

**İSKENDERUN DEMİR VE ÇELİK A.Ş.**  
**Financial Report**  
**Unconsolidated**  
**2019 - 3. 3 Monthly Notification**

General Information About Financial Statements

# Statement of Financial Position (Balance Sheet)

Presentation Currency	1.000 TL
Nature of Financial Statements	Unconsolidated

	Footnote Reference	Current Period 30.09.2019	Previous Period 31.12.2018
<b>Statement of Financial Position (Balance Sheet)</b>			
<b>Assets [abstract]</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		39.919	62.468
Trade Receivables		1.062.547	1.341.234
Trade Receivables Due From Related Parties	3	854.041	630.546
Trade Receivables Due From Unrelated Parties		208.506	710.688
Other Receivables		3.570.774	4.927.297
Other Receivables Due From Related Parties	3	3.568.968	4.925.669
Other Receivables Due From Unrelated Parties		1.806	1.628
Inventories	4	4.052.535	4.087.128
Prepayments		50.496	27.048
Prepayments to Unrelated Parties		50.496	27.048
Other current assets		75.369	118.109
Other Current Assets Due From Unrelated Parties		75.369	118.109
<b>SUB-TOTAL</b>		<b>8.851.640</b>	<b>10.563.284</b>
<b>Total current assets</b>		<b>8.851.640</b>	<b>10.563.284</b>
<b>NON-CURRENT ASSETS</b>			
Financial Investments		153	143
Financial Assets Available-for-Sale		153	143
Other Receivables		8.817	8.817
Other Receivables Due From Unrelated Parties		8.817	8.817
Investments accounted for using equity method	5	158.496	145.284
Property, plant and equipment	6	10.459.853	9.931.925
Right of Use Assets	7	219.953	0
Intangible assets and goodwill	6	242.467	232.767
Prepayments		118.467	99.344
Prepayments to Related Parties	3	9.920	38.729
Prepayments to Unrelated Parties		108.547	60.615
<b>Total non-current assets</b>		<b>11.208.206</b>	<b>10.418.280</b>
<b>Total assets</b>		<b>20.059.846</b>	<b>20.981.564</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Current Borrowings		1.031.261	1.362.917
Current Borrowings From Related Parties		0	0
Current Borrowings From Unrelated Parties		1.031.261	1.362.917
Bank Loans	8	1.031.261	1.362.917
Current Portion of Non-current Borrowings		192.424	110.494
Current Portion of Non-current Borrowings from Related Parties		0	0
Current Portion of Non-current Borrowings from Unrelated Parties		192.424	110.494
Bank Loans	8	162.915	110.494
Lease Liabilities	8	29.509	
Trade Payables		1.001.651	1.104.607
Trade Payables to Related Parties	3	215.844	178.503
Trade Payables to Unrelated Parties		785.807	926.104
Employee Benefit Obligations	10	53.755	49.964
Other Payables		31.210	18.692
Other Payables to Related Parties		0	0
Other Payables to Unrelated Parties		31.210	18.692
Derivative Financial Liabilities		139	0
Derivative Financial Liabilities Held for Hedging		139	0
Deferred Income Other Than Contract Liabilities		54.521	25.708
Deferred Income Other Than Contract Liabilities from Unrelated Parties		54.521	25.708
Current tax liabilities, current	12	120.981	432.731
Current provisions		44.917	32.802
Other current provisions	9	44.917	32.802
Other Current Liabilities		19.175	3.089
Other Current Liabilities to Unrelated Parties		19.175	3.089

SUB-TOTAL		2.550.034	3.141.004
Total current liabilities		2.550.034	3.141.004
NON-CURRENT LIABILITIES			
Long Term Borrowings		376.224	299.593
Long Term Borrowings From Unrelated Parties		376.224	299.593
Bank Loans	8	210.435	299.593
Lease Liabilities	8	165.789	
Derivative Financial Liabilities		0	242
Derivative Financial Liabilities Held for Hedging			242
Non-current provisions		308.808	273.100
Non-current provisions for employee benefits	10	308.808	273.100
Deferred Tax Liabilities	12	1.635.911	1.539.857
Total non-current liabilities		2.320.943	2.112.792
Total liabilities		4.870.977	5.253.796
EQUITY			
Equity attributable to owners of parent		15.188.869	15.727.768
Issued capital	13	2.900.000	2.900.000
Inflation Adjustments on Capital		164	164
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		8.944.402	7.870.167
Gains (Losses) on Revaluation and Remeasurement		-38.649	-34.249
Gains (Losses) on Remeasurements of Defined Benefit Plans		-38.649	-34.249
Exchange Differences on Translation		8.983.051	7.904.416
Restricted Reserves Appropriated From Profits		1.364.160	771.641
Legal Reserves		1.364.160	771.641
Prior Years' Profits or Losses		84.277	76.917
Current Period Net Profit Or Loss		1.895.866	4.108.879
Total equity		15.188.869	15.727.768
Total Liabilities and Equity		20.059.846	20.981.564

# Profit or loss [abstract]

Presentation Currency	1.000 TL
Nature of Financial Statements	Unconsolidated

	Footnote Reference	Current Period 01.01.2019 - 30.09.2019	Previous Period 01.01.2018 - 30.09.2018	Current Period 3 Months 01.07.2019 - 30.09.2019	Previous Period 3 Months 01.07.2018 - 30.09.2018
<b>Profit or loss [abstract]</b>					
<b>PROFIT (LOSS)</b>					
Revenue	14	12.590.867	11.503.776	4.032.641	4.741.146
Cost of sales	14	-10.117.131	-7.676.024	-3.324.066	-3.257.328
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		2.473.736	3.827.752	708.575	1.483.818
GROSS PROFIT (LOSS)		2.473.736	3.827.752	708.575	1.483.818
General Administrative Expenses	15	-115.502	-95.945	-38.300	-35.165
Marketing Expenses	15	-81.411	-67.960	-26.437	-27.046
Research and development expense		-177	-141	-93	-42
Other Income from Operating Activities	15	41.011	160.939	-3.372	107.546
Other Expenses from Operating Activities	15	-38.596	-33.384	-15.715	-13.734
PROFIT (LOSS) FROM OPERATING ACTIVITIES		2.279.061	3.791.261	624.658	1.515.377
Investment Activity Income		14	25	1	3
Investment Activity Expenses		-3.615	-6.021	-49	-885
Share of Profit (Loss) from Investments Accounted for Using Equity Method	5	5.598	3.759	2.112	1.437
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		2.281.058	3.789.024	626.722	1.515.932
Finance income	16	429.687	859.968	-95.411	356.629
Finance costs	16	-97.922	-54.091	-32.436	-24.030
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		2.612.823	4.594.901	498.875	1.848.531
Tax (Expense) Income, Continuing Operations	12	-716.957	-1.633.165	-73.830	-807.775
Current Period Tax (Expense) Income		-736.140	-1.266.313	-121.155	-641.081
Deferred Tax (Expense) Income		19.183	-366.852	47.325	-166.694
PROFIT (LOSS) FROM CONTINUING OPERATIONS		1.895.866	2.961.736	425.045	1.040.756
PROFIT (LOSS)		1.895.866	2.961.736	425.045	1.040.756
<b>Profit (loss), attributable to [abstract]</b>					
Non-controlling Interests		0	0	0	0
Owners of Parent		1.895.866	2.961.736	425.045	1.040.756
<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					
Pay Başına Kazanç		0,65374689	1,02128827	0,14656724	0,35888137
<b>Diluted Earnings Per Share</b>					
Diluted Earnings (Loss) per Share from Continuing Operations					
Pay Başına Kazanç		0,65374689	1,02128827	0,14656724	0,35888137

# Statement of Other Comprehensive Income

Presentation Currency	1.000 TL
Nature of Financial Statements	Unconsolidated

	Footnote Reference	Current Period 01.01.2019 - 30.09.2019	Previous Period 01.01.2018 - 30.09.2018	Current Period 3 Months 01.07.2019 - 30.09.2019	Previous Period 3 Months 01.07.2018 - 30.09.2018
<b>Statement of Other Comprehensive Income</b>					
PROFIT (LOSS)		1.895.866	2.961.736	425.045	1.040.756
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Other Comprehensive Income that will not be Reclassified to Profit or Loss</b>		<b>1.074.235</b>	<b>5.748.906</b>	<b>-253.471</b>	<b>3.727.650</b>
Gains (Losses) on Remeasurements of Defined Benefit Plans	10	-5.641	3.726	0	0
Exchange Differences on Translation		1.078.635	5.746.000	-253.471	3.727.650
Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss		1.241	-820	0	0
Taxes Relating to Remeasurements of Defined Benefit Plans	12	1.241	-820	0	0
<b>Other Comprehensive Income That Will Be Reclassified to Profit or Loss</b>		<b>0</b>	<b>0</b>	<b>0</b>	
Other Comprehensive Income (Loss) Related with Cash Flow Hedges		0	0		
Taxes Relating to Components of Other Comprehensive Income that will be Reclassified to Profit or Loss		0	0	0	
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		<b>1.074.235</b>	<b>5.748.906</b>	<b>-253.471</b>	<b>3.727.650</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		<b>2.970.101</b>	<b>8.710.642</b>	<b>171.574</b>	<b>4.768.406</b>
<b>Total Comprehensive Income Attributable to</b>					
Non-controlling Interests		0	0		
Owners of Parent		2.970.101	8.710.642	171.574	4.768.406

# Statement of cash flows (Indirect Method)

Presentation Currency	1.000 TL
Nature of Financial Statements	Unconsolidated

	Footnote Reference	Current Period 01.01.2019 - 30.09.2019	Previous Period 01.01.2018 - 30.09.2018
<b>Statement of cash flows (Indirect Method)</b>			
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		<b>2.659.344</b>	<b>3.064.661</b>
Profit (Loss)		1.895.866	2.961.736
Profit (Loss) from Continuing Operations		1.895.866	2.961.736
<b>Adjustments to Reconcile Profit (Loss)</b>		<b>1.182.301</b>	<b>1.940.835</b>
Adjustments for depreciation and amortisation expense	6/7/14/15	480.078	368.709
Adjustments for Impairment Loss (Reversal of Impairment Loss)		10.661	13.548
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Receivables	15	6.069	2.025
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Inventories	4	4.592	6.206
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Property, Plant and Equipment	6	0	5.317
Adjustments for provisions		62.469	54.474
Adjustments for (Reversal of) Provisions Related with Employee Benefits	10	50.083	50.194
Adjustments for (Reversal of) Lawsuit and/or Penalty Provisions	9	12.386	4.280
Adjustments for Interest (Income) Expenses		-69.344	-126.673
Adjustments for Interest Income	16	-114.614	-144.467
Adjustments for interest expense	16	60.393	30.243
Unearned Financial Income from Credit Sales		-15.123	-12.449
Adjustments for unrealised foreign exchange losses ( gains)		-16.523	697
Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method		-5.598	-3.759
Adjustments for undistributed profits of associates	5	-5.598	-3.759
Adjustments for Tax (Income) Expenses	12	716.957	1.633.165
Other adjustments for non-cash items		0	0
Adjustments for losses (gains) on disposal of non-current assets		3.601	674
Adjustments for Losses (Gains) Arised From Sale of Tangible Assets		3.601	674
<b>Changes in Working Capital</b>		<b>649.963</b>	<b>-771.199</b>
Adjustments for decrease (increase) in trade accounts receivable		392.339	-416.754
Decrease (Increase) in Trade Accounts Receivables from Related Parties		-175.772	-38.505
Decrease (Increase) in Trade Accounts Receivables from Unrelated Parties		568.111	-378.249
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		258	49.784
Decrease (Increase) in Other Unrelated Party Receivables Related with Operations		258	49.784
Adjustments for decrease (increase) in inventories		344.085	-450.828
Decrease (Increase) in Prepaid Expenses		-4.263	-27.823
Adjustments for increase (decrease) in trade accounts payable		-186.564	249.582
Increase (Decrease) in Trade Accounts Payables to Related Parties		23.830	123.740
Increase (Decrease) in Trade Accounts Payables to Unrelated Parties		-210.394	125.842
Adjustments for increase (decrease) in other operating payables		9.841	-85.840
Increase (Decrease) in Other Operating Payables to Unrelated Parties		9.841	-85.840
Increase (Decrease) in Derivative Financial Liabilities		-121	48
Other Adjustments for Other Increase (Decrease) in Working Capital		94.388	-89.368
Decrease (Increase) in Other Assets Related with Operations		51.679	2.546
Increase (Decrease) in Other Payables Related with Operations		42.709	-91.914
<b>Cash Flows from (used in) Operations</b>		<b>3.728.130</b>	<b>4.131.372</b>
Payments Related with Provisions for Employee Benefits	10	-20.381	-15.005
Payments Related with Other Provisions	9	-515	-1.239

Income taxes refund (paid)	12	-1.047.890	-1.050.467
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		<b>-292.957</b>	<b>-255.181</b>
Cash Outflows Arising From Purchase of Shares or Capital Increase of Associates and/or Joint Ventures		0	-126.034
Proceeds from sales of property, plant, equipment and intangible assets		2.632	37
Proceeds from sales of property, plant and equipment		2.632	37
Purchase of Property, Plant, Equipment and Intangible Assets		-254.148	-116.749
Purchase of property, plant and equipment	6	-253.037	-114.983
Purchase of intangible assets	6	-1.111	-1.766
Cash advances and loans made to other parties		-44.646	-12.435
Cash Advances and Loans Made to Related Parties		28.809	-15.744
Other Cash Advances and Loans Made to Other Parties		-73.455	3.309
Dividends received	5	3.205	0
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		<b>-2.466.040</b>	<b>-3.343.720</b>
Proceeds from borrowings		1.526.415	1.522.752
Proceeds from Loans		1.526.415	1.522.752
Repayments of borrowings		-1.894.545	-742.022
Loan Repayments		-1.894.545	-742.022
Decrease in Other Payables to Related Parties	3	1.356.701	-2.205.627
Payments of Lease Liabilities		-28.465	0
Dividends Paid		-3.507.577	-2.028.773
Interest paid		-36.222	-38.599
Interest Received		117.653	148.549
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		-99.653	-534.240
Effect of exchange rate changes on cash and cash equivalents		77.104	638.291
Net increase (decrease) in cash and cash equivalents		-22.549	104.051
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>62.468</b>	<b>11.895</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>39.919</b>	<b>115.946</b>

[illegible]



Current Period 01.01.2019 - 30.09.2019										-3.509.000		-3.509.000		-3.509.000
	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		2.900.000	164	-38.649	8.983.051			1.364.160	84.277	1.895.866	15.188.869		15.188.869