VESTEL ELEKTRONİK SANAYİ VE TİCARET AŞ

SUMMARY FINANCIAL STATEMENTS FOR THE PERIOD 01.01.2015 - 30.06.2015

VESTEL

VESTEL ELEKTRONİK SANAYİ VE TİCARET AŞ
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF BALANCE SHEETS
AS OF 30 JUNE 2015 AND 31 DECEMBER 2014

(All amounts in thousand Turkish Lira unless stated otherwise)

		Reviewed	*Audited*
ASSETS	**Note**	**30.06.2015**	**31.12.2014**
Current Assets		**5,528,854**	**4,866,593**
Cash and Cash Equivalents	5	714,386	618,673
Derivative Financial Instruments	26	61,413	99,300
Trade Receivables		1,982,840	1,931,883
Related Parties	8	61,471	54,449
Other Parties	9	1,921,369	1,877,434
Other Receivables		340,886	377,605
Related Parties	8	71,996	177,098
Other Parties	10	268,890	200,507
Inventories	11	2,330,916	1,722,930
Prepaid Expenses	12	60,968	89,490
Current Income Tax Assets		5,410	5,180
Other Current Assets	19	32,035	21,532
Non - Current Assets		**3,014,668**	**2,454,752**
Financial Investments	6	5,650	6,577
Trade Receivables		152,061	118,358
Other Parties	9	152,061	118,358
Other Receivables		884,030	420,990
Related Parties	8	867,991	404,455
Other Parties	10	16,039	16,535
Prepaid Expenses	12	9,354	8,726
Property, Plant And Equipment	13	1,387,214	1,365,087
Intangible Assets		511,174	482,229
Goodwill		197,793	197,793
Other Intangible Assets	14	313,381	284,436
Other Non-Current Assets	19	11,664	13,566
Deferred Tax Asset	24	53,521	39,219
TOTAL ASSETS		**8,543,522**	**7,321,345**

The accompanying notes are an integral part of these financial statements

VESTEL ELEKTRONİK SANAYİ VE TİCARET AŞ
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF BALANCE SHEETS
AS OF 30 JUNE 2015 AND 31 DECEMBER 2014

(All amounts in thousand Turkish Lira unless stated otherwise)

LIABILITIES AND SHAREHOLDERS' EQUITY	**Note**	*Reviewed* **30.06.2015**	*Audited* **31.12.2014**
Current Liabilities		**6,569,458**	**4,575,629**
Short Term Financial Liabilities	7	982,089	325,436
Short Term Portion of Long Term Financial Liabilities	7	1,116,382	125,889
Trade Payables		3,958,401	3,720,176
Related Parties	8	5,578	5,064
Other Parties	9	3,952,823	3,715,112
Liabilities for Employee Benefits	17	53,378	60,840
Other Payables		4,362	1,672
Other Parties		4,362	1,672
Derivative Financial Instruments	26	104,522	32,391
Current Income Tax Liabilities	24	13,467	4,224
Short Term Provisions		156,073	140,877
Other Short Term Provisions	15	156,073	140,877
Other Current Liabilities	19	180,784	164,124
Non-Current Liabilities		**658,827**	**1,375,067**
Long-Term Financial Liabilities	7	504,139	1,198,207
Other Financial Liabilities			
Trade Payables		7,262	-
Other Parties		7,262	-
Other Payables		1,462	1,338
Other Parties		1,462	1,338
Long term provisions		108,740	97,183
Provisions for Employee Benefits	17	81,628	73,768
Other Long Term Provisions	15	27,112	23,415
Derivative Financial Instruments	26	-	23,121
Other Non-Current Liabilities		332	332
Deferred Tax Liability	24	36,892	54,886
SHAREHOLDER'S EQUITY		**1,315,237**	**1,370,649**
Paid in Capital	20	335,456	335,456
Adjustments to Share capital	20	688,315	688,315
Share Premium	20	103,165	103,078
Other Comprehensive Income/Expense not to be Reclassified to Profit or Loss		406,100	411,851
Revaluation Gain/Loss		406,100	411,851
Revaluation of Tangible Fixed Assets	20	430,321	435,434
Actuarial Gain/Loss Arising from Defined Benefit Plans		(24,221)	(23,583)
Other Comprehensive Income/Expense to be Reclassified to Profit or Loss		(22,856)	(3,691)
Foreign Currency Translation Differences		(21,727)	(40,450)
Cash Flow Hedges		(2,629)	34,523
Financial Assets Revaluation Funds	20	1,500	2,236
Restricted Reserves	20	28,314	28,314
Accumulated Deficits	20	(231,200)	(334,583)
Net Profit / (Loss) for the Period		(32,455)	97,376
NON-CONTROLLING INTERESTS		**40,398**	**44,533**
TOTAL LIABILITIES AND EQUITY		**8,543,522**	**7,321,345**

The accompanying notes are an integral part of these financial statements

VESTEL ELEKTRONİK SANAYİ VE TİCARET AŞ
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 AND 30 JUNE 2014

(All amounts in thousand Turkish Lira unless stated otherwise)

	Note	*Reviewed* **01.01-30.06.2015**	*Reviewed* **01.01-30.06.2014**
Revenue	21	**3,737,856**	**3,622,151**
Cost of sales (-)	21	(2,873,124)	(2,833,753)
GROSS PROFIT		**864,732**	**788,398**
Marketing, selling and distribution expenses		(449,373)	(382,785)
General administrative expenses		(93,846)	(88,437)
Research and development expenses		(64,502)	(48,857)
Other income from operating activities	22	255,768	76,507
Other expenses from operating activities	22	(403,846)	(119,213)
OPERATING PROFIT (LOSS)		**108,933**	**225,613**
Financial income	23	601,931	134,656
Financial expenses	23	(750,828)	(210,567)
PROFIT (LOSS) BEFORE TAXATION		**(39,964)**	**149,702**
Tax income / (expense)			
Current tax expense	24	(14,023)	(15,290)
Deferred Tax Income/(Expense)	24	24,644	(4,580)
NET PROFIT (LOSS) FOR THE PERIOD		**(29,343)**	**129,832**
Non-controlling interest		3,112	4,652
Equity holders of the parent		**(32,455)**	**125,180**
PROFIT PER SHARE (TL)	25	**(0.10)**	**0.37**

The accompanying notes are an integral part of these financial statements.

VESTEL ELEKTRONİK SANAYİ VE TİCARET AŞ
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASHFLOWS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 AND 30 JUNE 2014

(All amounts in thousand Turkish Lira unless stated otherwise)

	Note	*Reviewed* **01.01-30.06.2015**	*Reviewed* **01.01-30.06.2014**
Operating Activities:			
Profit/ (Loss) Before Tax		**(39,964)**	**149,702**
Adjustments to reconcile net income to net cash provided by operating activities :			
- Depreciation and amortization	13	148,889	131,904
- Goodwill impairment		--	4,416
- Changes in other provisions		18,893	3,458
- Provision for employment termination benefits	17	12,951	3,159
- Provision for impairment on inventories	11	2,647	10,398
- Provision for doubtful receivables	9	10,115	30,683
- Interest expense	23	131,806	72,459
- Interest income	23	(41,904)	(17,963)
- (Gain) / loss from sales of tangible and intangible assets		(848)	(1,765)
- Derivative financial instruments (income) / expense accrual		40,457	(7,420)
- Unrealized foreign exchage differences		40,189	10,502
Change in blocked cash and cash equivalents	5	(509)	(9,649)
Changes in working capital			
(Increase) / decrease in trade receivables		(94,775)	(211,963)
(Increase) / decrease in inventories		(611,624)	(236,295)
(Increase) / decerase in other receivables and other current assets		(46,906)	(35,129)
(Increase) / decrease in other non-current assets		2,398	(1,147)
Increase / (decrease) in trade payables		245,487	233,190
Increase/(decrease) in other payables and other liabilities		12,012	84,600
Net cash provided by operating activities			
Employment termination benefits paid	17	(5,888)	(4,961)
Current income tax paid	24	(4,316)	(9,527)
Net cash (used in) operating activities		**(180,890)**	**198,652**
Investing Activities:			
Acquisition of tangible assets	13	(120,136)	(113,213)
Cash provided from sales of tangible and intangible assets		2,441	4,552
Acquisition of intangible assets	14	(60,106)	(46,523)
Transactions with non-controlling shareholders		(627)	(36,453)
Net cash (used in) investing activities		**(178,428)**	**(191,637)**
Financing Activities:			
Proceeds from bank borrowings		1,451,716	828,619
Repayment of bank borrowings		(567,212)	(424,270)
Dividends paid		(5,639)	(1,594)
Increase in other receivables from related parties		(358,434)	(155,354)
Interest paid		(103,421)	(59,432)

Interest received		41,904	17,963
Net cash provided by financing activities		**458,914**	**205,932**
Net increase in cash and cash equivalents before currency translation differences		**99,596**	**212,947**
Effect of currency translation differences on cash and cash equivalents		(4,392)	(13,848)
Net increase in cash and cash equivalents		**95,204**	**199,099**
Cash and cash equivalents as of January 1	5	**565,751**	**307,690**
Cash and cash equivalents as of June 30	5	**660,955**	**506,789**

The accompanying notes are an integral part of these financial statements.