

VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED BALANCE SHEETS
AS OF 30 SEPTEMBER 2005 AND 31 DECEMBER 2004

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

ASSETS	Note	<i>Audited</i> 30.09.2005	<i>Audited</i> 31.12.2004
Current Assets		2.877.131	2.681.244
Cash and Cash Equivalents	4	577.873	688.994
Marketable Securities (net)	5	--	--
Trade Receivables (net)	7	1.130.463	981.818
Financial Lease Receivables (net)	8	--	--
Due from Related Parties	9	3.999	40.660
Other Receivables (net)	10	33.503	26.087
Biological Products (net)	11	--	--
Inventory (net)	12	1.006.748	868.801
Construction Contracts Work in Progress	13	14.397	--
Deferred Tax Asset	14	42.909	25.420
Other Current Assets	15	67.239	49.464
Non - Current Assets		1.117.635	986.678
Trade Receivables (net)	7	10.476	9.973
Financial Lease Receivables (net)	8	--	--
Due from Related Parties	9	--	--
Other Receivables (net)		265	--
Investments (net)	16	2.913	4.653
Positive/Negative Goodwill (net)	17	79.831	78.156
Investment Property (net)	18	--	--
Property, Plant And Equipment, Net	19	951.941	829.531
Intangible Assets, Net	20	19.257	28.023
Deferred Tax Asset	14	18.144	34.357
Other Non-Current Assets	15	34.808	1.985
TOTAL ASSETS		3.994.766	3.667.922

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

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CONSOLIDATED BALANCE SHEETS
AS OF 30 SEPTEMBER 2005 AND 31 DECEMBER 2004

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

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	<i>Audited</i> 30.09.2005	<i>Audited</i> 31.12.2004
Current Liabilities		2.180.372	1.861.144
Borrowings (net)	6	145.179	136.611
Current Instalments Of Long Term Loans (net)	6	39.507	8.731
Financial Lease Liabilities (net)	8	4.353	4.761
Other Financial Liabilities (net)		--	--
Trade Payables (net)	7	1.742.594	1.553.875
Due to Relates Parties (net)	9	7.504	685
Advances Received	21	24.128	19.782
Deferred billings (net)	13	19.669	--
Expense Accruals	23	128.110	68.939
Deferred Tax Liability	14	49.727	45.957
Other Liabilities (net)	10	19.601	21.803
Non -Current Liabilities		640.299	716.236
Borrowings (net)	6	538.971	479.765
Financial Lease Liabilities (net)	8	4.136	7.038
Other Financial Liabilities (net)		--	--
Trade Payables (net)	7	14.353	--
Due to Relates Parties (net)	9	--	--
Advances Received	21	--	--
Expense Accruals	23	17.941	117.030
Deferred Tax Liability	14	64.605	112.320
Other Liabilities (net)		293	83
MINORITY INTERESTS	24	158.830	121.638
SHAREHOLDER'S EQUITY		1.015.265	968.904
Share capital	25	159.100	159.100
Investment and Capital net-off		--	--
Capital Reserves	26	810.547	808.170
Premium in access of par		--	--
Profit on cancelled shares		--	--
Revaluation reserve of tangible fixed assets		--	--
Revaluation reserve of equity participations		2.514	2.348
Equity Inflation Adjustment Differences		808.033	805.822
Profit Reserves	27	227.143	192.156
Legal Reserves		17.982	12.946
Special Reserves		--	--
Extraordinary Reserves		211.056	180.974
Special Funds		22	--
Profit From Sale of Investment and From Sale of Property to be added on to Share Capital		--	--
Foreign Currency Translation Differences		(1.917)	(1.764)
Net Profit for the period		46.348	95.703
Retained Loss	28	(227.873)	(286.225)
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		3.994.766	3.667.922

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF INCOME
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2005

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

	<i>Note</i>	<i>Audited</i> 01.01- 30.09.2005	<i>Audited</i> 01.07- 30.09.2005
BASIC OPERATING INCOME			
Sales (net)	36	2.912.888	1.033.280
Cost of Sales (-)		(2.485.397)	(872.811)
GROSS PROFIT		427.491	160.469
Operating expenses (-)	37	(350.195)	(125.807)
BASIC OPERATING PROFIT (NET)		77.296	34.662
Other Income	38	277.610	51.769
Other Expenses (-)	38	(112.072)	(19.760)
Financing Expenses (-)	39	(162.782)	(68.735)
OPERATING PROFIT		80.052	(2.064)
Net Monetary Gain	40	--	--
Minority Interest	24	(33.777)	(10.866)
PROFIT BEFORE TAX		46.275	(12.930)
Taxes	41	73	9.190
NET INCOME FOR THE PERIOD		46.348	(3.740)
EARNINGS PER SHARE (YTL)	42	0,0003	(0,00002)

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VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED CASH FLOW STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2005
(All amounts in thousand New Turkish Lira unless stated otherwise)

Audited

01.01-

30.09.2005

CASH FLOWS FROM OPERATING ACTIVITIES	Note	01.01- 30.09.2005
Net income before tax		46.275
Adjustment to reconcile net income to net cash provided from operating activities:		
Depreciation and amortization		83.724
Provision for retirement pay	23	5.596
Provision for diminution in value of inventories		1.362
Provision for doubtful accounts		(2.782)
Minority interests		37.192
Loss on sale of property, plant, equipment		(4.915)
Increase and decrease in other provisions		(21.414)
Interest income		(54.470)
Interest expense		24.062
Operating profit before changes in working capital		114.630
Changes in trade receivables		(146.152)
Changes in related parties		43.480
Changes in inventory		(139.309)
Changes in other current assets		(72.676)
Changes in trade payables		202.862
Changes in other current liabilities		(50.178)
Retirement pay	23	2.796
Net cash provided by operating activities		(44.547)
Cash flows from investing activities		
Purchases of property, plant, equipment	19	(196.167)
Purchases of intangible fixed assets	20	2.039
Increase in investments	16	(28)
Decrease in available for sale assets	16	1.934
Net cash used in investing activities		(192.222)
Cash flows from financing activities		
Changes in borrowings, net		118.230
Changes in financial lease , net		(3.310)
Interest paid	39	(43.742)
Interest received	38	54.470
Net cash used in financing activities		125.648
Changes in cash and cash equivalents		(111.121)
Cash and cash equivalents at beginning of period		688.994
Cash and cash equivalents at end of period		577.873

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