

**ARÇELİK A.Ş.**  
**Financial Report**  
**Consolidated**  
**2020 - 3. 3 Monthly Notification**

**General Information About Financial Statements**

January 1 - September 30, 2020 condensed interim consolidated financial statements

# Statement of Financial Position (Balance Sheet)

Presentation Currency	1.000 TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 30.09.2020	Previous Period 31.12.2019
<b>Statement of Financial Position (Balance Sheet)</b>			
<b>Assets [abstract]</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	11.540.151	6.937.060
Trade Receivables		12.111.167	9.515.845
Trade Receivables Due From Related Parties	27	62.082	17.674
Trade Receivables Due From Unrelated Parties	8	12.049.085	9.498.171
Derivative Financial Assets	7	6.449	2.008
Inventories	10	6.839.220	5.630.251
Prepayments	16	381.711	209.835
Current Tax Assets	17	134.615	141.244
Other current assets	19	579.608	746.403
<b>SUB-TOTAL</b>		<b>31.592.921</b>	<b>23.182.646</b>
Non-current Assets or Disposal Groups Classified as Held for Sale	12	128.164	0
<b>Total current assets</b>		<b>31.721.085</b>	<b>23.182.646</b>
<b>NON-CURRENT ASSETS</b>			
Financial Investments	5	5.446	3.009
Trade Receivables		26.863	51.543
Trade Receivables Due From Related Parties		0	0
Trade Receivables Due From Unrelated Parties	8	26.863	51.543
Investments accounted for using equity method	11	662.956	526.499
Property, plant and equipment	12	6.928.281	6.041.402
Intangible assets and goodwill		4.489.649	3.786.721
Goodwill		980.384	808.786
Other intangible assets	13	3.509.265	2.977.935
Prepayments	16	232.152	125.390
Deferred Tax Asset	25	1.076.817	1.012.290
<b>Total non-current assets</b>		<b>13.422.164</b>	<b>11.546.854</b>
<b>Total assets</b>		<b>45.143.249</b>	<b>34.729.500</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Current Borrowings	6	4.607.845	4.032.534
Current Portion of Non-current Borrowings	6	4.998.035	2.119.221
Trade Payables		8.822.040	5.564.139
Trade Payables to Related Parties	27	958.342	605.967
Trade Payables to Unrelated Parties	8	7.863.698	4.958.172
Employee Benefit Obligations	18	551.356	468.255
Other Payables		706.743	432.225
Other Payables to Related Parties	27	10.333	31.655
Other Payables to Unrelated Parties	9	696.410	400.570
Derivative Financial Liabilities	7	44.807	13.509
Current tax liabilities, current	25	71.246	8.740
Current provisions		1.176.978	713.522
Other current provisions	15	1.176.978	713.522
Other Current Liabilities	19	2.161.195	1.362.780
<b>SUB-TOTAL</b>		<b>23.140.245</b>	<b>14.714.925</b>
<b>Total current liabilities</b>		<b>23.140.245</b>	<b>14.714.925</b>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings	6	7.301.197	8.803.381
Derivative Financial Liabilities	7	0	69.097
Non-current provisions		524.269	483.767
Non-current provisions for employee benefits		385.423	344.486
Other non-current provisions	15	138.846	139.281
Deferred Tax Liabilities	25	696.335	575.898
Other non-current liabilities	19	575.774	266.463
<b>Total non-current liabilities</b>		<b>9.097.575</b>	<b>10.198.606</b>
<b>Total liabilities</b>		<b>32.237.820</b>	<b>24.913.531</b>
<b>EQUITY</b>			
Equity attributable to owners of parent		12.698.817	9.658.284

Issued capital	20	675.728	675.728
Inflation Adjustments on Capital	20	468.811	468.811
Balancing Account for Merger Capital		14.507	14.507
Share Premium (Discount)		889	889
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		-273.294	-225.668
Gains (Losses) on Revaluation and Remeasurement		-273.294	-225.668
Gains (Losses) on Remeasurements of Defined Benefit Plans		-278.052	-228.111
Other Revaluation Increases (Decreases)		4.758	2.443
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss		4.278.817	2.875.004
Exchange Differences on Translation		5.277.824	3.611.032
Gains (Losses) on Hedge		-999.007	-736.028
Gains (Losses) on Cash Flow Hedges		-25.784	-60.101
Gains (Losses) on Hedges of Net Investment in Foreign Operations		-973.223	-675.927
Restricted Reserves Appropriated From Profits	20	409.115	409.115
Prior Years' Profits or Losses		5.439.898	4.515.065
Current Period Net Profit Or Loss		1.684.346	924.833
Non-controlling interests		206.612	157.685
Total equity		12.905.429	9.815.969
Total Liabilities and Equity		45.143.249	34.729.500

# Profit or loss [abstract]

Presentation Currency	1.000 TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2020 - 30.09.2020	Previous Period 01.01.2019 - 30.09.2019	Current Period 3 Months 01.07.2020 - 30.09.2020	Previous Period 3 Months 01.07.2019 - 30.09.2019
Profit or loss [abstract]					
PROFIT (LOSS)					
Revenue	3	27.537.812	23.575.708	11.938.155	8.245.951
Cost of sales		-18.517.180	-15.968.210	-7.806.585	-5.520.482
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS	3	9.020.632	7.607.498	4.131.570	2.725.469
GROSS PROFIT (LOSS)		9.020.632	7.607.498	4.131.570	2.725.469
General Administrative Expenses		-1.454.677	-1.193.844	-551.101	-409.140
Marketing Expenses		-5.055.945	-4.484.376	-2.088.466	-1.603.703
Research and development expense		-229.324	-186.464	-84.407	-64.921
Other Income from Operating Activities	21	1.793.135	677.082	786.082	161.467
Other Expenses from Operating Activities	21	-714.442	-397.632	-319.561	-90.618
PROFIT (LOSS) FROM OPERATING ACTIVITIES		3.359.379	2.022.264	1.874.117	718.554
Investment Activity Income	22	228.855	3.096	611	1.622
Investment Activity Expenses	22	-50.669	-6.735	-49.218	-4.582
Share of Profit (Loss) from Investments Accounted for Using Equity Method	11	46.690	24.388	22.032	8.016
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		3.584.255	2.043.013	1.847.542	723.610
Finance income	23	2.707.888	2.482.736	1.222.428	1.114.988
Finance costs	24	-4.172.970	-3.693.757	-1.784.935	-1.569.052
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		2.119.173	831.992	1.285.035	269.546
Tax (Expense) Income, Continuing Operations		-409.958	-120.871	-243.828	-16.514
Current Period Tax (Expense) Income	25	-370.466	-229.974	-228.717	-47.253
Deferred Tax (Expense) Income	25	-39.492	109.103	-15.111	30.739
PROFIT (LOSS) FROM CONTINUING OPERATIONS		1.709.215	711.121	1.041.207	253.032
PROFIT (LOSS)		1.709.215	711.121	1.041.207	253.032
Profit (loss), attributable to [abstract]					
Non-controlling Interests		24.869	26.294	19.218	12.689
Owners of Parent	26	1.684.346	684.827	1.021.989	240.343
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)	26	2,49300000	1,01300000	1,51200000	0,35600000
Diluted Earnings Per Share					
Diluted Earnings (Loss) per Share from Continuing Operations					
Sürdürülen Faaliyetlerden Sulandırılmış Pay Başına Kazanç (Zarar)	26	2,49300000	1,01300000	1,51200000	0,35600000

# Statement of Other Comprehensive Income

Presentation Currency	1.000 TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2020 - 30.09.2020	Previous Period 01.01.2019 - 30.09.2019	Current Period 3 Months 01.07.2020 - 30.09.2020	Previous Period 3 Months 01.07.2019 - 30.09.2019
<b>Statement of Other Comprehensive Income</b>					
PROFIT (LOSS)		1.709.215	711.121	1.041.207	253.032
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Other Comprehensive Income that will not be Reclassified to Profit or Loss</b>		<b>-47.626</b>	<b>-19.974</b>	<b>-10.107</b>	<b>-2.620</b>
Gains (Losses) on Remeasurements of Defined Benefit Plans		-62.510	-24.068	-13.357	-3.033
Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss		60	-1.343	-87	-646
Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss		2.437	654	701	477
Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss		12.387	4.783	2.636	582
Taxes Relating to Remeasurements of Defined Benefit Plans		12.509	4.816	2.671	606
Taxes Relating to Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss		-122	-33	-35	-24
<b>Other Comprehensive Income That Will Be Reclassified to Profit or Loss</b>		<b>1.454.957</b>	<b>159.381</b>	<b>993.382</b>	<b>-284.059</b>
Exchange Differences on Translation		1.665.065	234.899	1.086.158	-267.661
Other Comprehensive Income (Loss) Related with Cash Flow Hedges		39.628	-60.986	47.022	-64.794
Gains (Losses) on Cash Flow Hedges		39.628	-60.986	47.022	-64.794
Other Comprehensive Income (Loss) Related with Hedges of Net Investments in Foreign Operations		-381.150	-23.938	-218.446	56.477
Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss		56.277	-9.277	40.935	-9.910
Gains (Losses) on Exchange Differences on Translation of Investments Accounted for Using Equity Method		52.871	2.269	37.476	-5.082
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		3.406	-11.546	3.459	-4.828
Taxes Relating to Components of Other Comprehensive Income that will be Reclassified to Profit or Loss		75.137	18.683	37.713	1.829
Taxes Relating to Cash Flow Hedges		-8.717	13.417	-10.345	14.254
Taxes Relating to Gains or Losses on Hedges of Net Investments in Foreign Operations		83.854	5.266	48.058	-12.425
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		<b>1.407.331</b>	<b>139.407</b>	<b>983.275</b>	<b>-286.679</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		<b>3.116.546</b>	<b>850.528</b>	<b>2.024.482</b>	<b>-33.647</b>
<b>Total Comprehensive Income Attributable to</b>					
Non-controlling Interests		76.013	26.143	45.654	9.268
Owners of Parent		3.040.533	824.385	1.978.828	-42.915

# Statement of cash flows (Indirect Method)

Presentation Currency	1.000 TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2020 - 30.09.2020	Previous Period 01.01.2019 - 30.09.2019
<b>Statement of cash flows (Indirect Method)</b>			
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		<b>5.166.107</b>	<b>1.964.650</b>
Profit (Loss)		1.709.215	711.121
Profit (Loss) from Continuing Operations		1.709.215	711.121
<b>Adjustments to Reconcile Profit (Loss)</b>		<b>3.514.784</b>	<b>2.670.705</b>
Adjustments for depreciation and amortisation expense		896.951	776.690
Adjustments for Impairment Loss (Reversal of Impairment Loss)	30	96.231	52.346
Adjustments for provisions	30	979.406	559.723
Adjustments for Interest (Income) Expenses		906.769	1.040.379
Adjustments for Interest Income	23	-132.111	-115.833
Adjustments for interest expense	24	1.038.880	1.156.212
Adjustments for Income Arised from Government Grants	21	-59.358	-29.197
Adjustments for unrealised foreign exchange losses ( gains)	23,24	44.245	60.236
Adjustments for fair value losses (gains)	23,24	508.604	96.542
Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments	23,24	508.604	96.542
Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method	11	-46.690	-24.388
Adjustments for Tax (Income) Expenses	25	409.958	120.871
Adjustments for losses (gains) on disposal of non-current assets	22	-298	-681
Adjustments for (Income) Expense Caused by Sale or Changes in Share of Associates, Joint Ventures and Financial Investments	22	-226.498	4.320
Other adjustments to reconcile profit (loss)	23,24	5.464	13.864
<b>Changes in Working Capital</b>		<b>54.891</b>	<b>-1.297.435</b>
Adjustments for decrease (increase) in trade accounts receivable		-2.668.901	-1.741.538
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		0	0
Adjustments for decrease (increase) in inventories		-1.248.489	-610.973
Decrease (Increase) in Prepaid Expenses		-171.876	-127.601
Adjustments for increase (decrease) in trade accounts payable		3.631.161	1.187.478
Increase (Decrease) in Employee Benefit Liabilities		-14.583	-78.846
Adjustments for increase (decrease) in other operating payables		-28.178	-22.005
Increase (Decrease) in Government Grants and Assistance		35.897	32.462
Other Adjustments for Other Increase (Decrease) in Working Capital		519.860	63.588
<b>Cash Flows from (used in) Operations</b>		<b>5.278.890</b>	<b>2.084.391</b>
Income taxes refund (paid)		-112.783	-119.741
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		<b>-693.233</b>	<b>-1.413.873</b>
Cash Inflows from Losing Control of Subsidiaries or Other Businesses		275.778	0
Cash Flows Used in Obtaining Control of Subsidiaries or Other Businesses		0	-406.321
Cash Outflows Arising From Purchase of Shares or Capital Increase of Associates and/or Joint Ventures	11	-35.228	-112.480
Proceeds from sales of property, plant, equipment and intangible assets		13.360	3.685
Purchase of Property, Plant, Equipment and Intangible Assets		-947.143	-898.757
Cash advances and loans made to other parties		0	0
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		<b>-1.685.504</b>	<b>-677.975</b>
Proceeds from Issuing Shares or Other Equity Instruments		0	0
Payments to Acquire Entity's Shares or Other Equity Instruments		0	0
Proceeds from borrowings	6	3.821.710	5.072.460
Proceeds from Loans	6	3.821.710	4.072.460
Proceeds From Issue of Debt Instruments	6	0	1.000.000
Repayments of borrowings	6	-3.778.035	-4.493.188
Payments of Lease Liabilities	6	-225.703	-199.280

Cash Receipts from Future Contracts, Forward Contracts, Option Contracts and Swap Contracts		-512.204	-154.998
Dividends Paid		-27.086	0
Interest paid		-1.093.135	-1.001.007
Interest Received		134.413	111.902
Other inflows (outflows) of cash	23,24	-5.464	-13.864
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		2.787.370	-127.198
Effect of exchange rate changes on cash and cash equivalents		1.818.022	263.383
Net increase (decrease) in cash and cash equivalents		4.605.392	136.185
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4	6.922.938	5.337.278
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	11.528.330	5.473.463

[illegible]



[illegible]