

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL
POSITION AS AT 31 MARCH 2018 AND 31 DECEMBER 2017

(Convenience translation of condensed consolidated interim financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

		Reviewed	Audited
	Notes	31 March 2018	31 December 2017
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	92,005	156,266
Trade receivables		940,728	1,375,334
Trade receivables due from related parties	23.1	733,103	1,111,575
Trade receivables due from third parties	8.1	207,625	263,759
Other receivables		119,564	189,901
Other receivables due from third parties	9	119,564	189,901
Inventories	10	1,983,427	1,425,344
Prepayments	15.1	43,118	28,548
Current income tax assets		-	445
Other current assets	15.4	13,019	18,429
Total current assets		3,191,861	3,194,267
NON-CURRENT ASSETS			
Financial investments		577,747	579,277
Available-for-sale financial assets	6	577,747	579,277
Other receivables		536	524
Other receivables due from third parties		536	524
Investments accounted for using equity method	11	381,554	352,323
Investment property	13	21,163	21,266
Property, plant and equipment	12	980,293	975,348
Intangible assets		33,554	31,731
Prepayments	15.2	6,626	10,608
Deferred tax asset	21	10,817	1,538
Total non-current assets		2,012,290	1,972,615
TOTAL ASSETS		5,204,151	5,166,882

Accompanying notes are an integral part of these condensed consolidated interim financial information.

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	Notes	31 March 2018	31 December 2017
LIABILITIES			
CURRENT LIABILITIES			
Current borrowings	7	2,386,189	2,959,896
Current portion of non-current borrowings	7	2,156	3,836
Trade payables		1,175,188	633,545
Trade payables to related parties	23.4	44,752	44,618
Trade payables to third parties	8.2	1,130,436	588,927
Employee benefit obligations		14,414	24,602
Other payables		143,000	-
Other payables to related parties	23.5	143,000	-
Deferred income	15.3	35,908	32,644
Current tax liabilities	21	24,865	5,827
Current provisions		65,007	68,597
Other current provisions	14	65,007	68,597
Other current liabilities	16	43,057	63,115
Total current liabilities		3,889,784	3,792,062
NON-CURRENT LIABILITIES			
Long-term borrowings	7	11,900	11,106
Deferred income		1,946	1,178
Non-current provisions		35,591	35,091
Non-current provisions for employee benefits		35,591	35,091
Total non-current liabilities		49,437	47,375
TOTAL LIABILITIES		3,939,221	3,839,437
EQUITY			
Equity attributable to equity holders of the Company		1,259,808	1,322,336
Issued capital	17	220,000	220,000
Inflation adjustment on capital	17	23,115	23,115
Treasury shares (-)	17	(220,291)	(220,288)
<i>Accumulated other comprehensive income (loss) that will not be reclassified in profit or loss</i>		<i>(18,784)</i>	<i>(18,014)</i>
Gains (losses) on revaluation and remeasurement		(18,784)	(18,014)
Gains (losses) on remeasurements of defined benefit plans		(18,784)	(18,014)
<i>Accumulated other comprehensive income (loss) that will be reclassified in profit or loss</i>		<i>510,847</i>	<i>510,877</i>
Currency translation differences	17	13,596	12,085
Gains (losses) on revaluation and reclassification		497,251	498,792
Gains (losses) on remeasuring and/or reclassification of available-for-sale financial assets	17	497,251	498,792
Restricted reserves appropriated from profits	17	460,405	446,297
Legal reserves		170,419	156,314
Treasury share reserves		220,291	220,288
Other restricted profit reserves		69,695	69,695
Retained earnings / (Accumulated losses)	17	203,241	177,117
Profit (loss) for the period		81,275	183,232
Non-controlling interests	17	5,122	5,109
TOTAL EQUITY		1,264,930	1,327,445
TOTAL EQUITY AND LIABILITIES		5,204,151	5,166,882

Accompanying notes are an integral part of these condensed consolidated interim financial information.

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS
FOR THE THREE MONTH PERIODS ENDED 31 MARCH

(Convenience translation of condensed consolidated interim financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

	Notes	Reviewed 31 March 2018	Reviewed 31 March 2017
Revenue		2,719,275	2,084,885
Cost of sales		(2,395,051)	(1,852,285)
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		324,224	232,600
GROSS PROFIT (LOSS)		324,224	232,600
General administrative expenses	18	(95,600)	(98,865)
Marketing expenses	18	(93,308)	(74,875)
Other income from operating activities		38,420	38,472
Other expenses from operating activities		(16,725)	(13,115)
PROFIT (LOSS) FROM OPERATING ACTIVITIES		157,011	84,217
Investment activity income	19	7,253	5,504
Share of profit (loss) from investments accounted for using equity method	11	29,318	20,313
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		193,582	110,034
Finance costs	20	(95,394)	(79,827)
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		98,188	30,207
Tax (expense) income, continuing operations		(16,900)	(2,289)
Current period tax (expense) income	21	(25,910)	(9,694)
Deferred tax (expense) income	21	9,010	7,405
PROFIT (LOSS) FROM CONTINUING OPERATIONS		81,288	27,918
PROFIT (LOSS)		81,288	27,918
Profit (loss), attributable to			
Non-controlling interests		13	(370)
Owners of parent		81,275	28,288
Basic earnings per share			
Basic earnings(loss) per share from continuing operations	22	0.4105	0.1321
Diluted earnings per share			
Diluted earnings(loss) per share from continuing operations	22	0.4105	0.1321

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DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OTHER
COMPREHENSIVE INCOME FOR THE THREE MONTH PERIODS
ENDED 31 MARCH

(Convenience translation of condensed consolidated interim financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

	Notes	Reviewed 31 March 2018	Reviewed 31 March 2017
PROFIT (LOSS)		81,288	27,918
Other comprehensive income			
Other comprehensive income that will not be reclassified to profit or loss		(770)	(6,090)
Gains (losses) on remeasurements of defined benefit plans		(963)	(7,613)
<i>Other comprehensive income that will not be reclassified to profit or loss, tax effect</i>		193	1,523
Gains (losses) on remeasurements of defined benefit plans, tax effect	21	193	1,523
Other comprehensive income that will be reclassified to profit or loss		(30)	(685)
Foreign currency translation differences		1,511	883
<i>Gains (losses) on remeasuring and/or reclassification of available-for-sale-financial assets</i>		(1,530)	(1,557)
Gains (losses) on remeasuring available-for-sale-financial assets	6	(1,530)	(1,557)
Share of other comprehensive income of associates and joint ventures accounted for equity method that will be reclassified to profit or loss	11	(87)	(89)
<i>Other comprehensive income that will be reclassified to profit or loss, tax effect</i>		76	78
Gains (losses) on remeasuring or reclassification on available-for-sale-financial assets, tax effect	21	76	78
OTHER COMPREHENSIVE INCOME (LOSS)		(800)	(6,775)
TOTAL COMPREHENSIVE INCOME (LOSS)		80,488	21,143
Total comprehensive income attributable to			
Non-controlling interests		13	(370)
Owners of parent		80,475	21,513

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DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTH PERIODS ENDED 31 MARCH

(Convenience translation of condensed consolidated interim financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

	Issued capital (Note 17)	Inflation adjustments on capital (Note 17)	Treasury Shares (Note 17)	Accumulated other comprehensive income and expense that will not be reclassified through profit or loss	Accumulated other comprehensive income and expense that will be reclassified through profit or loss		Restricted Reserve (Note 17)	Accumulated earnings		Equity attributable to equity holders of the Company	Non- controlling interests (Note 17)	Total Equity
				Gains / losses on remeasurements of defined benefit plans	Foreign currency translation difference (Note 17)	Gains/ Losses on remeasuring of available-for-sale financial assets (Note 17)		Retained earnings/ (Accumulated losses)	Net profit/ loss for the period			
Balance at 1 January 2017	220,000	23,115	(220,274)	(7,636)	5,808	469,664	446,283	(60,557)	237,688	1,114,091	4,622	1,118,713
Transfers	-	-	-	-	-	-	-	237,688	(237,688)	-	-	-
Total comprehensive income (loss)	-	-	-	(6,090)	883	(1,568)	-	-	28,288	21,513	(370)	21,143
Profit (loss) for the period	-	-	-	-	-	-	-	-	28,288	28,288	(370)	27,918
Other comprehensive income (loss)	-	-	-	(6,090)	883	(1,568)	-	-	-	(6,775)	-	(6,775)
Balance at 31 March 2017	220,000	23,115	(220,274)	(13,726)	6,691	468,096	446,283	177,131	28,288	1,135,604	4,252	1,139,856
Balance at 1 January 2018	220,000	23,115	(220,288)	(18,014)	12,085	498,792	446,297	177,117	183,232	1,322,336	5,109	1,327,445
Transfers	-	-	-	-	-	-	14,105	169,127	(183,232)	-	-	-
Total comprehensive income (loss)	-	-	-	(770)	1,511	(1,541)	-	-	81,275	80,475	13	80,488
Profit (loss) for the period	-	-	-	-	-	-	-	-	81,275	81,275	13	81,288
Other comprehensive income (loss)	-	-	-	(770)	1,511	(1,541)	-	-	-	(800)	-	(800)
Dividends paid	-	-	-	-	-	-	-	(143,000)	-	(143,000)	-	(143,000)
Increase (decrease) through treasury shares transactions	-	-	(3)	-	-	-	3	(3)	-	(3)	-	(3)
Balance at 31 March 2018	220,000	23,115	(220,291)	(18,784)	13,596	497,251	460,405	203,241	81,275	1,259,808	5,122	1,264,930

Accompanying notes are an integral part of these condensed consolidated interim financial information.

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE MONTH PERIODS ENDED 31 MARCH

(Convenience translation of condensed consolidated interim financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

	Notes	Reviewed 31 March 2018	Reviewed 31 March 2017
A. CASH FLOWS FROM OPERATING ACTIVITIES:		619,617	558,452
Profit (loss) for the year		81,288	27,918
<i>Adjustments to for profit (loss) for the period reconciliation:</i>		153,591	124,234
Adjustments for depreciation and amortization expense	18.2	21,013	20,824
Adjustments for (reversal of) impairment		693	655
Adjustments for (reversal of) impairment loss of receivables		(7)	194
Adjustments for (reversal of) impairment loss of inventories	10	700	461
Adjustments for provisions		61,877	47,713
Adjustments for provisions for employee benefits		2,354	1,676
Adjustments for (reversal of) lawsuit and/or penalty provision expenses		2,079	2,834
Adjustments for (reversal of) warranty provisions		21,654	10,742
Adjustments for (reversal of) other provisions		35,790	32,461
Adjustments for interest (income) and expense		89,679	78,409
Adjustments for interest income		-	(559)
Adjustments for interest expense		89,679	78,968
Adjustments for unrealized foreign exchange losses (gains)		-	161
Adjustments for undistributed profits of investments accounted for using equity method	11	(29,318)	(20,313)
Adjustments for tax (income) expenses	21	16,900	2,289
Adjustments for losses (gains) on disposal of non-current assets		(7,253)	(5,504)
Adjustments for losses (gains) on disposal of property, plant and equipment	19	(7,253)	(5,504)
Changes in working capital		421,308	429,075
Adjustments for decrease (increase) in trade receivables		434,613	515,947
Decrease (increase) in due from related parties		378,472	322,378
Decrease (increase) in due from third parties		56,141	193,569
Adjustments for decrease (increase) in inventories		(558,783)	(423,842)
Adjustments for increase (decrease) in trade payables		506,544	320,460
Increase (decrease) in due to related parties		134	(7,580)
Increase (decrease) in due to third parties		506,410	328,040
Increase (decrease) in deferred income		4,032	(2,783)
Adjustments for other increase (decrease) in working capital		34,902	19,293
Cash flows from operations		656,187	581,227
Interest received		-	559
Payments related with provisions for employee benefits		(2,817)	(1,394)
Payments related with other provisions		(27,326)	(18,907)
Income taxes refund (paid)		(6,427)	(3,033)
B. CASH FLOWS FROM INVESTING ACTIVITIES		(14,302)	(191,572)
Cash outflows arising from purchase of shares or capital increase of associates and/or joint ventures	11	-	(4,255)
Cash inflow by proceeds from sales of property, plant and equipment and intangible assets		25,744	25,974
Cash inflow by proceeds from sales of property, plant and equipment		25,744	25,974
Cash outflow by acquisition of property, plant and equipment and intangible assets		(40,046)	(213,291)
Cash outflow by acquisition of property, plant and equipment		(33,098)	(207,820)
Cash outflow by acquisition of intangible assets		(6,948)	(5,471)
C. CASH FLOWS FROM FINANCING ACTIVITIES		(668,659)	(370,943)
Proceeds from issuance of borrowings		681,716	822,251
Repayments of borrowings		(1,264,379)	(1,131,846)
Interest paid		(85,993)	(61,348)
Other cash inflows (outflows)		(3)	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE		(63,344)	(4,063)
EFFECT OF EXCHANGE RATE CHANGES (A+B+C)		(917)	(336)
D. EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		(917)	(336)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)		(64,261)	(4,399)
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	156,266	89,098
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	5	92,005	84,699

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