 |
| <b>Cash Flows from (used in) Operations</b>  |                    | <b>85.345.288</b>                         | <b>36.405.016</b>                          |
| Payments Related with Provisions for Employee Benefits                                 |                    | -1.048.948                                | -1.539.014                                 |
| Income taxes refund (paid)   | 9                  | -364.979                                  | -849.185                                   |
| Other inflows (outflows) of cash   |                    | 770.347                                   | 1.385.059                                  |
| <b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>                                  |                    | <b>-23.046.540</b>                        | <b>-6.841.270</b>                          |
| Proceeds from sales of property, plant, equipment and intangible assets                |                    | 725.159                                   | 464.187                                    |
| Proceeds from sales of property, plant and equipment                                   |                    | 725.159                                   | 464.187                                    |
| Purchase of Property, Plant, Equipment and Intangible Assets                           |                    | -13.113.631                               | -14.947.541                                |



|   |   |              |             |
|---|---|--------------|-------------|
| Purchase of property, plant and equipment   |   | -12.138.673  | -14.924.491 |
| Purchase of intangible assets   |   | -974.958     | -23.050     |
| Cash advances and loans made to other parties   |   | -11.792.157  | 0           |
| Cash Advances and Loans Made to Related Parties   |   | -11.792.157  |             |
| Cash receipts from repayment of advances and loans made to other parties                    |   | -7.873.000   | -3.249.027  |
| Paybacks from Other Cash Advances and Loans Made to Other Parties                           |   | -7.873.000   | -3.249.027  |
| Dividends received  |   | 7.619.436    | 10.685.624  |
| Interest received   |   | 1.387.653    | 205.487     |
| CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES  |   | -60.830.692  | -27.791.027 |
| Proceeds from borrowings  |   | 203.276.281  | 64.783.729  |
| Proceeds from Loans   |   | 203.276.281  | 64.783.729  |
| Repayments of borrowings  |   | -219.224.500 | -57.726.598 |
| Loan Repayments   |   | -219.224.500 | -54.725.000 |
| Cash Outflows from Other Financial Liabilities  |   |              | -3.001.598  |
| Increase in Other Payables to Related Parties   |   | -14.007.884  | 10.199.011  |
| Cash Payments for Future Contracts, Forward Contracts, Option Contracts and Swap Contracts  |   | -86.687      |             |
| Dividends Paid  | 3 | -19.541.399  | -40.905.457 |
| Interest paid   |   | -12.711.905  | -4.141.712  |
| Interest Received   |   | 1.465.402    |             |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES |   | 824.476      | 769.579     |
| Effect of exchange rate changes on cash and cash equivalents                                |   | 208.426      | 2.941       |
| Net increase (decrease) in cash and cash equivalents  |   | 1.032.902    | 772.520     |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD                                    |   | 1.329.702    | 502.652     |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD  |   | 2.362.604    | 1.275.172   |

[illegible]

|   |  |  |            |            |            |             |             |            |             |           |             |  |  |  |  |  |  |           |           |             |             |             |             |             |             |   |
|---|--|--|------------|------------|------------|-------------|-------------|------------|-------------|-----------|-------------|--|--|--|--|--|--|-----------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|---|
| Current Period<br>01.01.2018 - 30.06.2018 |  |  |            |            |            |             |             |            |             |           |             |  |  |  |  |  |  |           | 1.671.385 | -20.632.784 | -20.632.784 | -18.961.399 |             |             | -18.961.399 |   |
|   | Decrease through Other Distributions to Owners   |  |            |            |            |             |             |            |             |           |             |  |  |  |  |  |  |           |           |             |             |             |             |             | 0           |   |
|   | Increase (Decrease) through Treasury Share Transactions  |  |            |            |            |             |             |            |             |           |             |  |  |  |  |  |  |           |           |             |             |             |             |             | 0           |   |
|   | Increase (Decrease) through Share-Based Payment Transactions   |  |            |            |            |             |             |            |             |           |             |  |  |  |  |  |  |           |           |             |             |             |             |             | 0           |   |
|   | Acquisition or Disposal of a Subsidiary  |  |            |            |            |             |             |            |             |           |             |  |  |  |  |  |  |           |           |             |             |             |             |             | 0           |   |
|   | Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity   |  |            |            |            |             |             |            |             |           |             |  |  |  |  |  |  |           |           |             |             |             |             |             | 0           |   |
|   | Transactions with noncontrolling shareholders  |  |            |            |            |             |             |            |             |           |             |  |  |  |  |  |  |           |           |             |             |             |             |             | 0           |   |
|   | Increase through Other Contributions by Owners   |  |            |            |            |             |             |            |             |           |             |  |  |  |  |  |  |           |           |             |             |             |             |             | 0           |   |
|   | 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   |  |            |            |            |             |             |            |             |           |             |  |  |  |  |  |  |           |           |             |             |             |             |             |             | 0 |
|   | 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                 |  |            |            |            |             |             |            |             |           |             |  |  |  |  |  |  |           |           |             |             |             |             |             |             | 0 |
|   | 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 |  |            |            |            |             |             |            |             |           |             |  |  |  |  |  |  |           |           |             |             |             |             |             |             | 0 |
|   | 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        |  |            |            |            |             |             |            |             |           |             |  |  |  |  |  |  |           |           |             |             |             |             |             |             | 0 |
|   | Increase (decrease) through other changes, equity  |  |            |            |            |             |             |            |             |           |             |  |  |  |  |  |  |           |           |             |             |             |             |             |             | 0 |
|   | Equity at end of period  |  | 44.951.051 | 16.513.550 | -5.537.877 | 256.619.335 | -11.425.771 | 34.889.871 | 280.083.435 | 8.649.041 | 288.732.476 |  |  |  |  |  |  | 6.193.922 | 6.193.922 | 60.800.423  | 249.376.771 | 24.766.669  | 274.143.440 | 685.796.985 | 685.796.985 |   |