

AG ANADOLU GRUBU HOLDİNG A.Ş.
Holding Financial Report
Consolidated
2019 - 2. 3 Monthly Notification

General Information About Financial Statements

Independent Audit Comment

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

(CONVENIENCE TRANSLATION OF THE REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION ORIGINALLY ISSUED IN TURKISH)

REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

To the General Assembly of AG Anadolu Grubu Holding A.Ş.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of AG Anadolu Grubu Holding A.Ş. ("the Company") and its subsidiaries (together will be referred as "the Group") as of 30 June 2019 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended. Group management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with Turkish Accounting Standards 34 "Interim Financial Reporting" ("TAS 34"). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Independent Auditing Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with TAS 34 "Interim Financial Reporting".

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.

Member of DELOITTE TOUCHE TOHMATSU LIMITED

Burç Seven

Partner

İstanbul, 19 August 2019



Statement of Financial Position (Balance Sheet)

Presentation Currency	1.000 TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 30.06.2019	Previous Period 31.12.2018
Statement of Financial Position (Balance Sheet)			
Assets [abstract]			
CURRENT ASSETS			
Cash and cash equivalents	5	7.645.838	5.282.990
Financial Investments		112.043	40.361
Trade Receivables		4.939.877	3.030.005
Trade Receivables Due From Related Parties	21.1	53.281	273.929
Trade Receivables Due From Unrelated Parties		4.886.596	2.756.076
Other Receivables		193.951	139.535
Other Receivables Due From Related Parties	21.1	3.610	20.595
Other Receivables Due From Unrelated Parties		190.341	118.940
Derivative Financial Assets		85.139	102.996
Inventories	6	6.156.030	3.131.137
Prepayments		797.140	568.852
Current Tax Assets	20.1	146.803	189.152
Other current assets	12.1	847.153	938.886
SUB-TOTAL		20.923.974	13.423.914
Total current assets		20.923.974	13.423.914
NON-CURRENT ASSETS			
Financial Investments		1.531	367
Trade Receivables		1.536	1.437
Trade Receivables Due From Unrelated Parties		1.536	1.437
Other Receivables		67.552	56.768
Other Receivables Due From Related Parties	21.1	4.573	0
Other Receivables Due From Unrelated Parties		62.979	56.768
Derivative Financial Assets		36.998	83.181
Investments accounted for using equity method	8	1.277	1.920.877
Investment property		337.414	296.443
Property, plant and equipment	9	15.908.027	11.738.915
Right of Use Assets		3.604.606	0
Intangible assets and goodwill		22.080.172	17.111.143
Goodwill	11	5.844.605	2.552.368
Other intangible assets	10	16.235.567	14.558.775
Prepayments		491.598	425.205
Deferred Tax Asset	20.2	1.198.451	956.572
Other Non-current Assets	12.2	1.153.955	1.402.606
Total non-current assets		44.883.117	33.993.514
Total assets		65.807.091	47.417.428
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Current Borrowings	7	3.534.685	3.184.503
Current Portion of Non-current Borrowings	7	5.315.914	3.756.799
Current Portion of Non-current Borrowings from Unrelated Parties		5.315.914	3.756.799
Bank Loans		4.744.874	3.643.106
Lease Liabilities		571.040	113.693
Trade Payables		11.426.043	4.161.193
Trade Payables to Related Parties	21.2	34.419	7.347
Trade Payables to Unrelated Parties		11.391.624	4.153.846
Employee Benefit Obligations		275.873	114.858
Other Payables		2.156.275	1.515.495
Other Payables to Unrelated Parties		2.156.275	1.515.495
Derivative Financial Liabilities		38.013	41.037
Deferred Income Other Than Contract Liabilities		404.753	478.774
Current tax liabilities, current	20.1	131.207	18.036
Current provisions		557.806	242.946
Current provisions for employee benefits	13	406.108	130.899
Other current provisions		151.698	112.047
Other Current Liabilities		102.445	36.532
SUB-TOTAL		23.943.014	13.550.173
Total current liabilities		23.943.014	13.550.173

NON-CURRENT LIABILITIES			
Long Term Borrowings	7	16.188.684	8.712.404
Long Term Borrowings From Unrelated Parties		16.188.684	8.712.404
Bank Loans		12.822.252	8.549.418
Lease Liabilities		3.366.432	162.986
Trade Payables		69.249	44.207
Trade Payables To Unrelated Parties		69.249	44.207
Other Payables		428.971	392.368
Other Payables to Unrelated parties		428.971	392.368
Derivative Financial Liabilities		6.063	3.356
Deferred Income Other Than Contract Liabilities		27.609	30.227
Non-current provisions		390.786	192.358
Non-current provisions for employee benefits	13	390.786	192.358
Deferred Tax Liabilities	20.2	3.010.416	2.762.447
Other non-current liabilities		316.839	270.308
Total non-current liabilities		20.438.617	12.407.675
Total liabilities		44.381.631	25.957.848
EQUITY			
Equity attributable to owners of parent		5.027.827	5.046.470
Issued capital	15	243.535	243.535
Inflation Adjustments on Capital		65.771	65.771
Share Premium (Discount)		1.057.708	1.200.135
Effects of Business Combinations Under Common Control		-7.145	-7.145
Put Option Revaluation Fund Related with Non-controlling Interests		2.670	2.916
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		156.681	73.528
Gains (Losses) on Revaluation and Remeasurement		156.681	73.528
Gains (Losses) on Remeasurements of Defined Benefit Plans		-22.589	-20.538
Other Revaluation Increases (Decreases)		179.270	94.066
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss		1.653.242	1.258.524
Exchange Differences on Translation		2.386.505	1.789.301
Gains (Losses) on Hedge		-733.263	-530.777
Restricted Reserves Appropriated From Profits	15	615.970	909.511
Prior Years' Profits or Losses	15	1.710.663	2.467.846
Current Period Net Profit Or Loss		-471.268	-1.168.151
Non-controlling interests		16.397.633	16.413.110
Total equity		21.425.460	21.459.580
Total Liabilities and Equity		65.807.091	47.417.428

Profit or loss [abstract]

Presentation Currency	1.000 TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2019 - 30.06.2019	Previous Period 01.01.2018 - 30.06.2018	Current Period 3 Months 01.04.2019 - 30.06.2019	Previous Period 3 Months 01.04.2018 - 30.06.2018
Profit or loss [abstract]					
PROFIT (LOSS)					
Revenue		17.706.337	10.436.742	12.359.214	6.567.877
Cost of sales		-12.169.195	-7.039.601	-8.262.270	-4.352.779
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		5.537.142	3.397.141	4.096.944	2.215.098
GROSS PROFIT (LOSS)		5.537.142	3.397.141	4.096.944	2.215.098
General Administrative Expenses		-974.628	-809.667	-536.830	-471.844
Marketing Expenses		-3.182.827	-1.813.048	-2.195.141	-1.132.858
Research and development expense		-1.488	-2.517	-276	-1.262
Other Income from Operating Activities	16.1	343.137	210.906	174.659	134.187
Other Expenses from Operating Activities	16.2	-541.576	-265.503	-402.571	-146.845
Share of Profit (Loss) from Investments Accounted for Using Equity Method	8	-263.184	-329.369	-110.788	-186.559
PROFIT (LOSS) FROM OPERATING ACTIVITIES		916.576	387.943	1.025.997	409.917
Investment Activity Income	17.1	375.310	18.906	346.044	14.601
Investment Activity Expenses	17.2	-115.821	-27.396	-80.116	-18.492
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		1.176.065	379.453	1.291.925	406.026
Finance income	18	681.274	1.161.295	369.583	749.765
Finance costs	19	-1.946.347	-2.200.633	-1.133.043	-1.328.057
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		-89.008	-659.885	528.465	-172.266
Tax (Expense) Income, Continuing Operations		-212.407	22.813	-162.347	-7.900
Current Period Tax (Expense) Income	20.3	-239.792	-168.327	-153.490	-96.797
Deferred Tax (Expense) Income	20.3	27.385	191.140	-8.857	88.897
PROFIT (LOSS) FROM CONTINUING OPERATIONS		-301.415	-637.072	366.118	-180.166
PROFIT (LOSS)		-301.415	-637.072	366.118	-180.166
Profit (loss), attributable to [abstract]					
Non-controlling Interests		169.853	20.751	436.757	115.309
Owners of Parent		-471.268	-657.823	-70.639	-295.475
Earnings per share [abstract]					
Earnings per share [line items]					
Basic earnings per share					
Basic Earnings (Loss) Per Share from Continuing Operations					
Sürdürülen Faaliyetlerden Pay Başına Kazanç (Zarar) (tam TL)		-1,94000000	-2,70000000	-0,29000000	-1,21000000
Diluted Earnings Per Share					

Statement of Other Comprehensive Income

Presentation Currency	1.000 TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2019 - 30.06.2019	Previous Period 01.01.2018 - 30.06.2018	Current Period 3 Months 01.04.2019 - 30.06.2019	Previous Period 3 Months 01.04.2018 - 30.06.2018
Statement of Other Comprehensive Income					
PROFIT (LOSS)		-301.415	-637.072	366.118	-180.166
OTHER COMPREHENSIVE INCOME					
Other Comprehensive Income that will not be Reclassified to Profit or Loss		82.423	281.059	62.455	281.895
Gains (Losses) on Remeasurements of Defined Benefit Plans		-3.474	-1.903	-2.393	-858
Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss		-2	0	0	0
Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss		109.236	362.283	82.524	362.283
Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss		-23.337	-79.321	-17.676	-79.530
Deferred Tax (Expense) Income		-23.337	-79.321	-17.676	-79.530
Other Comprehensive Income That Will Be Reclassified to Profit or Loss		1.688.573	2.087.826	71.608	1.537.623
Exchange Differences on Translation		2.135.762	2.426.438	237.409	1.840.805
Other Comprehensive Income (Loss) Related with Cash Flow Hedges		-93.550	275.134	-83.192	237.546
Other Comprehensive Income (Loss) Related with Hedges of Net Investments in Foreign Operations	22	-492.973	-722.442	-132.384	-633.942
Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss		20.934	14.037	10.881	10.372
Taxes Relating to Components of Other Comprehensive Income that will be Reclassified to Profit or Loss		118.400	94.659	38.894	82.842
Deferred Tax (Expense) Income		118.400	94.659	38.894	82.842
OTHER COMPREHENSIVE INCOME (LOSS)		1.770.996	2.368.885	134.063	1.819.518
TOTAL COMPREHENSIVE INCOME (LOSS)		1.469.581	1.731.813	500.181	1.639.352
Total Comprehensive Income Attributable to					
Non-controlling Interests		1.462.978	1.663.050	506.349	1.376.934
Owners of Parent		6.603	68.763	-6.168	262.418

Statement of cash flows (Indirect Method)

Presentation Currency	1.000 TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2019 - 30.06.2019	Previous Period 01.01.2018 - 30.06.2018
Statement of cash flows (Indirect Method)			
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		3.039.881	802.885
Profit (Loss)		-301.415	-637.072
Adjustments to Reconcile Profit (Loss)		2.652.760	2.260.727
Adjustments for depreciation and amortisation expense		1.140.519	760.374
Adjustments for Impairment Loss (Reversal of Impairment Loss)		111.729	27.476
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Receivables		17.356	8.376
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Inventories		35.811	3.826
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Property, Plant and Equipment	17.2	32.445	15.274
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Other Intangible Assets	17.2	26.117	0
Adjustments for provisions		99.695	67.185
Adjustments for (Reversal of) Provisions Related with Employee Benefits		86.125	53.693
Adjustments for (Reversal of) Lawsuit and/or Penalty Provisions		-1.172	896
Adjustments for (Reversal of) Warranty Provisions		5.747	682
Adjustments for (Reversal of) Other Provisions		8.995	11.914
Adjustments for Interest (Income) Expenses		833.391	346.789
Adjustments for unrealised foreign exchange losses (gains)		266.134	833.194
Adjustments for fair value losses (gains)		-16.300	0
Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments		-16.300	0
Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method	8	263.184	329.369
Adjustments for Tax (Income) Expenses	20.3	212.407	-22.813
Adjustments for losses (gains) on disposal of non-current assets	17.1,17.2	-64.769	-4.324
Adjustments for Losses (Gains) Arised From Sale of Tangible Assets	17.1,17.2	-64.769	-4.324
Other adjustments to reconcile profit (loss)		-193.230	-76.523
Changes in Working Capital		927.126	-789.106
Decrease (Increase) in Financial Investments		1.721	1.764
Adjustments for decrease (increase) in trade accounts receivable		-1.762.805	-1.657.341
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		-3.608	17.921
Adjustments for decrease (increase) in inventories		-549.511	-678.930
Adjustments for increase (decrease) in trade accounts payable		2.317.108	1.407.830
Adjustments for increase (decrease) in other operating payables		697.069	528.665
Increase (Decrease) in Deferred Income Other Than Contract Liabilities		-76.639	80.125
Other Adjustments for Other Increase (Decrease) in Working Capital		303.791	-489.140
Decrease (Increase) in Other Assets Related with Operations		380.713	-490.813
Increase (Decrease) in Other Payables Related with Operations		-76.922	1.673
Cash Flows from (used in) Operations		3.278.471	834.549
Interest paid		-147.161	0
Interest received		60.395	0
Payments Related with Provisions for Employee Benefits		-33.895	-18.715
Payments Related with Other Provisions		-7.518	0
Income taxes refund (paid)		-110.411	-12.949
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		869.780	-598.238
Cash Outflows Arising From Purchase of Shares or Capital Increase of Associates and/or Joint Ventures		-27.829	-55.806
Proceeds from sales of property, plant, equipment and intangible assets		269.076	30.548

Purchase of Property, Plant, Equipment and Intangible Assets		-1.058.949	-844.813
Other inflows (outflows) of cash		1.687.482	271.833
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		-1.613.067	-158.050
Proceeds from Issuing Shares or Other Equity Instruments		0	1.985
Proceeds from borrowings		5.446.495	7.618.557
Repayments of borrowings		-5.690.630	-7.195.593
Payments of Lease Liabilities		-317.327	0
Cash Receipts from Future Contracts, Forward Contracts, Option Contracts and Swap Contracts		-41.888	16.178
Dividends Paid		-355.258	-289.348
Interest paid		-811.445	-454.313
Interest Received		156.986	144.484
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		2.296.594	46.597
Effect of exchange rate changes on cash and cash equivalents		68.699	669.878
Net increase (decrease) in cash and cash equivalents		2.365.293	716.475
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	5.269.086	5.789.520
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		7.634.379	6.505.995

Footnote Reference	Equity												Non-controlling interests [member]	
	Equity attributable to owners of parent [member]													
	Issued Capital	Inflation Adjustments on Capital	Share premiums or discounts	Effects of Combinations of Entities or Businesses Under Common Control	Put Option Revaluation Fund Related with Non-controlling Interests	Other Accumulated Comprehensive Income That Will Not Be Reclassified in Profit Or Loss		Other Accumulated Comprehensive Income That Will Be Reclassified in Profit Or Loss			Restricted Reserves Appropriated From Profits [member]	Retained Earnings		
						Gains/Losses on Revaluation and Remeasurement [member]		Exchange Differences on Translation	Reserve Of Gains or Losses on Hedge	Gains (Losses) on Revaluation and Reclassification		Prior Years' Profits or Losses		Net Profit or Loss
						Gains (Losses) on Remeasurements of Defined Benefit Plans	Other Revaluation Increases (Decreases)							

[illegible]

	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					771										771		-771	0
	Equity at end of period	2	243.535	65.771	1.200.135	-7.145	9.499	-18.294	282.581	1.809.012	-201.712		909.511	2.461.105	-657.823	6.096.175		16.791.649	22.887.524
Current Period 01.01.2019 - 30.06.2019	Statement of changes in equity (abstract)																		
	Statement of changes in equity (line items)																		
	Equity at beginning of period		243.535	65.771	1.200.135	-7.145	2.916	-20.538	94.066	1.789.301	-530.777		909.511	2.467.846	-1.168.151	5.046.470		16.413.110	21.459.580
	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				-12.919								-293.541	-861.691	1.168.151				
	Total Comprehensive Income (Loss)							-2.051	85.204	597.204	-202.486				-471.268	6.603		1.462.978	1.469.581
	Profit (loss)														-471.268	-471.268		169.853	-301.415
	Other Comprehensive Income (Loss)							-2.051	85.204	597.204	-202.486					477.871		1.293.125	1.770.996
	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				-129.508									104.508		-25.000		-330.258	-355.258
	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						-246									-246		-1.148.197	-1.148.443
	Equity at end of period		243.535	65.771	1.057.708	-7.145	2.670	-22.589	179.270	2.386.505	-733.263		615.970	1.710.663	-471.268	5.027.627		16.397.633	21.425.460