

VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED BALANCE SHEETS
AS OF 31 MARCH 2006 AND 31 DECEMBER 2005

(All amounts in thousand New Turkish Lira unless stated otherwise)

ASSETS	Note	<i>Audited</i> 31.03.2006	<i>Audited</i> 31.12.2005
Current Assets		3.196.071	3.223.547
Cash and Cash Equivalents	4	461.192	621.778
Marketable Securities (net)	5	--	--
Trade Receivables (net)	7	1.341.802	1.367.201
Financial Lease Receivables (net)	8	--	--
Due from Related Parties	9	3.063	1.815
Other Receivables (net)	10	43.543	32.561
Biological Products (net)	11	--	--
Inventory (net)	12	1.183.671	1.030.443
Construction Contracts Work in Progress	13	19.456	17.273
Deferred Tax Asset	14	19.846	47.780
Other Current Assets	15	123.498	104.696
Non - Current Assets		1.107.964	1.110.828
Trade Receivables (net)	7	14.533	13.085
Financial Lease Receivables (net)	8	--	--
Due from Related Parties	9	--	--
Other Receivables (net)		--	--
Investments (net)	16	2.643	3.067
Positive/Negative Goodwill (net)	17	79.825	79.812
Investment Property (net)	18	--	--
Property, Plant And Equipment, Net	19	947.040	951.448
Intangible Assets, Net	20	17.624	17.158
Deferred Tax Asset	14	13.245	13.091
Other Non-Current Assets	15	33.054	33.167
TOTAL ASSETS		4.304.035	4.334.375

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

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CONSOLIDATED BALANCE SHEETS
AS OF 31 MARCH 2006 AND 31 DECEMBER 2005

(All amounts in thousand New Turkish Lira unless stated otherwise)

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	<i>Audited</i> 31.03.2006	<i>Audited</i> 31.12.2005
Current Liabilities		2.555.231	2.510.061
Borrowings (net)	6	170.742	138.060
Current Instalments Of Long Term Loans (net)	6	165.454	29.981
Financial Lease Liabilities (net)	8	3.416	3.893
Other Financial Liabilities (net)		--	--
Trade Payables (net)	7	2.069.222	2.063.321
Due to Relates Parties (net)	9	9.256	7.934
Advances Received	21	26.314	18.373
Deferred billings (net)	13	23.787	20.263
Expense Accruals	23	60.740	146.425
Deferred Tax Liability	14	3.415	49.582
Other Liabilities (net)	10	22.885	32.229
Non -Current Liabilities		512.301	613.510
Borrowings (net)	6	429.059	522.643
Financial Lease Liabilities (net)	8	2.392	2.954
Other Financial Liabilities (net)		--	--
Trade Payables (net)	7	--	--
Due to Relates Parties (net)	9	--	--
Advances Received	21	--	--
Expense Accruals	23	20.391	18.456
Deferred Tax Liability	14	60.279	68.981
Other Liabilities (net)		180	476
MINORITY INTERESTS	24	159.992	155.475
SHAREHOLDER'S EQUITY		1.076.511	1.055.329
Share capital	25	159.100	159.100
Investment and Capital net-off		--	--
Capital Reserves	26	810.231	810.659
Premium in access of par		--	--
Profit on cancelled shares		--	--
Revaluation reserve of tangible fixed assets		--	--
Revaluation reserve of equity participations		2.198	2.626
Equity Inflation Adjustment Differences		808.033	808.033
Profit Reserves	27	274.204	227.043
Legal Reserves		20.326	17.982
Special Reserves		--	--
Extraordinary Reserves		255.581	211.056
Special Funds		22	22
Profit From Sale of Investment and From Sale of Property to be added on to Share Capital		--	--
Foreign Currency Translation Differences		(1.725)	(2.017)
Net Profit for the period		21.318	86.400
Retained Loss	28	(188.342)	(227.873)
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		4.304.035	4.334.375

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2006

(All amounts in thousand New Turkish Lira unless stated otherwise)

	<i>Note</i>	<i>Audited</i> 01.01- 31.03.2006	<i>Audited</i> 01.01- 31.03.2005
BASIC OPERATING INCOME			
Sales (net)	36	1.117.839	951.959
Cost of Sales (-)		(961.661)	(820.775)
GROSS PROFIT		156.178	131.184
Operating expenses (-)	37	(126.559)	(105.138)
BASIC OPERATING PROFIT (NET)		29.619	26.046
Other Income	38	85.122	95.502
Other Expenses (-)	38	(44.582)	(57.294)
Financing Expenses (-)	39	(59.619)	(47.350)
OPERATING PROFIT		10.540	16.904
Net Monetary Gain	40	--	--
Minority Interest	24	(4.484)	(7.288)
PROFIT BEFORE TAX		6.056	9.616
Taxes	41	15.262	6.634
NET INCOME FOR THE PERIOD		21.318	16.250
EARNINGS PER SHARE (YTL)	42	0,0001	0,0001

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VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED CASH FLOW STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2006
(All amounts in thousand New Turkish Lira unless stated otherwise)

Audited

01.01-

31.03.2006

CASH FLOWS FROM OPERATING ACTIVITIES	Note	01.01- 31.03.2006
Net income before tax		6.056
Adjustment to reconcile net income to net cash provided from operating activities:		
Depreciation and amortization		31.792
Provision for retirement pay	23	2.802
Provision for diminution in value of inventories		(24)
Provision for doubtful accounts		29
Minority interests		4.517
Loss on sale of property, plant, equipment		(21)
Increase and decrease in other provisions		(89.919)
Interest income		(10.256)
Interest expense		17.060
Operating profit before changes in working capital		(37.964)
Changes in trade receivables		25.910
Changes in related parties		74
Changes in inventory		(153.204)
Changes in other current assets		(31.854)
Changes in trade payables		6.293
Changes in other current liabilities		(9.590)
Retirement pay	23	867
Net cash provided by operating activities		(199.468)
Cash flows from investing activities		
Purchases of property, plant, equipment	19	(26.027)
Purchases of intangible fixed assets	20	(1.815)
Increase in investments	16	--
Decrease in available for sale assets	16	(4)
Net cash used in investing activities		(27.846)
Cash flows from financing activities		
Changes in borrowings, net		74.571
Changes in financial lease, net		(1.039)
Interest paid	39	(17.060)
Interest received	38	10.256
Net cash used in financing activities		66.728
Changes in cash and cash equivalents		(160.586)
Cash and cash equivalents at beginning of period		621.778
Cash and cash equivalents at end of period		461.192

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