

**ÇELİK HALAT VE TEL SANAYİİ A.Ş.**  
**Financial Report**  
**Consolidated**  
**2019 - 1. 3 Monthly Notification**

General Information About Financial Statements

# Statement of Financial Position (Balance Sheet)

Presentation Currency	TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 31.03.2019	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	3	17.005.052	2.948.073
Trade Receivables		80.935.233	70.608.215
Trade Receivables Due From Related Parties	26	61.167	526.671
Trade Receivables Due From Unrelated Parties	6	80.874.066	70.081.544
Other Receivables		2.096.880	999.599
Other Receivables Due From Unrelated Parties	7	2.096.880	999.599
Inventories	9	40.384.281	58.384.294
Prepayments	16	3.252.593	1.208.793
Other current assets	17	9.337.414	7.575.525
<b>SUB-TOTAL</b>		<b>153.011.453</b>	<b>141.724.499</b>
<b>Total current assets</b>		<b>153.011.453</b>	<b>141.724.499</b>
<b>NON-CURRENT ASSETS</b>			
Financial Investments	4	20.087	20.087
Property, plant and equipment	11	59.780.521	62.419.577
Right of Use Assets	10	1.977.510	0
Intangible assets and goodwill	12	4.932.355	1.992.261
Deferred Tax Asset	24	871.980	0
Other Non-current Assets	17	546.868	405.762
<b>Total non-current assets</b>		<b>68.129.321</b>	<b>64.837.687</b>
<b>Total assets</b>		<b>221.140.774</b>	<b>206.562.186</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Current Borrowings		97.373.982	67.843.481
Current Borrowings From Related Parties		99.401	0
Lease Liabilities	5	99.401	0
Current Borrowings From Unrelated Parties		97.274.581	67.843.481
Bank Loans	5	82.386.772	53.173.433
Lease Liabilities	5	1.857.596	
Other short-term borrowings	5	13.030.213	14.670.048
Trade Payables		57.797.187	71.059.323
Trade Payables to Unrelated Parties	6	57.797.187	71.059.323
Employee Benefit Obligations	8	2.474.414	2.131.897
Other Payables		10.056.727	330.739
Other Payables to Related Parties	26	8.152.063	330.739
Other Payables to Unrelated Parties	7	1.904.664	
Deferred Income Other Than Contract Liabilities	16	2.150.719	1.629.177
Current provisions		1.105.506	348.356
Current provisions for employee benefits	13	608.806	273.656
Other current provisions	13	496.700	74.700
Other Current Liabilities	7	105.739	92.890
<b>SUB-TOTAL</b>		<b>171.064.274</b>	<b>143.435.863</b>
<b>Total current liabilities</b>		<b>171.064.274</b>	<b>143.435.863</b>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings		79.131	0
Long Term Borrowings From Related Parties		79.131	0
Lease Liabilities	5	79.131	0
Non-current provisions		8.271.618	8.184.442
Non-current provisions for employee benefits	15	8.271.618	8.184.442
Deferred Tax Liabilities	24	0	6.681
<b>Total non-current liabilities</b>		<b>8.350.749</b>	<b>8.191.123</b>
<b>Total liabilities</b>		<b>179.415.023</b>	<b>151.626.986</b>
<b>EQUITY</b>			
Equity attributable to owners of parent		41.725.751	54.935.200
Issued capital	18	16.500.000	16.500.000
Inflation Adjustments on Capital	18	8.642.368	8.642.368
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		-4.538.909	-4.538.909

Gains (Losses) on Revaluation and Remeasurement		-4.538.909	-4.538.909
Gains (Losses) on Remeasurements of Defined Benefit Plans	18	-4.538.909	-4.538.909
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss		-4.999	4.382
Exchange Differences on Translation	18	-4.999	4.382
Restricted Reserves Appropriated From Profits	18	3.906.089	2.175.592
Prior Years' Profits or Losses		20.421.270	13.779.136
Current Period Net Profit Or Loss		-3.200.068	18.372.631
Total equity		41.725.751	54.935.200
Total Liabilities and Equity		221.140.774	206.562.186

# Statement of Profit or Loss and Other Comprehensive Income

Presentation Currency	TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2019 - 31.03.2019	Previous Period 01.01.2018 - 31.03.2018
<b>Statement of Profit or Loss and Other Comprehensive Income</b>			
<b>PROFIT (LOSS)</b>			
Revenue	19	74.659.373	78.244.580
Cost of sales	19	-66.107.843	-62.485.101
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		8.551.530	15.759.479
GROSS PROFIT (LOSS)		8.551.530	15.759.479
General Administrative Expenses	20	-3.406.784	-2.801.374
Marketing Expenses	20	-4.834.193	-2.875.243
Research and development expense	20	-671.553	0
Other Income from Operating Activities	22	6.487.103	7.088.157
Other Expenses from Operating Activities	22	-5.771.362	-6.789.937
PROFIT (LOSS) FROM OPERATING ACTIVITIES		354.741	10.381.082
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		354.741	10.381.082
Finance costs	23	-4.433.470	-1.953.194
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		-4.078.729	8.427.888
Tax (Expense) Income, Continuing Operations		878.661	-1.856.693
Current Period Tax (Expense) Income	24		-1.922.830
Deferred Tax (Expense) Income	24	878.661	66.137
PROFIT (LOSS) FROM CONTINUING OPERATIONS		-3.200.068	6.571.195
PROFIT (LOSS)		-3.200.068	6.571.195
<b>Profit (loss), attributable to [abstract]</b>			
Non-controlling Interests		0	0
Owners of Parent		-3.200.068	6.571.195
<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			
<i>Pay Başına Kazanç (Zarar)</i>		-0,19000000	0,40000000
<b>Diluted Earnings Per Share</b>			
<b>OTHER COMPREHENSIVE INCOME</b>			
Other Comprehensive Income that will not be Reclassified to Profit or Loss		-9.381	0
Exchange Differences on Translation		-9.381	
Other Comprehensive Income That Will Be Reclassified to Profit or Loss		0	0
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		<b>-9.381</b>	<b>0</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		<b>-3.209.449</b>	<b>6.571.195</b>
<b>Total Comprehensive Income Attributable to</b>			
Non-controlling Interests		0	0
Owners of Parent		-3.209.449	6.571.195

# Statement of cash flows (Indirect Method)

Presentation Currency	TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2019 - 31.03.2019	Previous Period 01.01.2018 - 31.03.2018
<b>Statement of cash flows (Indirect Method)</b>			
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		<b>-6.544.645</b>	<b>2.092.554</b>
Profit (Loss)		-3.200.068	6.571.195
<b>Adjustments to Reconcile Profit (Loss)</b>		<b>7.375.183</b>	<b>5.891.614</b>
Adjustments for depreciation and amortisation expense	10 11 12	2.313.053	1.322.942
Adjustments for Impairment Loss (Reversal of Impairment Loss)		-75.344	-86.840
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Inventories	9	-75.344	-86.840
Adjustments for provisions		1.308.825	891.000
Adjustments for (Reversal of) Provisions Related with Employee Benefits	13 15	886.825	822.986
Adjustments for (Reversal of) Lawsuit and/or Penalty Provisions	13	347.000	-2.000
Adjustments for (Reversal of) Other Provisions	13	75.000	70.014
Adjustments for Interest (Income) Expenses		894.825	-56.175
Adjustments for Interest Income	22	-86.950	-50.501
Adjustments for interest expense	23	846.659	54.259
Deferred Financial Expense from Credit Purchases	22	0	-358.049
Unearned Financial Income from Credit Sales	22	135.116	298.116
Adjustments for unrealised foreign exchange losses ( gains)		3.812.485	1.963.994
Adjustments for Tax (Income) Expenses	24	-878.661	1.856.693
<b>Changes in Working Capital</b>		<b>-10.013.412</b>	<b>-9.016.416</b>
Adjustments for decrease (increase) in trade accounts receivable		-10.366.907	-16.711.253
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		-5.374.287	-3.012.860
Adjustments for decrease (increase) in inventories		18.152.038	-12.230.897
Adjustments for increase (decrease) in trade accounts payable		-13.357.363	24.304.320
Adjustments for increase (decrease) in other operating payables		933.107	-1.365.726
<b>Cash Flows from (used in) Operations</b>		<b>-5.838.297</b>	<b>3.446.393</b>
Payments Related with Provisions for Employee Benefits	15	-464.499	-175.693
Income taxes refund (paid)		-241.849	-1.178.146
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		<b>-2.059.430</b>	<b>-4.694.656</b>
Purchase of Property, Plant, Equipment and Intangible Assets	11 12	-2.059.430	-4.694.656
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		<b>22.661.054</b>	<b>1.344.600</b>
Proceeds from borrowings		82.685.269	14.944.949
Proceeds from Loans		65.040.614	9.361.143
Proceeds from Factoring Transactions		17.644.655	5.583.806
Repayments of borrowings		-58.798.620	-13.583.224
Loan Repayments		-38.871.606	-13.583.224
Cash Outflows from Factoring Transactions		-19.927.014	0
Payments of Lease Liabilities	5	-465.886	0
Interest paid		-846.659	-69.506
Interest Received		86.950	52.381
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		14.056.979	-1.257.502
Net increase (decrease) in cash and cash equivalents		14.056.979	-1.257.502
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>3</b>	<b>2.948.073</b>	<b>11.215.051</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>3</b>	<b>17.005.052</b>	<b>9.957.549</b>

[illegible]

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