

**DERİMOD KONFEKSİYON AYAKKABI DERİ SANAYİ VE  
TİCARET A.Ş.  
Financial Report  
Unconsolidated  
2018 - 3. 3 Monthly Notification**

**General Information About Financial Statements**

# Statement of Financial Position (Balance Sheet)

Presentation Currency	TL
Nature of Financial Statements	Unconsolidated

	Footnote Reference	Current Period 30.09.2018	Previous Period 31.12.2017
<b>Statement of Financial Position (Balance Sheet)</b>			
<b>Assets [abstract]</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	2.561.904	1.031.178
Financial Investments		0	0
Financial Assets at Fair Value Through Profit or Loss		0	0
Financial Assets at Fair Value Through Other Comprehensive Income		0	0
Trade Receivables		261.999.489	271.641.946
Trade Receivables Due From Related Parties	7, 16	257.165.420	268.382.840
Trade Receivables Due From Unrelated Parties	7	4.834.069	3.259.106
Receivables From Financial Sector Operations		0	0
Other Receivables		5.009.546	6.176.812
Other Receivables Due From Related Parties	16	4.225.203	4.210.497
Other Receivables Due From Unrelated Parties		784.343	1.966.315
Receivables from Ongoing Construction or Service Contracts			0
Derivative Financial Assets			0
Inventories	8	11.914.136	11.422.122
Prepayments		4.436.573	10.511.775
Prepayments to Unrelated Parties		4.436.573	10.511.775
Current Tax Assets		273.840	0
Other current assets		3.457.669	4.003.422
Other Current Assets Due From Unrelated Parties		3.457.669	4.003.422
<b>SUB-TOTAL</b>		<b>289.653.157</b>	<b>304.787.255</b>
<b>Total current assets</b>		<b>289.653.157</b>	<b>304.787.255</b>
<b>NON-CURRENT ASSETS</b>			
Financial Investments		70.474	70.474
Other Receivables		302.171	288.678
Other Receivables Due From Unrelated Parties		302.171	288.678
Property, plant and equipment	9	460.099	13.756.671
Intangible assets and goodwill	9	26.825	19.213
Deferred Tax Asset	15	753.255	128.326
<b>Total non-current assets</b>		<b>1.612.824</b>	<b>14.263.362</b>
<b>Total assets</b>		<b>291.265.981</b>	<b>319.050.617</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Current Borrowings	5	9.504.851	34.309.812
Current Portion of Non-current Borrowings	5	24.228.666	14.118.610
Other Financial Liabilities	6	31.958.341	22.075.000
Trade Payables	7	125.792.278	147.456.390
Trade Payables to Unrelated Parties	7	125.792.278	147.456.390
Employee Benefit Obligations		763.689	567.824
Other Payables		139.958	182.872
Other Payables to Unrelated Parties		139.958	182.872
Current tax liabilities, current			120.499
Current provisions		247.714	426.048
Current provisions for employee benefits		247.714	426.048
<b>SUB-TOTAL</b>		<b>192.635.497</b>	<b>219.257.055</b>
<b>Total current liabilities</b>		<b>192.635.497</b>	<b>219.257.055</b>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings	5	51.840.846	54.237.148
Trade Payables		0	849.384
Trade Payables To Unrelated Parties		0	849.384
Non-current provisions		1.279.222	1.382.230
Non-current provisions for employee benefits		1.279.222	1.382.230
<b>Total non-current liabilities</b>		<b>53.120.068</b>	<b>56.468.762</b>
<b>Total liabilities</b>		<b>245.755.565</b>	<b>275.725.817</b>
<b>EQUITY</b>			
Equity attributable to owners of parent		45.510.416	43.324.800

Issued capital	11	5.400.000	5.400.000
Inflation Adjustments on Capital	11	496.828	496.828
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		-77.224	9.915.072
Gains (Losses) on Revaluation and Remeasurement		-77.224	9.915.072
Increases (Decreases) on Revaluation of Property, Plant and Equipment		0	10.049.897
Gains (Losses) on Remeasurements of Defined Benefit Plans		-77.224	-134.825
Restricted Reserves Appropriated From Profits		1.205.002	1.205.002
Prior Years' Profits or Losses		34.559.117	25.584.629
Current Period Net Profit Or Loss		3.926.693	723.269
Total equity		45.510.416	43.324.800
Total Liabilities and Equity		291.265.981	319.050.617

# Statement of Profit or Loss and Other Comprehensive Income

Presentation Currency	TL
Nature of Financial Statements	Unconsolidated

	Footnote Reference	Current Period 01.01.2018 - 30.09.2018	Previous Period 01.01.2017 - 30.09.2017	Current Period 3 Months 01.07.2018 - 30.09.2018	Previous Period 3 Months 01.07.2017 - 30.09.2017
<b>Statement of Profit or Loss and Other Comprehensive Income</b>					
<b>PROFIT (LOSS)</b>					
Revenue		178.492.964	161.067.388	48.851.875	59.419.165
Cost of sales		-155.576.061	-147.462.476	-42.166.052	-55.990.006
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		22.916.903	13.604.912	6.685.823	3.429.159
GROSS PROFIT (LOSS)		22.916.903	13.604.912	6.685.823	3.429.159
General Administrative Expenses	12	-2.729.556	-3.386.724	-728.486	-1.547.439
Marketing Expenses	12	-7.821.471	-6.412.861	-2.739.069	-1.973.667
Other Income from Operating Activities	13	53.566.661	20.642.206	27.756.450	9.272.224
Other Expenses from Operating Activities	13	-40.165.914	-10.871.998	-21.702.459	-2.686.493
PROFIT (LOSS) FROM OPERATING ACTIVITIES		25.766.623	13.575.535	9.272.259	6.493.784
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		25.766.623	13.575.535	9.272.259	6.493.784
Finance costs	14	-21.971.939	-13.533.141	-7.281.447	-5.544.348
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		3.794.684	42.394	1.990.812	949.436
Tax (Expense) Income, Continuing Operations		132.009	-464.137	-933.786	-237.434
Deferred Tax (Expense) Income	15	132.009	-464.137	-933.786	-237.434
PROFIT (LOSS) FROM CONTINUING OPERATIONS		3.926.693	-421.743	1.057.026	712.002
PROFIT (LOSS)		3.926.693	-421.743	1.057.026	712.002
<b>Profit (loss), attributable to [abstract]</b>					
Non-controlling Interests		0	0	0	0
Owners of Parent		3.926.693	-421.743	1.057.026	712.002
<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					
<i>Sürdürülen Faaliyetlerden Pay Başına Kazanç (Zarar)</i>	16	0,00730000	-0,00080000	0,00200000	0,00130000
<b>Diluted Earnings Per Share</b>					
<b>OTHER COMPREHENSIVE INCOME</b>					
Other Comprehensive Income that will not be Reclassified to Profit or Loss		57.601	-33.452	-7.834	-14.002
Gains (Losses) on Remeasurements of Defined Benefit Plans		57.601	-11.731	-7.834	-15.797
Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss		0	-21.721	0	1.795
Taxes Relating to Gains (Losses) on Revaluation of Property, Plant and Equipment		0	-21.721	0	1.795
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 Remeasuring or Reclassification Adjustments on Available-for-sale Financial Assets		0	0	0	0
Other Comprehensive Income (Loss) Related with Financial Assets Measured at Fair Value through Other Comprehensive Income		0	0	0	0
Other Comprehensive Income (Loss) Related with Cash Flow Hedges		0	0	0	0
Other Comprehensive Income (Loss) Related with Hedges of Net Investments in Foreign Operations		0	0	0	0
Change in Value of Time Value of Options		0	0	0	0
Change in Value of Forward Elements of Forward Contracts		0	0	0	0
Change in Value of Foreign Currency Basis Spreads		0	0	0	0
Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss		0	0	0	0
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>57.601</b>	<b>-33.452</b>	<b>-7.834</b>	<b>-14.002</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		<b>3.984.294</b>	<b>-455.195</b>	<b>1.049.192</b>	<b>698.000</b>

Total Comprehensive Income Attributable to				
Non-controlling Interests		0	0	0
Owners of Parent		3.984.294	-455.195	1.049.192
				698.000

# Statement of cash flows (Indirect Method)

Presentation Currency	TL
Nature of Financial Statements	Unconsolidated

	Footnote Reference	Current Period 01.01.2018 - 30.09.2018	Previous Period 01.01.2017 - 30.09.2017
<b>Statement of cash flows (Indirect Method)</b>			
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		<b>14.012.445</b>	<b>-46.278.669</b>
Profit (Loss)		3.926.693	-421.743
<b>Adjustments to Reconcile Profit (Loss)</b>		<b>16.025.803</b>	<b>15.197.010</b>
Adjustments for depreciation and amortisation expense	9,12	265.620	369.741
Adjustments for Impairment Loss (Reversal of Impairment Loss)		289.048	646.124
Adjustments for Impairment Loss (Reversal of Impairment Loss ) of Receivables		61.074	646.124
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Inventories		227.974	0
Adjustments for provisions		-137.340	252.876
Adjustments for (Reversal of) Provisions Related with Employee Benefits		-137.340	252.876
Adjustments for Interest (Income) Expenses		21.239.287	16.376.574
Adjustments for Interest Income		-54.140	-112.456
Adjustments for interest expense		21.762.757	13.277.423
Deferred Financial Expense from Credit Purchases		-7.452.291	1.061.023
Unearned Financial Income from Credit Sales		6.982.961	2.150.584
Adjustments for Income Arised from Government Grants		-2.087.379	-2.912.442
Adjustments for Tax (Income) Expenses	15	-132.009	464.137
Adjustments for losses (gains) on disposal of non-current assets	13	-3.411.424	0
Adjustments for Losses (Gains) Arised From Sale of Tangible Assets	13	-3.411.424	0
<b>Changes in Working Capital</b>		<b>-5.473.711</b>	<b>-60.418.857</b>
Adjustments for decrease (increase) in trade accounts receivable		408.927	-46.850.619
Decrease (Increase) in Trade Accounts Receivables from Related Parties		1.884.143	-45.262.523
Decrease (Increase) in Trade Accounts Receivables from Unrelated Parties		-1.475.216	-1.588.096
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		3.241.152	77.950
Decrease (Increase) in Other Related Party Receivables Related with Operations		-14.706	-5.961
Decrease (Increase) in Other Unrelated Party Receivables Related with Operations		3.255.858	83.911
Adjustments for decrease (increase) in inventories		-719.988	-16.078.151
Decrease (Increase) in Prepaid Expenses		6.075.202	428.493
Adjustments for increase (decrease) in trade accounts payable		-15.220.622	-460.176
Increase (Decrease) in Trade Accounts Payables to Unrelated Parties		-15.220.622	-460.176
Increase (Decrease) in Employee Benefit Liabilities		195.865	-15.182
Adjustments for increase (decrease) in other operating payables		0	73.226
Increase (Decrease) in Other Operating Payables to Unrelated Parties		0	73.226
Increase (Decrease) in Deferred Income		0	685.030
Other Adjustments for Other Increase (Decrease) in Working Capital		545.753	1.720.572
Decrease (Increase) in Other Assets Related with Operations		545.753	1.720.572
<b>Cash Flows from (used in) Operations</b>		<b>14.478.785</b>	<b>-45.643.590</b>
Payments Related with Provisions for Employee Benefits		-72.001	-13.026
Income taxes refund (paid)		-394.339	-622.053
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		<b>16.434.764</b>	<b>-204.638</b>
Proceeds from sales of property, plant, equipment and intangible assets	9	16.500.000	0
Proceeds from sales of property, plant and equipment	9	16.500.000	0
Purchase of Property, Plant, Equipment and Intangible Assets	9	-65.236	-204.638
Purchase of property, plant and equipment	9	-65.236	-204.638
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		<b>-28.916.483</b>	<b>47.417.562</b>
Proceeds from borrowings		64.958.341	119.943.342
Proceeds from Loans		33.000.000	80.843.342
Proceeds From Issue of Debt Instruments		0	25.000.000
Proceeds from Factoring Transactions		31.958.341	14.100.000
Repayments of borrowings		-72.768.974	-61.680.346
Loan Repayments		-24.983.249	-36.680.346
Payments of Issued Debt Instruments		-25.710.725	-25.000.000

Cash Outflows from Factoring Transactions		-22.075.000	0
Interest paid		-21.159.990	-10.957.890
Interest Received		54.140	112.456
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		1.530.726	934.255
Effect of exchange rate changes on cash and cash equivalents		0	0
Net increase (decrease) in cash and cash equivalents		1.530.726	934.255
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4	1.031.178	204.417
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	2.561.904	1.138.672

[illegible]



Current Period 01.01.2018 - 30.09.2018														
	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		5,400,000	496,828		-77,224	0			1,205,002	34,559,117	3,926,693	45,510,416	45,510,416