

(Convenience translation to English of Consolidated Financial Statements Originally Issued in Turkish)

İhlas Holding A.Ş. and its Subsidiaries

Consolidated Balance Sheet at March 31, 2018

(All amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

	Audited	Audited
	Current Period	31.12.2017
	31.3.2018	31.12.2017
A S S E T S		
CURRENT ASSETS	2.168.018.701	2.062.215.760
Cash and Cash Equivalents	40.115.086	18.109.173
Trade Receivables	879.578.566	859.819.355
- Related parties	1.020.988	1.018.010
- Non-related parties	878.557.578	858.801.345
Other Receivables	2.298.244	2.117.321
Inventories	824.762.530	817.948.796
Prepaid Expenses	361.163.320	310.899.598
Assets related with Current Tax	361.248	452.524
Other Current Assets	59.361.717	52.491.003
SUBTOTAL	2.167.640.711	2.061.837.770
Assets Held for Sale	377.990	377.990
NON-CURRENT ASSETS	693.872.001	645.546.094
Financial Investments	914.306	914.306
Trade Receivables	122.129.446	75.528.720
Other Receivables	2.998.666	1.869.904
Investments Accounted with Equity Method	25.958.592	29.160.917
Investment Properties	238.409.454	238.529.454
Property, Plant and Equipment	205.818.067	206.545.659
Intangible Assets	19.011.933	17.864.606
- Goodwill	9.692.733	9.692.733
- Other Intangible Assets	9.319.200	8.171.873
Prepaid Expenses	1.738.638	1.746.967
Deferred Tax Asset	76.892.899	73.385.561
TOTAL ASSETS	2.861.890.702	2.707.761.854

LIABILITIES AND SHAREHOLDERS' EQUITY		
SHORT TERM LIABILITIES	1,495,954,141	1,465,243,669
Short-Term Liabilities	70,635,210	68,637,656
Short-Term Portion of Long-Term Liabilities	61,071,481	46,779,734
Trade Payables	230,055,230	218,700,447
- Related parties	6,397,239	4,429,031
- Non-related parties	223,657,991	214,271,416
Liabilities for employee benefits	22,172,573	20,638,561
Other Payables	5,352,460	5,307,609
- Related parties	460,000	435,000
- Non-related parties	4,892,460	4,872,609
Deferred Income	1,055,296,006	1,053,588,471
Current Income Tax Liabilities	1,430,788	400,010
Short-Term Provisions	9,764,203	9,500,630
- Short-Term Provisions for employee benefits		883,259
Other Current Liabilities	40,176,190	41,690,551
LONG TERM LIABILITIES	537,870,900	414,196,651
Long-Term Liabilities	204,450,719	202,922,007
Other Payables	30,594	30,594
Deferred Income	231,735,446	112,327,795
Long-Term Provisions	51,026,777	45,639,489
- Long-Term Provisions for employee benefits	49,678,102	44,290,814
- Other Long-Term Provisions	1,348,675	1,348,675
Deferred Tax Liability	31,679,353	31,340,677
Other Long Term Liabilities	18,948,011	21,936,089
EQUITY	828,065,661	828,321,534
PARENT COMPANY EQUITY	550,239,320	549,251,325
Paid-in Capital	790,400,000	790,400,000
Equity Share Premiums	7,260,265	7,260,265
Other Comprehensive Income not to be Reclassified as Profit or Loss	74,720,040	76,327,966
- Profit/Loss on Revaluation Funds	80,654,433	80,654,433
- Gains/Losses on Remeasurement of Defined Benefit Plans	(5,935,628)	(4,333,402)
Other Capital Reserves	(39,142,656)	6,935
Other Comprehensive Income Accounted with Equity Method not to be Reclassified as Profit or Loss	1,235	
Restricted Reserves	21,422,891	21,422,891
Prior Years' Earnings/Loss	(307,023,411)	(349,769,331)
Profit/Loss for the period	2,602,191	42,745,920
Non-controlling Interests	277,826,341	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,861,890,702	2,707,761,854

INCOME STATEMENTS	01.01.2018- 31.03.2018	01.01.2017- 31.12.2017
CONTINUING OPERATIONS		
Revenue	193.312.711	712.387.940
Cost of Sales	(150.790.894)	(560.390.219)
GROSS PROFIT/LOSS	42.521.817	151.997.721
Marketing Expenses (-)	(7.794.547)	(100.576.552)
General Administrative Expenses (-)	(30.316.235)	(38.409.785)
Research and Development Expenses (-)	(343.431)	(787.628)
Other Operating Income	28.517.462	145.080.785
Other Operating Expenses (-)	(15.243.129)	(61.534.418)
OPERATING PROFIT/LOSS	17.341.937	95.770.123
Revenue from Investing Activities	4.019.749	16.247.398
Expenses of Investing Activities (-)	(449.470)	(16.523.614)
Shares in Profit/Loss of Investments Accounted with Equity Method	(40.765)	(581.297)
PROFIT/LOSS BEFORE FINANCIAL EXPENSES	15.795	94.912.610
Financial Income	550.362	19.412.311
Financial Expenses (-)	(21.406.018)	(86.288.344)
PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS	15.795	28.036.577
Tax Income/Expense from Continuing Operations	1.205.004	7.178.094
- Current Tax Income/Expense	(1.434.149)	(6.108.165)
- Deferred Tax Income/Expense	2.639.153	13.286.259
PROFIT/LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS	1.220.799	35.214.671
DISCONTINUED OPERATIONS		
PROFIT/LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS	-	-
CURRENT YEAR PROFIT / LOSS	1.220.799	35.214.671
Profit/Loss of the Period Attributable to:		
- Non-controlling Interests	(1.381.392)	(7.531.249)
- Equityholders of the Parent	2.602.191	42.745.920
Earnings Per Share	0,0015	0,0446
- Earnings Per Share from Continuing Operations	0,0015	0,0446
- Earnings Per Share from Discontinued Operations	-	-
Diluted Earnings Per Share	-	-
COMPREHENSIVE INCOME STATEMENT (TL) (XI-29 CONSOLIDATED)		
CURRENT YEAR PROFIT / LOSS	1.220.799	35.214.671
Non-Classifiable Items to Profit/ (Loss)		
Change in Revaluation of Property, Plant and Equipment		5.834.890
Gains/Losses on Remeasurement of Defined Benefit Plans	(2.118.035)	(1.368.677)
Non-Classifiable Other Comprehensive Income of Investment Accounted with Equity Method	(10.337)	(66.142)
OTHER COMPREHENSIVE INCOME (After Taxes)	(2.128.372)	4.400.071
TOTAL COMPREHENSIVE INCOME	(907.573)	39.614.742
Total Comprehensive Income Attributable to:		
- Non-controlling Interests	(1.901.838)	(6.425.739)
- Equityholders of the Parent	994.265	46.040.481