

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Financial Position

As at 31 March 2021

Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

(Amounts expressed in thousands of TRL unless otherwise stated. Currencies other than TRL also expressed in thousands unless otherwise stated.)

	Unaudited	Audited
	31 March 2021	31 December 2020
ASSETS		
Current Assets	9,740,644	9,770,948
Cash and Cash Equivalents	6,424,222	5,443,456
Financial Investments		
- Restricted Bank Balances	798,760	222,099
- Financial Investments Held to Maturity	488,705	450,395
Trade Receivables		
- Trade Receivables from Related Parties	86,491	96,403
- Trade Receivables from Third Parties	803,098	661,756
Other Receivables		
- Other Receivables from Related Parties	200,027	173,718
- Other Receivables from Third Parties	67,236	1,827,000
Inventories	66,807	64,195
Prepaid Expenses	524,772	405,798
Prepaid Taxes and Funds	75,534	93,367
Other Current Assets	204,992	332,761
Non-Current Assets	24,387,600	22,253,260
Trade Receivables		
- Trade Receivables from Third Parties	256,433	281,263
Other Receivables		
- Other Receivables from Related Parties	23,204	21,178
- Other Receivables from Third Parties	772,408	674,007
Equity-Accounted Investees	3,175,311	3,036,825
Property and Equipment	1,752,095	1,642,771
Right of Use Assets	595,205	593,999
Intangible Assets		
- Goodwill	1,339,560	1,234,577
- Rights From Concession Arrangements	15,868,798	14,134,638
- Other Intangible Assets	108,297	105,320
Prepaid Expenses	118,970	108,130
Deferred Tax Assets	202,334	290,198
Other Non-Current Assets	174,985	130,354
TOTAL ASSETS	34,128,244	32,024,208

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Financial Position As at 31 March 2021 (continued)

Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

(Amounts expressed in thousands of TRL unless otherwise stated. Currencies other than TRL also expressed in thousands unless otherwise stated.)

	Unaudited	Audited
	31 March 2021	31 December 2020
LIABILITIES		
Current Liabilities	6,268,864	11,549,353
Short Term Borrowings	866,533	5,294,844
Current Portion of Long Term Borrowings	1,131,752	1,125,545
Trade Payables		
- Trade Payables to Related Parties	7,995	11,999
- Trade Payables to Third Parties	448,867	471,391
Employee Benefits Payables	113,556	88,791
Other Payables		
- Other Payables to Related Parties	3,011,762	2,755,814
- Other Payables to Third Parties	505,605	1,626,125
Deferred Income	91,984	90,448
Current Tax Liabilities	23,389	27,240
Short Term Provisions		
- Short Term Provisions Related to Employee Benefits	47,873	39,140
Other Short Term Liabilities	19,548	18,016
Non-Current Liabilities	17,839,910	12,055,157
Long Term Borrowings	10,139,807	5,584,889
Other Payables		
- Other Payables to Third Parties	6,928,760	5,753,644
Derivative Financial Instruments	313,426	318,709
Deferred Income	144,129	137,497
Long Term Provisions		
- Long Term Provisions Related to Employee Benefits	156,454	140,586
Deferred Tax Liabilities	157,334	119,832
EQUITY	10,019,470	8,419,698
Total Equity Attributable to Equity Holders of the Company	9,907,458	8,312,423
Share Capital	363,281	363,281
Purchase of Shares of Entities Under Common Control	76,811	76,811
Share Premium	330,200	330,200
Items That Will Not Be Reclassified to Profit or Loss		
- Defined Benefit Obligation Actuarial Differences	(151,935)	(153,633)
- Translation Reserves	7,346,121	6,558,916
Items That Are or May Be Reclassified Subsequently to Profit or Loss		
Loss		
- Translation Reserves	(345,311)	(323,544)
- Cash Flow Hedge Reserve	215,542	(54,127)
- Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method That Will Be Reclassified to Profit or Loss	(65,351)	(70,723)
Treasury Reserves	(31,806)	(31,806)
Legal Reserves	440,202	440,202
Retained Earnings	1,176,846	3,460,130
Profit / (Loss) for the Period	552,858	(2,283,284)
Non-Controlling Interests	112,012	107,275
TOTAL LIABILITIES	34,128,244	32,024,208

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Profit or Loss and Comprehensive Income For the Three-Month Period Ended 31 March 2021

Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

(Amounts expressed in thousands of TRL unless otherwise stated. Currencies other than TRL also expressed in thousands unless otherwise stated.)

		Unaudited
	2021	2020
PROFIT AND LOSSES		
Revenue	538,541	796,208
Cost of Sales (-)	(388,349)	(531,116)
GROSS PROFIT	150,192	265,092
General Administrative Expenses (-)	(273,127)	(264,735)
Marketing Expenses (-)	(1,405)	(1,969)
Other Income From Operating Activities	70,217	82,533
Other Expenses From Operating Activities (-)	(89,262)	(65,514)
OPERATING (LOSS) / PROFIT	(143,385)	15,407
Income From Investing Activities	38,608	17,151
Share of (Loss) from Investments Accounted for Using Equity Method	(171,852)	(131,666)
OPERATING (LOSS) BEFORE FINANCE COSTS	(276,629)	(99,108)
Finance Income	1,400,341	-
Finance Costs (-)	(436,321)	(172,615)
PROFIT / (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	687,391	(271,723)
Tax Expense	(133,217)	(38,891)
Current Year Tax Expense	(14,494)	(8,004)
Deferred Tax Expense	(118,723)	(30,887)
PROFIT / (LOSS) FROM CONTINUING OPERATIONS	554,174	(310,614)
(Loss) from Discontinued Operations	(6,251)	(55,793)
PROFIT / (LOSS) FOR THE PERIOD AFTER DISCONTINUED OPERATIONS	547,923	(366,407)
(Loss) / Profit Attributable to:		
Non-Controlling Interest	(4,935)	10,289
Owners of the Company	552,858	(376,696)
Profit / (Loss) for the Period	547,923	(366,407)
Basic and diluted earnings per share for continued operations (full TRL)	1.54	(0.86)
Basic and diluted earnings per share for discontinued operations (full TRL)	(0.02)	(0.15)

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Profit or Loss and Comprehensive Income For the Three-Month Period Ended 31 March 2021 (continued)

Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

(Amounts expressed in thousands of TRL unless otherwise stated. Currencies other than TRL also expressed in thousands unless otherwise stated.)

	Unaudited	
	2021	2020
OTHER COMPREHENSIVE INCOME :		
Items that will not be reclassified to profit or loss:		
Gains / (losses) on remeasurements of defined benefit plans	-	813
Share of other comprehensive income of associates and joint ventures accounted for using equity method that will not be reclassified to profit or loss		
- Gains on remeasurements of defined benefit plans of associates and joint ventures accounted for using equity method	2,151	813
- Share of other comprehensive income of other associates and joint ventures accounted by equity method that will not be reclassified to profit or loss	3,144	15,885
Exchange differences on translation	784,061	675,905
Taxes relating to components of other comprehensive income that will not be reclassified to profit or loss		
- Losses on remeasurements of defined benefit plans, tax effect	-	(141)
- Share of other comprehensive income of associates and joint ventures accounted for using equity method that will not be reclassified to profit or loss, tax effect	(453)	(141)
	788,903	693,134
Items that will be reclassified subsequently to profit or loss:		
Exchange differences on translation	31,279	(77,641)
Other comprehensive loss related with cash flow hedges		
- Gains / (losses) on cash flow hedges	275,451	(13,219)
Share of other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss		
- Gains / (losses) on cash flow hedges of associates and joint ventures accounted for using equity method	6,713	(36,566)
- Exchange differences on translation of associates and joint ventures accounted for using equity method	(43,374)	(29,355)
Taxes relating to components of other comprehensive income that will be reclassified to profit or loss		
- Other comprehensive income related with cash flow hedges, tax effect	(5,780)	3,401
- Share of other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss, tax effect	(1,343)	7,204
	262,946	(146,176)
OTHER COMPREHENSIVE INCOME	1,051,849	546,958
TOTAL COMPREHENSIVE INCOME	1,599,772	180,551
Total Comprehensive Income Attributable to:		
Non-controlling interest	4,737	3,026
Owners of the company	1,595,035	177,525
Total Comprehensive Income	1,599,772	180,551

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Changes in Equity For the Three-Month Period 31 March 2021

Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

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	Items that will not be Reclassified to Profit or Loss					Items that are or may be Reclassified subsequently to Profit or Loss									

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Cash Flows For the Three-Month Period 31 March 2021

Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

(Amounts expressed in thousands of TRL unless otherwise stated. Currencies other than TRL also expressed in thousands unless otherwise stated.)

	Unaudited	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES	972,158	422,121
Profit / (loss) from continued operations	554,174	(310,614)
Loss from discontinued operations	(6,251)	(55,793)
Adjustments for (loss) / profit for the period	(551,290)	312,873
- Adjustments for depreciation, amortisation and impairment expense	91,159	109,637
- Adjustments for provisions		
Adjustments for provision for defined benefit obligation	11,746	3,999
Adjustments for other provisions	6,020	2,057
- Gain on sale of property and equipment	756	(7,238)
- Adjustments for interest		
Adjustments for interest income	(1,337,069)	(37,111)
Adjustments for interest expenses	383,681	136,921
- Adjustments for unrealised foreign exchange differences	(18,040)	(76,285)
- Adjustments for share of profit of equity-accounted investees	171,852	131,666
- Adjustments for tax expense	138,605	49,227
Increase in working capital	1,001,489	544,311
- Adjustments for decrease in trade receivables		
Decrease in trade receivables from related parties	16,272	21,115
Decrease in trade receivables from third parties	29,716	82,278
- Adjustments for decrease in other receivables	1,824,580	763,861
- Adjustments for (decrease) / increase in inventories	1,369	(907)
- Adjustments regarding decrease in trade payables		
Increase / (decrease) in trade payables to related parties	22,289	(6,628)
Decrease in trade payables to third parties	(53,013)	(48,017)
- Adjustments for other increase in working capital	(839,724)	(267,391)
Cash provided from operations	998,122	490,777
Defined benefits paid	(2,054)	(6,882)
Income taxes paid	(23,910)	(61,774)

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Interim Condensed Consolidated Statement of Cash Flows For the Three-Month Period 31 March 2021 (continued)

Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

(Amounts expressed in thousands of TRL unless otherwise stated. Currencies other than TRL also expressed in thousands unless otherwise stated.)

	Unaudited	
	2021	2020
CASH FLOWS FROM INVESTING ACTIVITIES	(17,125)	2,376
- Proceeds from sale of property, equipment and intangible assets	7,674	3,763
- Acquisition of property, plant and equipment and intangible assets		
Acquisition of property, plant and equipment	(23,056)	(41,389)
Acquisition of intangible assets	(1,547)	(2,339)
- Dividends received	-	5,545
- Other cash (outflows) / inflows	(196)	36,805
- Change in due to related parties		-
CASH FLOWS FROM FINANCING ACTIVITIES	(486,595)	924,786
- Proceeds from borrowings	1,739,627	1,290,875
- Repayment of borrowings	(1,668,440)	(125,813)
- Change in finance lease liabilities	(18,095)	(7,258)
- Dividends paid	-	(405,488)
- Purchase of treasury shares	-	(18,886)
- Interest paid	(26,871)	(444)
- Other cash inflows	(507,419)	185,657
- Interest received	14,974	5,753
- Change in due to related parties	(20,371)	390
NET INCREASE IN CASH AND CASH EQUIVALENTS PRIOR TO FOREIGN CURRENCY TRANSLATION DIFFERENCES	468,438	1,349,283
Foreign currency translation difference on cash and cash equivalents	509,197	429,437
NET INCREASE IN CASH AND CASH EQUIVALENTS	977,635	1,778,720
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5,439,970	3,873,503
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6,417,605	5,652,223